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*Research in the Economics of the Performing Arts*  
**ERASMUS UNIVERSITY ROTTERDAM**

# ***COLLABORATION AND INTEGRATION IN PERFORMING ARTS***

*Enlarging financial, artistic and social value by doing it  
collectively: a qualitative study in the Netherlands*



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## 1. Introduction

As a result of declining government support, performing arts organisations (PAOs) face increased challenges and difficulties in the sector. They attempt to develop new ways of generating income and seek new models of organising the production and presentation of performing arts. Hereby, we can think of collaboration and integration as horizontal and vertical within the production chain of performing arts. There are various reasons for cultural organisations to decide upon collaboration, such as increasing organisational capacity, engaging new audience and building organisational networks (Ostrower, 2005). Other reasons for deciding upon collaboration are economies of scale and stronger profiling of the performing arts organisation. Collaboration intensifies knowledge, thus the performing arts market becomes more dynamic and there is more room for experimentation.

The issue or threat, however, is that not all collaboration processes are successful. According to Kottler and Scheff (1996), the organisation needs to meet several conditions in order to build an efficient collaboration: one has to set a goal-building consensus, build trust, communicate, design leadership and involvement structures, and commit adequate resources. These are the fundamental conditions but during the process of collaboration there are other issues that need to be considered. A frequent threat is that parties often have different motives to collaborate. For example, for commercial organisations the motive could be generating more profit whereas for non-profit art organisations, especially in these times, collaboration means survival. A related issue is whether collaboration aimed at surviving is a good motive for collaboration formation.

Moreover, fear may exist of losing an organisation's identity or artistic autonomy, employees may become anxious, the coordination costs might increase and parties may need additional resources and time to establish such a project. Backer (2003) summarises this dilemma in the following question: *'How can parties control the collaboration in an efficient way while at the same time meeting their main objectives and guarding their own artistic identity?'*

### 1.1. Aims and objectives

The research aims to explore different types of collaboration and integration structures and develop knowledge about the effects of current ways of working together, mechanisms for optimising the effects, and conditions for achieving the expected results. Effects concern influences of collaboration and integration on the artistic, social and financial values of performing arts organisations. The research attempts to collect best practices and problems of collaborative practices in the Dutch performing arts sector through empirical investigation. The literature review describes advantages and disadvantages of collaboration, both within the art sector and in general. In recent years, the Dutch government is greatly stimulating collaboration between performing arts organisations and different parties. The aim of the research is to investigate whether these collaborations are fruitful and whether it is possible to make general propositions about collaboration within the performing arts sector. The two researchers together with the chair holder conduct a research related to a scientific project within the field of Economics of the Performing Arts. The project aims to result in a scientific publication.

In relation to the main theme of the whole research, we aim to find answers to the following questions: *What are different ways of generating income and organising the production and presentation of performing arts? What do we mean by horizontal and vertical integration? Are there other kinds of cooperation within the production chain of performing arts? What are the effects of current ways of collaboration and integration on the artistic, financial and social value of performing arts organisations? What are the mechanisms for optimising these effects? What are the conditions for achieving the expected results and what are the ingredients of a successful collaboration?*

## **1.2. Research questions**

In order to investigate this specific topic, a main research question and several sub-questions were formulated. The main question of the research is the following: *'What are the aspects, results and experiences of different types of collaboration and integration in the Dutch performing arts sector?'*

The following sub-questions were added to the main research question in order to identify different aspects and directions in the research.

1. What are the different types of collaboration and integration that exist in the performing arts sector?
2. What are the motives of performing arts organisations to collaborate?
3. How can collaborations encourage the fulfilment of the missions of performing arts organisations?
4. What are the advantages and disadvantages of different types of collaboration and integration?
5. What are the outcomes of collaborations when the collaboration is either voluntary or enforced? Do these outcomes significantly differ?
6. What are the criteria for a successful collaboration and integration?
7. Which factors hinder the success of collaborations and integrations in the performing arts sector?

## 2. Theoretical Framework

### 2.1. Introduction

In neoclassical economics, “The presence or absence of competition determines the economic structure of the industry (Towse, 2010, p. 121). Based on the economic theory of firms, in a perfect market there are many firms competing against each other and none of them are large enough to influence the market. There are numerous buyers and sellers on the market and products produced by firms are homogeneous. There are no barriers for potential firms to enter the market and in this ideal situation everyone has perfect information about market conditions. This is, however, an ideal industry structure theorised by economics and reality shows a somewhat different picture.

While perfect market can be found on one end of the continuum, monopoly is located on the other end. Monopoly is an industry structure where a single firm produces a product. This firm is the sole price-maker as there is no competition on the market. In a monopoly, there are high barriers to entry and exit and monopolies attempt to maintain this situation in order to ensure high profits. There are different approaches towards monopoly. From a dogmatic approach if a firm is accused of setting up a monopoly, it can be taken to court. Anti-trust legislation bans monopoly and from this perspective monopoly is illegal. From a pragmatic point of view, we can examine monopolies by looking at the advantages and disadvantages of this structure. A resulted advantage might be lower prices for the consumer. Finally, from the point of high state control, the government can take over the monopoly if it is assumed that the government can operate the firm better for the ‘benefit of the country’ (Towse, 2010).

Some economists argue that only competitive behaviour can be expected from organisations operating in the same sector and aiming for the same resources. However, between the extremes of perfect competition and monopoly, there are several alternative solutions. In order to deal with the challenges of market situations, firms often decide to collaborate and to make certain production decisions together. Collaboration can take many forms that will be discussed in details in a later paragraph (see 2.9). Councils, committees and alliances represent only a few examples of collaboration and are mainly established to cope with different problems on the market.

The position of performing arts organisations on this continuum is somewhat problematic. According to Schimmelpfennig (Towse, 2003, p. 87), “Like most performing arts, any ballet performance, as well as the company itself, can be seen as a natural monopoly” as a result of its high fixed costs. The nature of competition in the performing arts sector is highly arguable. It is important to highlight that as a result of collaboration and integration the number of suppliers changes on the market that can have severe consequences on consumers. While a lower number of suppliers —such as a lower number of theatres operating in a city— can be beneficial in general due to economies of scale, lower costs thus lower prices, there are also cases when integration and collaboration can greatly damage the position of the consumer —in this case visitors of art performances.

Some additional economic principles have to be highlighted in context to collaborative relationships. First of all, the ultimate achievement of a collaboration is ‘Pareto-efficiency’ which means the equilibrium allocation of resources. As Samuelson and Nordhaus (2006, p. 283) argue, “An efficient solution is one where no one can be better off without making someone else worse off”. In a collaboration, partners seek for the benefits of all and although certain constraints exist, the collective aims are more important than the individual ones. It also means that group strategy is more important while in a pure competition system collaboration may be considered as a cartel which is illegal in a number of situations when it aims at setting prices, quantities or qualities in an illegal manner. Collaboration formation in the non-profit sector,



however, is significantly different. Finally, based on game theory collaboration is a 'non-zero-sum-game' which means that more than one party of the collaboration may increase its share and the total amount of gain is not fixed. On the other hand, in a 'zero-sum-game' one party can increase its share only by making the other party worse off.

In this report we focus on a supply-driven approach and investigate the production-side of the market. Moreover, we analyse organisational relationships opposed to interactions on the level of the individual. We aim to discuss the relations among institutions instead of focusing on the internal structure of organisations and their relation to different stakeholders. It is important to highlight that this report uses the term collaboration, although the literature uses three synonyms interchangeably, namely cooperation, coordination, and collaboration. We define collaboration as:

*Cooperative arrangements between two or more organisations aimed at pursuing mutual strategic goals. Collaboration is created to pursue mutual common goals that cannot be achieved alone. Organisational identities are preserved throughout the process.*

Collaboration might be established between an organisation and a performing arts company; between an organisation and a venue; between an organisation and a third-cultural party; between an organisation and school; and between an organisation and a non-cultural institution. Sponsoring is not an example for collaboration, only if it is created to achieve a mutual goal.

## **2.2. The history of collaboration formation**

Collaborations between sectors have been increasing in recent years (Wymer & Samu, 2003). The tendency towards collaboration formation started in the early 1980s as a result of technological development and maturing of the global market. The reason for an ever-growing interest in collaboration both in the public and private sphere was due to the fact that the world was changing into ways that made collaboration important, in some cases essential, to achieve success or create sustainability in the long-term (Bergquist, Betwee & Meuel, 1995). Businesses felt that they needed to form alliances to exploit competitive advantages and believed that collaborations would enable them to enter new global markets. From the viewpoint of the cultural sector, government funding of culture and arts have been severely cut in recent years on a global scale and many grants are targeted for specific programs which means that less and less funding is available for operating budgets. Arts organisations, however, are facing increasing operating costs and the audience size is stagnant or shrinking (Scheff & Kotler, 1994). With a continuous decrease in subsidies, cultural organisations more and more need to understand and practice for-profit business-making (Kolb, 2000).

Early collaborations between non-profit organisations and businesses began in the late 1980s (Tien, 2006). Nowadays, arts organisations are bringing together limited resources and form alliances and collaborations with organisations ranging from non-profit arts groups through community groups to businesses. These collaborations facilitate to join resources and share resulting benefits. A great number of collaborations are formed to achieve goals that individual organisations could not achieve on their own (Scheff & Kotler, 1994). These collaborations represent efforts to combine the best available resources, to take advantage of different opportunities in a global marketplace and to create economic, social or artistic values. Despite the fact that collaborations are risky, they continue to be established at an increasing rate.

Regardless of the size and type of the collaboration, there are certain characteristics that are common. Thus these collaborations face common challenges during their life cycle. Some given obstacles emerge when collaborations are created or when they face some changes from within the organisation or from the

outside world (Bergquist et al., 1995). There are important problems arising when we talk about collaboration in the creative sector. Since cultural value is mainly intangible, the economic valuation of cultural value is problematic and there are often problems with the protection of IP. Secondly, there is a great variety of differences in approach and culture between organisations regarding formality, hierarchy or business practices, which also creates difficulty in collaboration formation (Kossen, van de Poel & Reymen, 2010).

### **2.3. The economics of the performing arts industry**

In order to talk about collaboration in the performing arts sector, it is important to understand the particular characteristics of this industry. First of all, there are two types of performing arts organisations: the performing arts company —the presenting theatre— and the performing arts firm —the producing theatre — (Throsby & Withers, 1979). Voss, Cable and Voss (2000) explain the differences between presenting and producing theatres. They claim that presenting theatres typically have little or no involvement in the design and production of the shows they present whereas producing theatres are highly involved with the development of a new performance. There are, however, as we will explain later on, various examples of theatres that are in between, such as performing art firms with an in-house theatre group.

Secondly, there are different disciplines within the performing arts sector. Most researchers in the field talk about performing arts in general but when digging deeper into the subject we see that there is not a consensus on which genres are included in the sector. For example, DiMaggio (1986) makes a distinction between the genres of orchestral music, opera, theatre and ballet whereas Brown and Novak (2007) make a different distinction including music performance, dance performance, musical and stage play. Preece (2011) claims that performing arts traditionally include dance, theatre, music and opera. Based on these examples we can see that the distinctions are time-driven and arbitrary.

An art performance, before being presented to its audience, has to transfer through various phases. In order to create and produce a performance, the performing arts organisation has to follow several steps, which are included in the so-called performing arts event cycle: the early idea development; the formal planning process; engaging resources to establish the performance; preparations; rehearsal which also includes marketing and ticketing; and finally the performance (Preece, 2011). Porter (1985) introduces the concept of the value chain as a means for managers to consider their activities that add value to this sequential planning process. Each stage or link adds value to the viability of the organisation. That is why links in the chain are mutually dependent on each other. The value chain ought to be efficient in order to provide competitive advantages required in the market place. Preece (2005) applies this model to the performing arts sector. He categorises the work of the performing arts organisation into two types of activities: primary activities and support activities. In the performing arts sector, primary activities include the following elements: programming, personnel, promoting and production. Programming includes the artistic programming of a performing arts firm or the artistic output of a performing arts company as well as the artistic view of the organisation. Personnel consists of the people that work on the core of the production of the art form. These are the essential participants in the performance, such as the performers. Furthermore, the arts performance needs to be promoted to the potential audience, which will be the primary activity of promotion. Finally, space and equipment to rehearse and perform need to be available, which falls under the activity of production. As said before, these four primary activities need to be apparent in order for the art performance to take place. Since each primary activity leads to the next primary activity, we can speak of a chain. Each activity, however, can also influence the other three activities, influencing the organisation as a whole. Support activities sustain or hold together primary activities (Preece, 2005). These activities are: governance, administration, fundraising and outreach. While governance is the oversight of the whole organisation, administration consists of the management of

functions within the organisation. Fundraising refers to all efforts to garner resources such as subsidies. Finally, outreach includes efforts to build bridges with communities where art organisations perform or reside.

One has to keep in mind that the entrepreneurial process of a new production rarely goes this linear. For example, individual artists come and go, new ideas can reshape the artistic side of the production and the organisational boundaries might not be that clear.

## **2.4. Objectives of performing arts organisations**

We have explained the department or activities of performing arts organisations and the steps that need to be undertaken in order to produce or program a performance. The next step is to determine the objectives that are needed to produce or program these performances.

One of the most fundamental differences between performing arts organisations, which has a direct effect on the mission, is whether the organisation is profit-seeking or non-profit-seeking (Throsby & Withers, 1979). The objective of the commercial firm is to generate profit. When a performing arts organisation is for-profit, its characteristics are relatable to any other commercial enterprise in the market sector of the economy. We can, for instance, think of a Broadway theatre in the United States (DiMaggio, 1986). For-profit organisations are usually privately owned (Throsby & Withers, 1979). Most performing arts organisations, however, are organised non-for-profit. Reasons for a performing arts organisation to be organised as a non-profit organisation vary. Preece (2011) explains that these organisations usually include components of public purpose or a mission rooted in community. Another reason can be the classical argument of art for art's sake: instead of programming or producing the performances that will generate the most revenue, many organisations wish to emphasise the artistic quality. For non-profit performing arts organisations, however, the qualitative dimension of output is important in its own right and not necessarily in its relationship with potential profitability. Non-profit organisations need to organise their income in a somewhat different way, which makes them often dependent on subsidies or donations (DiMaggio 1986; Throsby & Withers, 1979).

According to DiMaggio (1986), there are four purposes or missions that non-profit performing arts organisations have, embedded in excellence, access, innovation and participation. The Criteria for Holistic Assessment of Arts Organisations (Harvey, 1999) finds three types of missions. First of all, a performing arts organisation can focus on artistic merit, which can be translated in artistic quality. This discerns whether an individual arts group can be said to have artistic merit which relates directly to its mission. Throsby and Withers (1979) also argue that the non-profit performing arts organisation often has a mission that includes artistic value. The program of the non-profit arts organisation is significantly influenced by the desire to perform works which are artistically interesting. Secondly, the mission can be to contribute to the community which refers to the quality of the organisation's interaction with the public, the engagement and participation of its community, or educational purposes. In short, the performing arts organisation needs to have an impact on people beyond the artists directly involved. The third type of mission is organisational effectiveness, which is the ability of the organisation to achieve its mandate and the quality of its management of its human resources. The third type can be seen as being intertwined with the first two and a fundamental stage in order for the mission to succeed. That is why, there are actually two missions at the base of the non-profit performing arts organisation and the organisation has to focus on whether the artistic merit or community contribution are considered high or low in relation to each other (Preece, 2005). The best option is, however, if both artistic merit and community connection are solid but this is often a challenge. Hence it is the task of the performing arts organisation to find an appropriate balance between these two and to keep in mind the mission when focusing on the activities in the value chain. The

community the organisation operates in might be an important motive: the objective can be to make the artistic product available to as large an audience as possible. Without an audience, however, it does not make sense for most artists to perform, thus audience attraction plays an outstanding role for performing arts organisations. There is a genuine feeling amongst artists of all kinds that the arts are intrinsically good and socially necessary. Managers of performing arts firms are therefore motivated by a desire to see appreciation of the arts spread amongst the widest public possible.

Overall we can divide the objectives of an art organisation into three main categories: the financial objective, the social objective and the artistic objective. The question is: How are the objectives of an organisation connected to the output? Voss et al. (2000) claim that organisational actions are linked to internal values and the mission statement of the organisation. A 'good' company always decides for itself which values it considers as core values, not influenced by the given environment such as market competition. Organisational values are especially relevant to managing cultural firms with non-profit status. These organisations may pursue goals that are supported by a diverse set of external constituents, including local, state, and federal government agencies, corporate and family foundations, corporations and individuals.

Voss and Voss (2000) examine the connection between the objectives of a performing arts organisation regarding programming decisions. They found that theatres scoring higher on the prosocial value dimension offer significantly more outreach and education programs. Theatres having a higher score on the artistic dimension tend to obtain more plays directly from playwrights. Theatres scoring higher financial value are more likely to produce public domain plays. Theatres having a higher score of market value are significantly more likely to perform plays from publishing houses. Finally, theatres higher on the achievement value are significantly more likely to obtain plays directly from playwrights.

In order for the organisation to achieve its objectives and goals it is important to have the financial resources to do so. Throsby and Withers (1979) give a clear overview on the capital a performing arts organisation possesses and on which areas it is subsequently spent. The capital used by a performing arts organisation is divided into investment and operating capital. The investment expenditures cover director's basic fees, rehearsal time, initial copyright costs or royalty advances, the costs of materials, labor used in making sets and costumes, and so on. The day-to-day running expenses, once the show has started and that vary with the length of run, are regarded as operating capital. Unfortunately, "arts organisations are rarely blessed with abundant resources" (Preece, 2011). How does a performing arts organisation stay viable? Considering the performing arts sector, the concept of viability can be reached in various forms (Voss & Voss, 2000). Viability connects to the mission of a performing arts organisation, thus the question arises: 'How can the goals and objectives of a performing arts organisation be achieved?' Viability consequently differs throughout performing arts organisations since goals and objectives differ, as well.

These various relationships, however, can also create tension between the organisation's intrinsic values and the disparate values and demands of external stakeholders such as the local and national government. Furthermore corporations often fund theatres in return for advertising exposure on projects that are compatible with their corporate mission (Voss et al., 2000). Managing these tensions may require that firms either compromise their own values in an attempt to satisfy all external constituents or focus on developing and maintaining successful relationships with those external constituents that possess congruent values.

## **2.5. Collaboration in performing arts**

In order to generate more income, there is an increased tendency by organisations to focus on competitors. Voss and Voss (2000) name three distinct orientations of firms: customer orientation, competitor orientation and product orientation. When an organisation manages a competitor orientation, the organisation commits to integrate competitor intelligence into the product development and marketing processes. Previous research typically has predicted a positive relationship between competitor orientation and the viability of the organisation on the assumption that this orientation provides the firm a better understanding of its environment and customers, which ultimately leads to enhanced customer satisfaction. This observation is consistent with Scheff and Kotler's (1996) argument that arts organisations should seek strategic collaborations with other arts organisations to improve quality, build audience and cut costs.

Theoretically, when two institutional actors perceive that they share values, they tend to seek each other for reasons including basic comfort, expectations of trust, and better communication. Furthermore, the empirical results in the research of Voss and Voss (2000) prove that the values of theatres are significantly related to the managers' beliefs concerning the external constituents that shared those values. These results confirm that organisational leaders rely on their firm's key cultural values to identify external constituents that they believe are suitable partners. The results of Voss and Voss (2000), however, suggest that though competitor orientation leads to improved attendance and higher revenues, it also seems to lead to higher costs and lower net surplus/deficit. These results might refer to additional direct costs associated with implementing the activities of the competitor or additional coordination costs associated with the collaboration.

Looking at the competitor can thus be a consistent way to generate more income for non-profit performing arts organisations. Organisations can also take it one step further and decide upon collaboration with other organisations. Non-profit organisations in general, by their nature of performing public benefit activities, engage in collaboration with other non-profits for a variety of reasons. They might work together to gain more funds from local governments or to reduce costs through joining different organisational activities (La Piana, 2001). Collaborations are formed to exploit opportunities in terms of different resources such as "connections to target audience, administrative expertise, artistic expertise, volunteer time, fundraising and financial capabilities, space, and, generally, knowledge and experience..." (Ostrower, 2003, p. 37).

Cultural participation is also an important objective for cultural organisations to collaborate. Performing arts organisations can broaden, deepen and diversify participation by "engaging more of the same types of people in cultural activities, deepening the experiences of those already engaged, and engaging new groups of people" (Ostrower, 2003, p. 9). If a performing arts organisation aims to engage new audience, it is crucial for the organisation to find a partner that has a greater understanding of the extended target audience and a more extensive network in the target community. Collaborations can also serve as a tool to expand fundraising capabilities by attracting new donors. Especially for smaller organisations, partnering with a larger organisation can result in increased visibility, legitimacy and higher chances with funders. Collaborations can often induce unanticipated benefits for performing arts organisations due to an enlarged network.

We can find different types of collaborations in performing arts, such as: (1) collaboration between organisations in different artistic fields; (2) collaboration between large and small organisations; (3) cross-ethnic collaboration; or (4) venue-related collaboration. Setting up a collaboration by organisations working with different cultural forms and themes can help performing arts organisations to expand or extend artistic programming. In case of collaborations between large and small organisations, small organisations tend to

benefit from a more professional administrative and financial expertise of the larger partner, and larger organisations have the opportunity to exploit the smaller partner's connections or expertise with a given target audience. For performing arts companies that do not have a space for performing and rehearsing, access to a venue might be a major reason to collaborate. A good example for venue-related collaboration is cooperation between a dance group and a theatre (Ostrower, 2003).

It is important to understand, however, that collaboration is not an end in itself but rather a means to a common objective. As Ostrower (2005) claims, collaborations are becoming increasingly favoured by grant makers and government institutions, and there is a tendency in the philanthropic world to look at collaborations as having a high intrinsic value and capacity to boost effectiveness. Although, collaborations are increasingly regarded as a tool to solve issues that are not well-defined in the cultural sector yet, it is highly problematic to truly determine the effectiveness and benefits of collaborations between arts organisations.

## **2.6. Collaboration from the perspective of the Dutch government**

In the report with the title of *Meer dan kwaliteit: een nieuwe visie op cultuurbeleid* published in 2011, the Dutch national government gives an overview of qualifications cultural institutions must fulfil in order to receive subsidies (Ministry van Onderwijs, Cultuur en Wetenschap, 2011). The overall message is that cultural institutions should be less dependent on governmental subsidies, which will lead to organisations being more flexible and powerful. Furthermore, the number of directly state-funded organisations, which belong to the so-called cultural basic infrastructure, will become smaller. In recent years, the bottlenecks in the subsidised cultural sector have been mapped. In most sectors we see fragmentation. In the cultural sector there is also a moving tendency towards more efficiency, entrepreneurship and collaboration. These three issues are being supported by the Dutch government. The government emphasises collaboration in various ways: both on a national and international level; cross-sector; with various parties such as education, art schools and the for-profit sector.

The report emphasises the importance of collaboration by stating that theatre institutions that submit an application and pay attention to collaboration will have a higher rate of success. Especially regarding collaboration between schools and performing arts organisations: a good proposal could yield €500,000. The report *Cultuur in Beeld* (Ministry van Onderwijs, Cultuur en Wetenschap, 2013) investigates recent trends and developments in the Dutch cultural sector and we actually see an increase in cooperation on an international level. Exports have become important components of the cultural sector. Collaboration between the cultural and other sectors is also a trend that receives much interest nowadays. The report repeats the importance of collaboration and the wish of the Dutch government for cross-fertilisation between the cultural sector and other fields. This requires that the cultural and creative sector must have an open and entrepreneurial attitude. Although the report illustrates some nice examples on collaboration, it does not give us any rough data on the quantity and success of collaborations in the Dutch cultural sector these days.

## **2.7. Structures of collaboration**

In order to understand why it is fruitful for performing arts organisations to collaborate, it is needed to investigate the literature on firms and collaborations in general. Collaboration exists on many levels from the perspective of intensity. Collaboration may include joint ventures, supplier and distributor agreements, licensing arrangements, just-in-time systems, or research consortia (Stafford, 1994). We can make a distinction between informal way of collaboration which are not formally contracted and formal collaboration in which firms can formally trade out parts of their value chain to other organisations. Firms

that create a new firm in which both parties decide upon the value chain activities are called joint ventures (Todeva & Knoke, 2005).

When organisational alliances are formed, they involve a dynamic process of developing mutual trust and commitment (Milne, Iyer & Williams, 1996). Research (Das & Teng, 2000; Ostrower, 2005; Ritala, 2012) demonstrates that at the beginning of the collaboration process it needs to be clear for both parties what they are going to contribute to the collaboration. Stafford (1994) names three strategies that involve value chain activities and collaboration: (1) hand-over strategy, (2) trade strategy and (3) pool strategy. A handover strategy involves a one-way transfer of a resource or value chain activity where one partner hands over a resource to the other. A trade strategy is a two-way exchange between partners trading complementary outputs or value chain activities. Thirdly, a pool strategy is where partners share the same value chain activity or share a common resource. In order for the company to decide upon the structure of collaboration, it is important to know which part of the value chain it wants to involve and what it will or has to give in return. There is a distinction in the literature between hierarchical and relational collaboration. We could argue that hierarchical collaboration, which involves merger or take-over, is not a form of collaboration since after the process is finished, the two parties formally become one. Therefore, we will now focus on relational collaboration, in other words: strategic alliance.

Strategic alliances occur when three objectives are met: the two partners remain legally independent after the alliance is formed; the partners share benefits and managerial control over the performance of the assigned tasks; and the partners make continuous contributions to one or more strategic areas in the value chain (Yoshino & Rangan, 1995). Guarding these criteria could be helpful for the collaborating parties because it demonstrates interdependency: "These three criteria imply that strategic alliances create interdependence between autonomous economic units, bringing new benefits to the partners in the form of intangible assets and obligating them to make continuing contributions to their partnership" (Todeva & Knoke, 2005, p. 126). We can divide strategic alliances into three forms: (1) horizontal strategic alliance which takes place between two or more firms in the same industry; (2) vertical strategic alliance which is characterised by the collaboration between two or more firms along different parts of the value chain; and (3) inter-sectorial strategic alliance which is horizontal collaboration between firms that are not in the same industry (Besanko et al., 2013).

The relationship between firms that collaborate can also be described in the following way. First of all, firms can design a contract. These are non-equity agreements specifying the co-operative contributions and powers of each partner. Creative joint ventures, on the other hand, involve partners contributing resources to the formation of a new separate subsidiary, jointly owned by the partners. Finally, regarding acquisitive joint ventures, no separate entity is created. Strategic alliances encompass both short-term project based, and long-term equity based cooperation between firms with varying degrees of integration and interdependence. Some firms engaging in repeated long-term transactions may attempt to use hierarchical governance forms to safeguard the specific assets that evolve during their exchanges.

## **2.8. Reasons to collaborate**

After investigating the history of collaboration formation and its appearance in performing arts, the question arises: 'What are the main objectives that play a role when organisations decide to start a collaboration?'

Iyer (2003) claims that the most significant motivation for organisations to collaborate is the belief that they can achieve a better result together compared to what they could in isolation. Cooperations create interdependence between organisations and bring new benefits to the partners while they oblige the partners to continuously contribute to the partnership. There is always an information asymmetry in

organisational abilities to have control and power over another organisation or its resources. In order to have an efficient cooperation, mutual recognition of differences in capacities need to be acknowledged and commitment by partners is vital that ensures that they will not take advantage of one another. Trust can substitute more formal control mechanisms, such as written contracts, thus reducing transaction costs for the organisation. These transaction costs can involve looking for information about the trustworthiness of potential partners or continuously monitoring that each partner meets its obligations (Todeva & Knoke, 2005). Theorists have proposed several explanatory frameworks to characterise and analyse the motivational factors that influence the formation of collaborations. The following list contains different frameworks proposed by Backer (2002), Bartel, Frederikslust and Schenk (2002), Ostrower (2003; 2005), Kossen et al. (2010), Sedita (2008), Stafford (1994), Todeva and Knoke (2005) and Voss and Voss (2000).

Firms engage in cooperations for several reasons:

- to enhance their productive efficiency (Todeva & Knoke, 2005)
- to reduce uncertainties or risk (Todeva & Knoke, 2005)
- to acquire competitive advantages (Todeva & Knoke, 2005)
- to seek new markets (Todeva & Knoke, 2005)
- to acquire means of distribution (Todeva & Knoke, 2005)
- to gain access to new technology (Todeva & Knoke, 2005)
- to obtain economies of scale (Todeva & Knoke, 2005; Stafford, 1994)
- to obtain economies of scope (Bartel, Frederikslust & Schenk, 2002)
- to restructure and improve performance (Todeva & Knoke, 2005)
- to share costs (Todeva & Knoke, 2005)
- to develop new products (Todeva & Knoke, 2005)
- to co-specialise (Todeva & Knoke, 2005)
- to overcome legal or regulatory barriers (Todeva & Knoke, 2005)
- to increase revenue (Voss & Voss, 2000)
- to reduce transaction costs (Sedita, 2008)
- to engage in knowledge exchange (Sedita, 2008; Stafford, 1994; Voss & Voss, 2000)
- to build organisational capacity (Ostrower, 2005)
- to expand organisational networks (Ostrower, 2005)
- to increase efficiency (Ostrower, 2005)
- to realise facility development (Backer, 2002)
- to help employee training and professional development (Backer, 2002)
- to enhance spillover effects (Ostrower, 2005)
- to access technological know-how (Kossen et al., 2010)
- to penetrate new geographical markets (Kossen et al., 2010)
- to penetrate new product markets (Kossen et al., 2010)
- to increase geographical dispersion (Bartel, Frederikslust & Schenk, 2002)

If we talk about performing arts organisations in particular, the following objectives can be added to the list:

- to increase the quality of the artistic programming (Sedita, 2008)
- to increase contribution to the community (Sedita, 2008)
- to join programming (Backer, 2002)
- to enlarge the audience (Voss & Voss, 2000)
- to engage new audience (Ostrower, 2005)
- to diversify the audience (Ostrower, 2005)
- to obtain grant funds (Ostrower, 2005)
- to join arts marketing forces (Kossen et al., 2010)



Todeva and Knoke (2005) highlight that we can group the motives listed above into four different categories: organisational, economic, strategic and political factors. “While seeking partnerships, firms try to address internal organisational problems, they consider economic benefits, engage in strategic positioning, or political manoeuvring with governments and competitors” (Todeva & Knoke, p. 129). Deciding to enter a collaboration also depends on the distribution of economic (or artistic) power along the production chain. In several cases, organisations want to greatly protect their core business activities and are more willing to engage in collaborations that involve ‘peripheral activities’. On this way, they have a chance to increase organisational efficiency but it does not necessary require the sharing of valuable information.

According to Todeva and Knoke (2005), there are 4 main factors that influence the formation of collaborations. Firstly, it is greatly shaped by general economic conditions and specific institutional frameworks of countries. The so-called business environment factors include elements such as legal requirements and macro-economic policies. State regulatory activities significantly affect the freedom of organisations to establish collaborations. Secondly, industrial factors also strongly impact inter-organisational relationships. Industries in general or, the performing arts sector in our specific case, can be classified based on several dimensions, such as “resource consumption levels, capital investment, labor scarcity, knowledge intensity, and technological innovation” (Todeva & Knoke, p. 131). This multidimensionality indicates that many industrial factors play an outstanding role in organisational strategy. Thirdly, organisational factors also influence collaboration formation as organisations can greatly differ, even in one field, based on their sizes, assets, networks, histories, product ranges and market shares. Given such a variety, the tendency to participate in a collaboration should vary across organisations operating in the same sector. Finally, globalisation is among the key drivers that force organisations to explore new ways of working together. Nowadays, we can experience an increased competitive pressure on a global scale and organisations face shorter life-cycles when producing products or providing services. The rapid technological development influences every area of production and performing arts represents no exception.

What are the further benefits of collaboration in the non-profit sector? Although, collaborations always require a huge amount of resources, successful collaborations can help the participants achieve their mission and better manage their resources. As a result, arts organisations can better serve their audience, their partners and their community in general (Scheff & Kotler, 1994). Furthermore, La Piana (2001) argues that successful collaborations are powerful tools for enhancing organisational capacity. First of all, there is less competition, duplication and overlap of products and services. Secondly, collaboration between non-profit organisations create a wider range of approaches to problem-solving. Thirdly, collaboration helps to create stronger non-profit organisations that are better able to serve the interests of their community and to realise their social or artistic missions.

## **2.9. Reasons not to collaborate**

On the other side of the equation, we can also name several reasons that oppose collaboration formation to a great extent. “The dysfunction and mortality rates among partnerships in the arts is high...” (Backer, 2002, p. 13). Ostrower (2005) argues that we need to be aware of the fact that partnerships serve as a tool to realise a common goal and this tool is not suitable for every task. Partners might become more interested in sustaining a collaboration than striving for the goal it intended to realise. There are certain limitations of collaborating with another organisation that needs to be taken into account by performing arts organisations. Collaborations are time and money-consuming and it might be a poor strategy for reducing costs because of hidden, unanticipated costs. Moreover, collaborations can be used as a tactic in some cases in order to delay action or hide the responsibilities thus hindering real change (Backer, 2002). As not

all collaborations are efficient and objective-driven, it is important to have certain criteria and standards for judging and then implementing a successful collaboration. Training and technical assistance can support arts organisations to create and sustain collaborations.

The results of Voss and Voss (2000) suggest that competitor orientation not always leads to improved attendance and higher revenues, but also seems to result in higher costs and lower net surplus/deficit. These results might refer to additional direct costs associated with implementing the activities of the competitor or additional coordination costs associated with the collaboration. Stafford (1994) also demonstrates that collaborations do not always work out because the objectives the two companies set out to meet are short-term, as opposed to long-term partner commitment. Moreover, the corporate culture of the partners frequently do not get along well and the strategic goals can also be ambiguous. Thus it is relevant to mention that different organisational cultures significantly affect the collaborative culture. There are always certain barriers between organisations which makes a mutual learning process necessary. If the organisational cultures are highly different, it can sabotage the success of the collaboration in the long-term.

### **2.10. Factors that contribute to a successful collaboration**

We have discussed the objectives of performing arts organisations to engage in a collaboration. To discuss which factors contribute to a successful collaboration, it is important to understand when a collaboration is regarded as such. Ostrower (2005) argues that collaboration is a successful tool when: (1) the missions and visions of the partners are complementary; (2) it brings together different resources; (3) those resources are vital for achieving a common goal; (4) an objective can only be achieved by a collective action; and (5) partners are fully committed to the given cause. What are the critical factors that play an outstanding role in the success of collaborations? Can we define the main elements of a successful collaboration? What do we mean by success? In her report of *Building partnerships for arts participation*, Ostrower (2003) found out that partnerships can function the most effectively when: (1) the goals are clearly set by the participants; (2) partners are truly committed to the goal of the collaboration; (3) and partners have elaborated on why the collaboration advances that goal. Austin (2000) discusses the importance of 5 main elements that play an significant role in the creation and development of an alliance, namely (1) understanding strategy collaboration; (2) making the connection; (3) ensuring strategic fit; (4) generating value; and (5) managing the relationship.

Scheff and Kotler (1994) define other critical factors that can help to maximise potential benefits and to minimise risks. It is crucial that the organisation initiating the collaboration defines its primary long-term goal whether it is about engaging new audience, reducing overhead or obtaining expertise in a specific function. After setting up the primary goal, the organisation needs to decide what kind of collaboration and which partner can help to achieve that objective. Arts organisations also must define what they can offer to potential partners. Once the collaboration is established, the partners have to build consensus for every major decision and determine whether consensus means majority or an unanimous vote. Trust is a critical factor in relation to the success of the collaboration. It is the key to both consensus building and efficient communication. If different cultural backgrounds are involved in the collaboration, the partners have to take that into consideration. The partners need to ensure that strategies are set up and implemented for conflict resolution and handling cultural stereotypes (Backer & Normann, 2000).

Trust is defined by Child, Faulkner and Tallman (2005, p. 50) as “the willingness of one party to relate with another in the belief that the other’s actions will be beneficial rather than detrimental to the first party, even though this cannot be guaranteed”. In order to understand the nature of trust, we need to discuss the phenomenon of the gift economy and the nature of reciprocity. Most collaborations succeed because of

this intangible ingredient: trust. It means that one party transfers a gift in the collaboration in the form of time, attention, information or knowledge and it expects something in return from the other party. Trust represents the faith that the other party will 'repay' the gift not specifically in the same form. Voluntary collaboration is based on the idea of gift and reciprocity while enforced collaboration enhanced by the government or a funding body is more similar to a market exchange where the conditions are clearly set in the form of a contract (Klamer, 2003). Even an enforced collaboration can become a voluntary one if the partners develop reciprocity and trust that goes beyond the terms of the contract. Trust might be achieved in an incremental manner which gives dynamic to the collaboration. A trust-based relationship is continuously evolving. If the bond of trust is broken, it might result in a backward-moving process which can lead to the termination of the relationship in worst case scenario. Trust is also socially constructed, thus has to be strengthened by social interactions (Child et al., 2005).

Trust and control are strongly related and substitutable. The two qualities can be put on a continuum where one end of the scale is trust and the other is control. The two extreme cases are when one organisation fully trusts its partner and neglect developing any measures of control while on the other end of the spectrum the organisation develops complex measures of monitoring as trust is not present. In the latter case, the collaboration is difficult to be managed and is highly resource-consuming. Good and frequent communication greatly enhances trust because the partners are informed through regular meetings and are able to respond to problems and unanticipated situations quickly. A big part of the success evolves from positive relations of individuals involved in the collaboration and any changes in the core group can lead to crisis (La Piana, 2001). In order to build a flourishing collaboration, leadership and involvement structures have to be clearly defined. The partners need to work towards a win-win situation, even if the resources involved from both sides are not equal. Furthermore, as collaborations require a huge amount of time and commitment from both sides, it is essential to dedicate adequate personnel and financial resources, such as sufficient funds for administrative costs.

Backer (2002) highlights that psychological challenges such as previous bad experiences with other collaborations or power differences among the partners can significantly reduce the chances for success. A strong core idea, systematic planning and an intervention strategy lie at the heart of many successful collaborations. Opposed to negative past experiences, strategies learnt from previous collaborations can be successfully implemented in the new collaboration.

To summarise, arts organisations have to be cautious when selecting the partner. Applicants with a similar or complementary goal are the most suitable. Further selection criteria contain the trustworthiness and the commitment of the partner and its ability to meet the common required strengths.

### **2.11. Threats of collaborations**

Regardless of the size and type of the collaboration, there are certain characteristics that are common in each case. Thus collaborations face common challenges during their life cycle. Some given obstacles emerge when they are created or when they face some changes from within the organisation or from the outside world (Bergquist et al., 1995). There are important problems arising when we talk about collaboration in the creative sector. Since cultural value is mainly intangible, the economic valuation of cultural value is problematic and there are often problems with the protection of Intellectual Property. Secondly, there is a great variety of differences in approach and culture between organisations regarding formality, hierarchy or business practices, which also creates difficulty in collaboration formation (Kossen, van de Poel & Reymen, 2010).

Economists might argue that competition is the expected behaviour from organisations that operate in the same industry and seek for the same resources. Nalebuff and Brandenburger (1997), however, claims that game theory has to be taken into consideration as it represents how both competitive and collaborative behaviours exist on the market. The market is a complex world with interdependent factors thus decisions cannot be analysed in isolation and has to be studied in relation to the decisions of other maker players. As Huxham and Vangen (2004) claim, there are two sides of every collaboration. *Collaborative advantage* refers to the synergy argument. "To gain real advantage from collaboration, something has to be achieved that could not have been achieved by any one of the organisations acting alone" (Huxham & Vangen, p. 30). This concept provides a useful 'guiding light' for the purpose of the collaboration. The second concept, *collaborative inertia*, captures what happens very frequently in practice: the output from a collaborative arrangement is negligible, the rate of output is extremely slow, or stories of pain and hard work appear and are integral to success. In order to understand the nature of collaborations, we need to analyse both sides of the story: not only the ingredients of success but also the dangers of failure.

We can name several factors that play an outstanding role in unsuccessful collaborations. The following list is based on results of empirical investigations by Kossen et al. (2010), Ostrower (2005), Stafford (1994) and Voss and Voss (2000):

- the values, goals or missions did not correspond (Voss & Voss, 2000; Stafford, 1994; Ostrower, 2005)
- strategic inflexibility (Stafford, 1994)
- redirecting resources in unanticipated ways (Ostrower, 2005)
- logistical difficulties (Ostrower, 2005)
- communication problems (Ostrower)
- administration and coordination problems (Ostrower, 2005)
- contention between partners (Ostrower, 2005)
- lack of commitment from the partner (Ostrower, 2005)
- lack of trust (Kossen et al., 2010)
- planning deficiencies (Ostrower, 2003)
- heterogeneity in size and discipline (Kossen et al., 2010)
- the resulted benefits were not in line with needs and the mission (Ostrower, 2003)

Bergquist et al. (1995) found out that unsuccessful collaborations occur when partners do not complete or simply neglect the start-up phase. Once organisations decide to form a collaboration, the partners face crucial challenges and they need to turn their ideas and good intentions into a well-functioning enterprise at all levels of the collaboration from daily routines to strategic policies. A critical stage in the development process is that key people involved in the collaboration master important management skills that are necessary to cope with inevitable misunderstanding and conflict (Todeva & Knoke, 2005). Collaborations among previously unexperienced partners often begin with contractual agreements that minimise risks for the partners. Once the partners, however, gain mutual confidence and trust informal contracts gradually substitute formal contracts.

According to Ostrower (2003), since there are several forms of collaborations, challenges differ, as well. For instance, in case of collaboration between large and small organisations, the participants have to deal with issues of fairness, mutual respect and influence. The major sources of challenges, in this case, involve the differences in staff size, in the needs and its consequences for coordination and administration. Difficulties in logistical issues, such as setting up meetings, can create unseen tension and frustration. In order to build up a successful collaboration, a time-intensive planning process is essential. Without a period of detailed planning, the chances are high that the participants will face unseen obstacles and additional costs that they did not take into consideration before setting up the collaboration. Clarity about

responsibilities, roles, rewards and influences in the planning process is critical especially for cross-ethnic collaborations and for those that involve small and large institutions.

The question arises: why is it hard to sustain an active collaboration? Which factors contribute to the sustainability of collaborations? Ostrower (2003) names four main reasons that were found in her empirical investigation involving 19 different partnerships in the US. Firstly, if the collaboration is facilitated by grants, as soon as grant makers do not provide sufficient funds to create a sustainable collaboration, the partners are not able to achieve a self-sustaining state and thus end the collaboration. Secondly, sustainability is also hindered if one of the partners do not view the collaboration as an essential tool to reach its core mission or priority. Thirdly, the logistics of maintaining a collaboration can be seen as too costly relative to the returns. Finally, if collaborations are entirely pursued for the sake of receiving a grant, when the fund ends, so does the collaboration.

### **2.12. Evaluating the result of the collaboration**

How to best measure the success or the performance of performing arts organisations represents a challenge (Voss & Voss, 2000). The scientific evaluation of collaborations, especially in the cultural sector, remains infrequent and the results are still unclear. Arts collaborations will face serious questions from both funders and critics until they begin to systematically evaluate the outcomes of collaborations (Backer, 2002). The effectiveness of operations and outcomes in a collaboration vary widely. Ineffectiveness can often be the consequence of poor planning and implementation process by the partners. It is crucial to create evaluation mechanisms for collaborations in order to assess the effectiveness of working together (Backer, 2000).

How can we evaluate the success of collaborations in performing arts? What kind of measures are needed to take into account? Should we focus on economic or rather artistic factors? As Todeva and Knoke (2005, p. 136) put it forward, "Conceptual and measurement problems plague performance and productivity assessments, whether using objective outcome indicators (e.g. financial gains, innovations) or subjective indicators (e.g. partner satisfaction with the collaboration)". There are different factors that an organisation can measure to evaluate the impact of a collaboration on the performance of the organisation. These factors are: (1) income; (2) number of visitors; (3) number of performances; (4) artistic programming; (5) network building; (6) access to knowledge; (7) cost-efficiency; and (8) fundraising capabilities (Backer, 2000; Ostrower, 2005). In order to carry out a successful and effective evaluation process, the partners need motivation, interest and intent and have to recognise that critical questions need to be answered. Without an initial strategic planning, the evaluation process is difficult to be carried out. Preece (2005, p. 26) argues that many performing arts organisations search for partnerships to "achieve better positioning and a better balance between artistic merit, community contribution and organisational effectiveness".

The variety of performing arts partnerships are limitless. Preece proposes three steps in order to reach strategic decisions that is also the precondition of successful evaluation. Firstly, the organisation needs to define what specific value chain activity will be involved in the collaboration. Secondly, the organisation needs to consider potential linkages between value chain activities. Thirdly, the organisation needs to define the impact of the collaboration on the viability of the organisation. It is inevitable that the partners define the mission, the objectives and the goal of the collaboration. Detailed action plans with clear division of tasks and responsibilities can further enhance the evaluation process. The strategic plan basically defines the direction of the collaboration and lays down the foundations for an effective evaluation process (Backer, 2000). Besides, collaborations that survive in the long-term also evolve over time. Partners learn how to handle successes and failures and are able to respond flexibly to the changes in their

environments. In order to exist in the long-term, collaborations have to plan ahead for sustainability which involves the creation of a revenue model that will provide the financial support in the future.

There are 3 main parts of the evaluation process: (1) process, (2) outcome and (3) impact evaluation. Process evaluation answers the following question: 'What activities took place during the collaboration?' This part focuses on the day-to-day operations of the collaboration, such as "in-house developments, outside meetings, communications received, community participation, and media coverage" (Backer, 2000, p. 6). Outcome evaluation addresses the question: 'What was accomplished by the collaboration?' This part points out the achievements of working together, such as the number and type of changes induced by the collaboration. Finally, impact evaluation measures the long-term effects of the collaboration in context to economic, artistic and social values.

### **2.13. The influence of funders on collaboration**

Based on the literature (Ostrower, 2003, 2004; Backer, 2002; La Piana, 2001), we can argue that there are some grant making practices that are not well-suited to enhance collaboration formation. If the grant requires collaboration as a criteria for funding, it can result in collaborations that are 'in name only' collaborations set up to get a grant. In this case, it is obvious that cultural organisations are using collaborations as a strategy to obtain grants. When foundations or grant makers encourage collaboration formation because they think that this is the way how the social (or artistic) sector should operate and not because collaboration is the best tool to achieve a certain objective, the mission and the goal that the organisations and grant makers are striving for might be neglected.

On the other hand, policy-makers can also enhance the success of collaborations by providing two types of funds: (1) planning and (2) implementation funds separately. Empirical studies have shown (Ostrower, 2005) that more planning is needed before initiating a collaboration. Grant makers can better support collaborations by providing planning grants that give the potential partners enough time to explore the feasibility of a collaboration. The first step of scrutinising the possibility of collaboration can decide about the success or failure of it. Before committing to a collaboration, partners need to determine each partner's responsibilities, roles and goals within the collaboration. That is why, the planning process can decide the future of the collaboration. Grant makers also need to consider the arising administrative costs associated with collaboration that mainly represents a burden for smaller organisations. If foundations or grant makers want to fully support collaboration formation, they need to provide different types of funds with long-term orientation that are crucial to accomplish long-term objectives (Ostrower, 2003).

### **2.14. Problematic Issues**

As the literature review showed, scholars apply different definitions of collaboration. It is highly problematic to set one clear definition of collaboration. That is why we might encounter an anomaly during the empirical investigation which means that the definition used by scholars and practitioners differs. This report defines *collaborations as cooperative arrangements between two or more organisations aimed at pursuing mutual strategic goals*. As we attempt to understand the viewpoints of different market participants, it is also important to investigate what the Dutch government uses as criteria to assess and analyse collaborations. The analysis of data based on qualitative interviews can be found among the Research Findings (see Chapter 4). Understanding these different viewpoints help us to define what determines a collaboration and what does not. Moreover, after the empirical research we will be able to create a clearer framework about different types of collaboration.

Another problematic issue when we study collaborations is the intangible nature of certain costs. There are direct and indirect costs occurring when a collaboration takes place. There are, however, certain items that

are hard to measure in economic terms. How can we measure time as a cost? How much time do people actually spend on collaboration? What are the opportunity costs of setting up a collaboration? How can we determine the transaction costs? These questions also have to be analysed during the empirical investigation. We encounter the same difficulties when we talk about the evaluation of collaborations. How do we evaluate the outcomes? Who judges the artistic and social benefits of the collaboration? Should we rely on the opinion of the directors or is it more reliable to investigate the opinion of different stakeholders such as regular visitors and experts? Social and artistic benefits can hardly be measured by economic terms and do not necessarily appear in the income statements of organisations. In order to avoid these problems, we investigate the primary objective of collaborations and whether this objective was achieved and can be proven. There are, however, always unintended consequences of collaborations that the participants did not think about beforehand. These unintended consequences are also examined through the in-depth interviews.

Collaborative practices also have an innovative aspect that this report aims to investigate. There are certain, well-functioning collaborations existing in performing arts. These collaborations are rather obvious such as sharing projects, resources together and so on. An example might be a collaboration between a theatre and a performing arts company that aim to realise a given performance. Performing arts organisations, however, can also collaborate in new and innovative ways bringing new business practices to the sector. We are also interested in exploring these special types of collaboration.

Although, it is hard to define success factors as success is a subjective term, by analysing best practices in the sector we aim to create a manual of essential ingredients of successful collaborations. This manual will attempt to show: (1) existing best practices on the market and the lessons that we can learn from them; (2) the emerging costs that participants do not expect beforehand; and (3) different alternatives to collaboration.

The following part discusses the Research Methodology of the report focusing on definitions, terms, research variables, research strategy and the research design.

## 3. Research Methodology

### 3.1. Introduction

The purpose of this study was to discover collaboration and integration efforts of performing arts organisations in the Netherlands. In this chapter we describe the chosen research strategy, design, methodology and analysis. Furthermore, we will discuss the validity of our research.

### 3.2. Research strategy and design

We chose for an inductive research method in order to provide strong evidence for the emerging theory. We were interested in both general practices in the field and motives of particular organisations and the research was partly dedicated to develop a framework for different types of collaboration and their impacts on artistic, financial and social value. Moreover, we aimed to understand current and new ways of collaboration in performing arts and to develop knowledge about this specific topic.

The aim of our research implied that we needed in-depth data. The explorative nature of our research asked for a research strategy that gave us the possibility to discover other aspects important for our research question and sub-questions that were not taken into consideration at the start of gathering data. Therefore, we decided to use qualitative research strategy. Qualitative research provided us valuable data and information, in which a theory emerged rather than the investigation proved a pre-given theory. Qualitative research allowed us to have in-depth insights to the participant's motives and interpretations of our research subject (Ranshuysen, 2012). In qualitative research, there is much greater interest in the participant's point of view (Bryman, 2008). This research strategy allowed us to depart from the interview guide that was used during the interviews and get a deeper insight in specific topics and sub-topics. Therefore, it also gave the respondents the opportunity to add additional aspects and emphasise aspects that were important in the light of our research. Furthermore, it allowed us to be assured of the fact that the respondents understood our questions in the right way.

We used a cross-sectional research design, which means that the data was collected on more than one case at a single point in time, in order to collect a body of data (Bryman, 2008). From this body we could subsequently compare data and look for conclusions.

### 3.3. Research method

We decided upon collecting our qualitative data through the means of in-depth semi-structured interviews with open-ended questions. We chose this research method for various reasons. First of all, this method had the advantage that the participants were able to mention other important topics that were not covered in our interview questions. Furthermore, the fact that our interview questions were open-ended gave us the opportunity to treat certain issues in-depth. We designed main topics that were translated into interview questions. The questions for producing organisations slightly differ from the questions for presenting organisations. Table 3.3.1. gives an overview of the main topics covered. The interview questions can be found in Appendix 2 and 3.

In the research we focused on collaboration and integration. While collaboration is a subject addressed in all the interviews, integration is a specific topic that was covered only in the case of organisations that have already had experience with an integration process. In these cases, the interview mainly focused on integration as it is an intensive process that covered most of our interview time. The interviews lasted for 40 to 120 minutes.



Topic	Theater	Pop venue	Festival	Company
Current collaborations	X	X	X	X
Collaboration partners	X	X	X	X
Collaboration disciplines	X	X	X	X
Collaboration with producers	X		X	X
Collaboration with presenters	X	X	X	X
Resource allocation	X	X	X	X
Formalization	X	X	X	X
Evaluation	X	X	X	X
Most successful collaboration	X	X		
Unsuccessful collaboration	X	X	X	X
Coproductions			X	X
International collaboration			X	X
Forced collaboration	X	X	X	X
Influence of the government	X	X	X	X

Table 3.3.1 Topic Overview

### 3.4. Participant selection

We focused on interviews with directors of these organisations. According to Bryman (2008), “The choice of samples is being based on the study’s aims, seeking a balanced sample of organisations in which issues and processes could be compared but in which heterogeneity was also significant.” We did not involve other members of the organisations because our priority was to have a representing number of organisations involved in our research, and time would not allow us to have multiple interviews within each case. Furthermore, we believe that the directors’ vision and knowledge of his or her organisation would give us sufficient data for our research.

As we involved both producing and presenting performing arts organisations in our research, the first concern of participant selection was that we needed to reach both groups. We designed an email, which can be found in Appendix 4, that we sent to our participants. We obtained the contact information of our participants in various ways, depending on whether the organisation was a theatre, pop venue, company or festival. Theatre directors were reached through the email to the VSCD database, sent by our supervisor Cees Langeveld. The directors of pop venues were contacted in the same way by director of the VNPF, Berend Schans. Performing arts companies were approached in two ways. We obtained the contact data of the companies that are subsidised by Fonds Podiumkunsten from secretary of this subsidising body, Nico Schaafsma. Mr. Schaafsma made a selection of cases of which he knew they were involved in collaboration activities and would be of great attribution to our research. After we obtained data from these participants, we decided to involve more cases in order to have a balance in producing and presenting organisations. We obtained additional contact data for companies that are subsidised through the national government by Pieter Bots, secretary of the Raad Voor Cultuur, and we sent a request email to the organisations. Festivals were contacted in various ways. Two participants responded to the email sent to the VNPF, one festival we contacted after a suggestion from a participant and one festival was reached when we requested Berend Schans for additional festival cases. In few cases of our samples, we used a snowball sampling approach: other participants mentioned cases that would be interesting for our research. We contacted them by using the same email. To broaden our perspective we also interviewed 7 professionals in the field. These participants sometimes reacted directly to the email sent by us or someone else. In two cases we emailed the participants directly. We briefly explained our research and sent them the same email.

The participants were asked to respond if they wished to participate in our research. Then we agreed upon a suitable date and time to visit. We decided not to request the participants to come to a certain location. The time of the directors is scarce and the locations of the organisations reached from Groningen to

Maastricht. We argue that visit ion the organisations contributed to an increased response rate. Furthermore, in this way the interview took place in a familiar setting, which made the participants more comfortable to speak freely (Morgan, 1997). In total we interviewed 29 theatres, 24 companies, 4 festivals and 7 consultants or professionals in the field. We visited them from April to November, with an intermission in July and August.

### **3.5. Data Analysis**

To secure the reliability of our data, we transcribed each interview integrally with the exception of one interview, of which the recording device stopped working during the interview. In this case we transcribed the part that was recorded. Then, we used the digital qualitative data analysis program nVivo to analyse our data. We analysed our data by using grounded theory. Grounded theory means that we developed the theory out of the data gathered. The approach is iterative: the data collection and analysis proceeded in tandem (Bryman, 2008). In this way we developed besides the themes, we anticipated on, additional themes and sub-themes. These themes were reviewed, selected and used for the research findings.

### **3.6. Validity and Reliability**

Validation is concerned with two levels: internal and external validity. The internal validity depends upon the fact whether the independent variable is, at least in part, responsible for the variation that has been identified in the dependent variable (Bryman, 2008). When qualitative research is being conducted, this validation is optimised when the research is being performed under similar settings. Since we practiced every interview in the same way, by informing our participants in the same manner, and creating for each independent participant a homogeneous environment that met the same criteria, we contributed to a sufficient internal validation. Regarding the questions there is some variability in which questions were asked because of the nature of the research. We did address some main topics, for which the data is comparable. Furthermore, internal reliability is enhanced because there was more than one observer present. There were exceptional cases when only one of the researchers could be present. We reduced the risk of interpretation by reading and reviewing each other's transcriptions and discussing whether we drew the same conclusions from the results. External validity, in qualitative research replaced by transferability, is concerned with the fact whether similar parameters and characteristics could be used to replicate the research. We described the setting in which our interview took place and the interview questions are to be found in the Appendix 1 and 2. Regarding qualitative research, transferability is also concerned with the issue whether the data has rich accounts of the details of a culture (Geertz, 1973) or in our case a specific sector in the Netherlands. The in-depth interviews provided us a detailed picture of our research subject. Furthermore, it provides the chance for others to review and make judgements about the possible transferability of findings to other cases. Because we transcribed the interviews integrally, it does not only entail notes on what we felt was significant.

*“When you want to change something in your country, you want to develop your people and you want to build your country on new economic principles, the state of art and culture is really important. People are able to think free, new ideas are being formed, artists can be free in their movements. And start-up businesses can develop.”*  
*(Han Evers, De Meenthe)*

## 4. Data Analysis

### 4.1. Introduction

The data acquired during the qualitative research is analysed based on different dimensions. This Chapter discusses types of collaborative processes, effects of these processes, mechanisms for optimising the effects, and conditions for achieving the expected results.

This research study makes a clear distinction between performing arts presenters and producers that represent the two sides of the market. Performing arts presenters are further distinguished into three groups, namely theatres, pop venues and multipurpose halls. The main function of presenters is to facilitate the presentation of art performances while working with different audience segments. Venues enable exchanges between the producers and the audience. Performing arts producers are defined as performing arts companies that operate in different genres such as music, dance, theatre and so on. Their main goal is to create performances that can be presented to the public.

An economic analysis usually involves a model. The first model of this research includes the different players that engage in collaborative processes in the performing arts sector: (1) venues, (2) schools, (3) third-cultural parties, (4) performing arts companies, (5) businesses, and (6) non-cultural institutions. Collaboration might be established between an organisation and a performing arts company; between an organisation and a venue; between an organisation and a third-cultural party; between an organisation and school; and between an organisation and a non-cultural institution (Table 4.1). In this study, sponsoring is only considered to be collaboration if it is created to achieve a mutual goal. The following diagram represents these parties that engage in collaborative processes and the arrows indicate the possible ways of working together. Three different collaboration types are currently the most significant and relevant in the Dutch performing arts sector: (1) collaboration between presenters, (2) collaboration between producers, and (3) collaboration between presenters and producers.

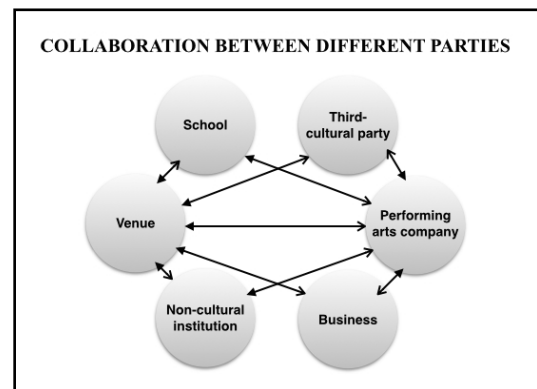


Table 4.1: Collaboration between different parties

#### 4.1.1. Characterising collaborative processes

Based on industrial organisational theory, we decided to create a model to illustrate the types of collaborations that appear in performing arts (Table 4.2). The first step in characterising collaborative processes is to decide whether a given collaborative endeavour a collaboration or an integration is. In both cases, we can make a distinction based on the criteria of intention: whether it was enforced or voluntary. Initiating collaborative processes voluntarily means that the participating parties decide themselves to engage in collaborative processes. When the organisation recognises that its work can only be realised by working together and voluntarily decides with which parties it will collaborate to prevent financial threats,

the collaboration is urgent but not enforced. Enforced collaboration in this article is defined as the following: ‘a third party imposes an obligation on the organisation to establish collaborative processes or outside forces such as the market situation forces the organisation to engage in collaborative processes’.

Taking the time dimension into account, we can make a distinction between (1) incidental (short-term) and (2) structural (long-term) collaborations. Incidental collaboration refers to a project-based process where the collaborative partners engage in working together on a short-term basis. Structural collaboration represents the opposite when the parties decide to work together on a long-term structural basis. This distinction has several implications regarding the mechanisms of the process and the two types also call for different implementation processes. Integration is always structural as it is a long-term investment and involves the change of organisational and legal entities.

The research defines three major objectives that can be the goal of collaborative endeavours: (1) financial, (2) artistic, and (3) social. It is possible that one specific objective is the main aim of the collaboration but parties can also aspire to reach more of these objectives at the same time. Collaborative processes can be further specified as vertical or horizontal. Horizontal collaboration or integration occurs when two presenters or two producers engage in collaborative endeavours together in order to realise a common goal, while vertical collaboration or integration refers to the cooperation of different members of the performing arts value chain. Finally, we can further typify collaboration and integration based on their specific attributes. The main collaboration types in this research are network-type, project-based collaborations, strategic alliances and joint-ventures. The two types of integration that the study distinguishes are mergers and acquisitions. Merger is a mutually agreed form of integration while in case of acquisition one firm buys another, sometimes in a hostile takeover. The main purpose of integration is typically to gain economies of scale or scope by operation expansion (Towse, 2010).

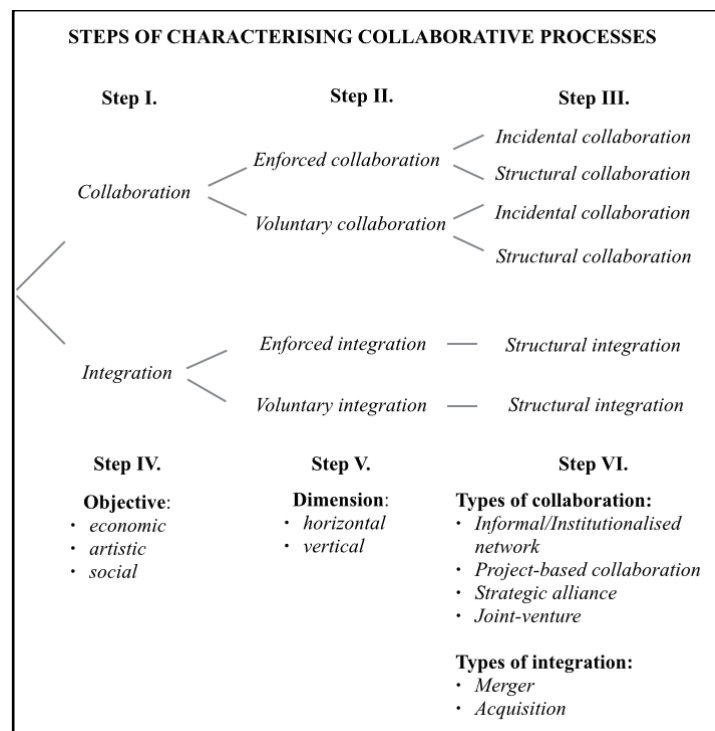


Table 4.2: Classification of collaborative processes

#### 4.1.2. The collaboration framework

The interviews with participants in the Dutch performing arts sector produced several important findings. The first main finding of this research study is the collaboration framework model (Table 4.3). This model

illustrates and summarises different collaborative forms that exist in performing arts. 7 levels and intensities are defined.

Informal or Institutionalised Network	Joint-project	Collaboration on programming marketing and publicity logistics catering	Shared back-office	Joint venture	Merger	Acquisition	Criteria
Knowledge exchange	To realise a project, product or event	Sharing knowledge: to benefit from collaborating on different levels	Sharing and combining labour and facilities in order to cut costs and increase efficiency	Creating a separate entity for part of the activities in order to cut costs and increase efficiency	Creating a new entity by merging two or more organisations to cut costs and increase efficiency	One organisation takes over another in order to cut costs and increase efficiency	<b>Aim</b>
Collaborating partners can be similar or different according to their: size main activities role in the supply chain							<b>Type of Participant</b>
Voluntarily «««—————»»» Enforced							<b>Motivation</b>
Incidental «««—————»»» Structural							<b>Time frame</b>
Ad-hoc «««—————»»» On-going							<b>Continuity</b>
Short-term «««—————»»» Long-term							<b>Orientation</b>
Low «««—————»»» High							<b>Costs</b>
Weak «««—————»»» Strong							<b>Ties</b>
Unimportant «««—————»»» Important							<b>Human component</b>
Small «««—————»»» Large							<b>Invested resources to maintain quality</b>
Artistic, Social, Cognitive benefit	Artistic, Social benefit	Financial, Artistic or Social benefit	Financial benefit	Financial benefit	Financial benefit	Financial benefit	<b>Benefits</b>

Table 4.3: The collaboration framework

The collaboration types from the least intense to the most intense are the following:

1. Informal or Institutionalised Network
2. Joint-project
3. Collaboration on booking performances, marketing, publicity, logistics, catering and programming
4. Shared Back-office
5. Joint-venture
6. Merger
7. Acquisition

Each collaborative process is analysed based on 11 different dimensions: (1) Aim, (2) Type of participant, (3) Motivation, (4) Time frame, (5) Continuity, (6) Orientation, (7) Costs, (8) Ties, (9) Human component, (10) Invested resources to maintain quality, and (11) Benefits. A few dimensions are depicted as a continuum with two extremes. As it is highly problematic to give an accurate measurement to these dimensions, the aim is to illustrate how the intensity increases as we move from the left-side of the table to the right. What the model allows us is to compare the collaborative practices with each other based on these different dimensions.

Informal network and acquisition represent the two ends of this spectrum and the other collaboration types are located in-between. In case of informal or institutionalised networks, the main aim of collaborating is to exchange knowledge. The nature of collaboration is incidental, ad-hoc and short-term. The motivation of partners to collaborate is voluntary and the costs are low. The ties involved are weak and the human component is insignificant. The invested resource to maintain quality is also small. The main benefits of these networks are artistic, social and cognitive. Acquisitions can be found on the other end of the spectrum. In this case, the main aim is to cut costs and increase efficiency. During this integration process, the identity of one organisation is greatly damaged as it is taken over by another organisation. This type of collaboration is most of the time enforced by the sponsoring body, the local government. It is a structural change and the implementation process can take years. The organisations have a long-term orientation and the costs involved are high. The human component is highly significant as the employees of the acquired organisation have to work for a new organisation. That is also a reason why huge amount of resources are necessary to maintain quality. The main benefit of an acquisition is financial. However, it can only result in reduced costs and increased efficiency if the implementation process is successful. This type of collaboration greatly damages the diversity of supply on the market as one organisation ceases to exist. Other types of collaboration and integration can be found in-between on this continuum. In case of shared back-office, joint-venture, merger and acquisition, the main motive is financial. These intensive collaborations aim to reduce costs and increase efficiency for the organisations in order to stay sustainable in the future. As the interviewees did not mention increasing revenue as a financial objective, financial benefit in the model refers to reducing costs and increasing efficiency.

The different intensities can be imagined as the rungs of a ladder. The chance of success in case of a long-term structural collaboration is bigger if it evolves as a natural process. Thus a merger has a bigger chance to succeed if the parties have been working together beforehand on several fields: exchanged knowledge, worked together on the realisation of projects, collaborated on programming or on other fields. It does not indicate that the parties had to try out all these different forms before starting an integration process but the research proved that the chance for success is bigger for parties that knew each other beforehand and built up a collaboration history.

## **4.2. Collaboration between performing arts presenters**

In the following chapter collaborative processes between performing arts presenters are discussed. We have interviewed 29 venues and discovered some major themes and trends in collaborative practices. As venues are the presenters of performing arts, they are responsible for making the performances available for the audience. They facilitate exchanges between producers and audience. *“We are continuously collaborating. We are the distributors of performing arts, so we don’t produce anything ourselves. We are not self-sufficient like for example Van den Ende productions, a company that produces musicals and owns its venues.”* (Rob van Steen, *Theaters Tilburg*) Collaboration, however, does not simply mean the purchase of performances from different performing arts companies. It refers to working together in a more intensive way in order to realise a common goal. Co-producing and adding common resources to realise

this objective is a good example of collaboration. Based on the definition of collaboration used in this research study (see Chapter 2), purchasing and programming different shows in venues are not defined as a form of collaboration.

In this report we defined 3 main groups as performing arts presenters, namely theatres, pop venues and multipurpose halls. Their main function is to facilitate the presentation of art performances but they work with different audience segments. We decided to analyse the acquired data in a logical order. We followed the steps of setting up a collaboration. Therefore, the first question we asked is: *Why do performing arts presenters collaborate with each other?*

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#### **4.2.1. Reasons to collaborate**

Theorists have proposed several explanatory frameworks to characterise and analyse the motivational factors that influence the formation of collaborations (Backer, 2002; Bartel, Frederikslust & Schenk, 2002, Ostrower, 2003; 2005; Kossen et al., 2010; Sedita, 2008; Stafford, 1994; Todeva & Knoke, 2005; Voss & Voss, 2000). The empirical investigation proved that the following objectives are the most common among performing arts presenters in the Netherlands when they decide to engage in collaboration and integration. The reasons are listed from the most frequently to the least frequently mentioned.

1. to enlarge audience
2. to join marketing, publicity, catering and programming forces
3. to increase efficiency on different levels
4. to share costs
5. to organise a joint-project
6. to engage in knowledge-exchange
7. to form a strategic alliance for political support
8. to increase contribution to the community
9. to engage new audience
10. to restructure and improve performance
11. to acquire competitive advantage
12. to facilitate talent development
13. to reduce uncertainties or risk
14. to expand organisational networks
15. to achieve product diversification

The qualitative research highlighted that when organisations initiate a collaboration in order to gain financial benefits, they mainly focus on the cost-side. None of the interviewees mentioned that they want to earn more income by setting up a collaboration. If we talk about financial motives, the main objectives of the collaboration are to share and cut costs and increase efficiency.

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#### **4.2.2. Collaboration is a tool and not a goal in itself**

As presented above, cultural organisations can have different goals that they aim to achieve through a collaboration. The qualitative research pointed out that a mentality change is crucial in order to realise the advantages of collaborations. It is important to highlight that collaboration is a tool to achieve a certain goal but not a goal in itself.

— “What I haven’t figured out yet is: ‘What are the general expected benefits of collaboration? Why should you force a collaboration if it is not happening in a natural way?’ Or: ‘what’s the goal?’ If you give me a goal, then we can start a collaboration to achieve that goal. If there is no goal but the collaboration itself, then it is really hard to focus. Collaboration has been presented recently as a goal on its own while it’s primarily used as a way to become more efficient and have low costs. If the goal is to work on a smaller budget, collaboration could be a possible way, but maybe there are better ways.” (Guido de Vries, Gigant)

As the interviewees stated, collaboration does represent a solution for current difficulties. Collaboration—if organised properly—can enhance the artistic and social value of cultural organisations. It can also facilitate financial benefits, mainly greater efficiency and lower costs. Collaboration is, however, a long-term strategy. It can only work if the partners realise the mutual gaining point of working together and understand that it requires a great investment of time, resources and energy at the beginning (see chapter 4.7). As performing arts organisations did not need to work together in the past, most of them just started to open their doors towards other cultural institutions in their surroundings. It takes time to build up structural collaborations and enforcing a faster implementation does not help the process.

Several participants claimed that collaboration is regarded by the national and especially by the local government as a tool to cut back costs. This endangers the fundament for a good collaboration as organisations need to focus first on the common objective and they have to perceive the additional value that the collaboration can provide. Synergy can be achieved when 1 and 1 results in 3 as a result of a joint effort. Collaboration is not an end in itself, it is a means to achieve a certain goal which can be artistic, social or financial. If an organisation does not perceive the additional value of a collaboration, the process can easily be obstructed which can demotivate the collaborating parties to continue. As our interviewees stated, the success of a collaboration depends on the mentality of the partners and to what extent they are able to focus on already-existing possibilities under the given external and internal constraints.

In the previous chapter (see Chapter 4.1), we made a distinction between voluntary and enforced collaborations. By enforced collaboration we meant that a third party imposes an obligation on the organisation to collaborate or outside forces such as the market situation forces the organisation to work together. Collaboration can be enforced by political bodies such as the local government. As several interviewees highlighted, if the local government determines different criteria for the collaboration that the parties have to meet, it can greatly hinder the success of the implementation process. Such a criterion is appointing the partner for a cultural institution instead of letting the organisation choose one.

— “Enforcement is a negative success factor. Most of the time there is an impulse from the city hall that organisations have to work together because it is cheaper. Yes, maybe, but not at the beginning! If you collaborate and you get less money to do this job, then the budget is already smaller when you start the cooperation. But cooperation and co-creation means that you have to invest in the collaboration in the first period. You need to have time, money and you need to find the best solution in practice. Collaboration costs money, time and energy. It is not for free.” (Freek van Duijn, Frame Amsterdam)

On the other hand, when the organisation recognises that its work can only be realised by working together and voluntarily decides with which parties it will collaborate to prevent financial threats, the collaboration is urgent but not enforced. If there is an urge and a necessity to work together, it can influence collaboration in a positive manner. That is why, necessity and urgency is essential for a successful collaboration (see Chapter 4.7.1).

### 4.2.3. Conditions for a good collaboration partner

During the empirical research, the interviewees mentioned several criteria that are important when choosing a strategic partner for the organisation. The first criteria is size. In case of small cultural



organisations, it might be problematic to build up a long-term collaboration with a big organisation. Similarity in size and speed with other characteristics such as workload and number of inhabitants in a city are important aspects of a successful collaboration (see Chapter 4.7).

Secondly, the nature of the organisation can also influence the success of the collaboration. This involves collaboration between private and public organisations and in-sector versus cross-sector collaborations. According to the interviewees, similar organisations can work together more efficiently. Similar—in this case—means private with a private theatre, public with another public organisation, pop venue with another pop venue or a performing arts company with another performing arts company.

— *“It’s difficult to really set up a collaboration between municipal and non-municipal organisations. What is a contract with a governmental organisation? When the new elections arrive, everything disappears from the table. So, cooperation between a governmental and a private organisation is very difficult.” (Han Evers, De Meenthe)*

On the other hand, the interviewees also mentioned that in case of smaller cities (cities with inhabitants below 100,000), focusing on local identity is an important task and local organisations must collaborate to realise social values within their communities. In case of bigger cities, this question is not that outstanding and there is a bigger chance that cultural organisations compete with each other in order to secure their market position. Thus the question arises: *‘When does proximity plays an important role and when is it more important that two similar organisations collaborate?’* The answer might be finding the mutual gaining point. In case of every collaboration the partners need to realise what they can gain from working together. Finding the mutual gaining point is highly problematic with mergers and acquisitions because it inevitably leads to loss of identity. The key, however, is that partners understand the benefits of the collaboration and they are willing to work towards that mutual goal.

As discussed above, selecting a strategic partner for the collaboration can be voluntary or enforced. In general we can state that if the organisation has the opportunity to search for a suitable partner voluntarily, the chance for success will be bigger because the collaboration grows as a natural process. In this case the collaborative endeavour starts with a mutual goal instead of the other way around. Several interviewees emphasised that a bottom-up process has a higher potential to facilitate success and growth opposed to a top-down method. *“I believe in organic growth. It is good if you can meet each other on several fields and say: ‘What can we do together in order to improve our own projects and products and also save costs?’ (John de Vos, Theater het Kruispunt)*

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#### 4.2.4. Different types of collaboration between venues

##### 4.2.4.1. Collaboration on the national level

As the collaboration framework in Chapter 4.1.2. illustrated, there are 7 different levels and intensities in collaboration. Informal or institutionalised network is the first type of collaboration in our framework which is also the least intensive compared to the others.

The most frequent form of collaboration between venues on the national level is exchanging experiences and knowledge. There is, however, a fine line between exchanging expertise and sharing valuable information that can be used in a competitive way by the other party. Programming is a special area because organisations often fight for the same artists which inevitably creates cautiousness about sharing specific information. There are two different forms of network-type collaborations. Several associations exist on the national level to enhance the exchange of knowledge and expertise between venues, such as the VSCD, VNPF or NAPK. This third party facilitates knowledge exchange by organising regular meetings

and keeping the members well-informed. Venues, however, often decide voluntarily to set up smaller networks with organisations that they have a common vision with. As the members of the associations are highly heterogeneous, organisations often feel the urge to search for partners who are similar in many respects and face the same challenges. Network-type of collaborations represent an efficient tool when organisations want to join forces to increase organisational efficiency by exchanging useful information with each other.

— *“That is not so much about the realisation of ticket sales or the realisation of supply but about sharing knowledge in all areas whether it is marketing or facility or staff. You can see that in different contexts such as within the VSCD. But there is also a company which is not that formal, and it is called the Table of Kindred Theaters. That is a foundation of 10 theatres that think that they have similar issues in their cities. It happens all over the country. Similar theatres with similar issues try to help each other by means of research, advice and sometimes making arrangements with producers.” (Rob van Steen, Theaters Tilburg)*

#### **4.2.4.2. Collaboration on the local level**

Collaboration on the local level mostly occurs in the form of organising joint-projects together and forming a strategic alliance. Project-based collaborations are set up to realise a project, a product or an event together. These joint-projects are mainly incidental, formed on a short-term basis. If the efforts result in success, the partners are often encouraged to repeat it on a regular basis. Joint-projects mainly result in added artistic and social value and the invested resources are usually less compared to other more intensive forms. Project-based collaborations give venues a good chance to get to know each other and build up a collaboration history together. This type of collaboration is the second form in our framework (see Chapter 4.1.2). Furthermore, cultural organisations on the local level often join forces in order to increase lobbying power for art and culture in a given city. The mission of such an alliance is often to strengthen the cultural climate of the city and to become a negotiating partner of the local government. Not all of the cities reached this point in development but it is a crucial step for cultural organisations in the future.

The interviewed participants who were already members of such strategic alliances reported that they managed to gain extra benefits through the alliance. The main strength of these groups is having a common vision with an increased power due to bigger scale. Joining forces together also means that organisations in the city are able to support each other in difficult times and represent more the cultural interests of the given city. *“With the foundation, we want to influence the policy of the local government by getting together and talking about our views of how culture in the city has to grow and be organised.” (Frank van Iersel, Mezz)*

#### **4.2.4.3. Collaboration on programming**

Although venues adjust their programming decisions to the programs of other theatres and pop venues in the close surrounding, the empirical research showed that it is an area that has to be improved in the coming period. Not only theatres and pop venues in the same region and in the same province but also local institutions (theatres with other venues in the city) need to collaborate more on programming decisions in order to accommodate, adjust and harmonise the programs to each other. Harmonisation also involves specialisation in certain genres. As a result of the subsidy cuts, it will be less and less manageable to program everything. That is why, the division of programs between different types of venues and different locations is a crucial step in the future.

Harmonising programming decisions also involves that more venues can work together as one purchasing organisation to program international performances or to get a better price from the producer. As the volume increases, special discounts can be arranged, which is favourable for venues, and can result in

decreased costs. The same principle is true for other purchases such as office equipment. For further details see Chapter 4.2.4.6.

Several interviewees mentioned during the empirical investigation that a possible direction for the future can be the creation of programmer's pools, which implies that a specific city sets up a separate programming organisation that is responsible for the whole programming of the city. This organisation also has to be supported by a well-working marketing mechanism. The establishment of programming organisations can also enhance professionalisation within the sector as specialised programmers in certain genres can be hired and their expertise can be exploited by the whole city. There are some initiatives in the country regarding setting up a pool of programmers but there is still a big space for further improvements.

— *“The Netherlands is one of the few countries in which you have so many stages with their own programmers. In a city like Hamburg you have a lot of clubs but they are commercial enterprises. There are city promoters who simply organise concerts in many different venues. They program by watching where it fits in terms of image. I think you can work very well together in the field of programming. It can be quite extensive to form an umbrella organisation to do the programming for the whole city but then you can hire very good programmers or promoters who serve a specific segment.” (Peter Sikkema, Oosterpoort)*

Not only cities but performing arts venues such as theatres can also decide to share programmers or to set up a pool that programs for several theatres in the same region. *“Last year we shared a theatre programmer with Hoorn and now we want to see if we can share this programmer with Haarlem, Leiden and Amersfoort. We said: ‘Why don't we make a pool of programmers specialised in classical music, youth theatre, musical, drama and so on?’ This pool could program for 4-5 theatres.” (Jaap Lampe, Theaters Haarlem)* In case of sharing programmers together, it is important to highlight that the programmers need to have a connection and bond with the city and the given institution, otherwise it will not be a successful collaboration. Every city has a different atmosphere and the taste of the audience often differs in various cities. Taking the specific characteristics of a venue and the city in which it is operating into account is a critical factor in order to implement a successful collaboration on the area of programming.

#### **4.2.4.4. Collaboration on marketing**

Performing arts presenters collaborate with each other on different levels on the field of marketing. Collaboration on this field mainly involves activities such as publishing each other's performances in the yearly booklet or organising intensive marketing campaigns together.

Harmonising audience data is an important field for future development. By building up common databases, theatres and pop venues can benefit enormously from the acquired data and can better understand their target audience. Due to continuously decreasing audience number and financial support, attracting new audience and retaining the already-existing audience are two fields where marketing has an outstanding role. As one of the interviewees emphasised, not only getting more information about audience segments but also investing more in pre-sale and after-sale promotion is an area where further improvements can be achieved. Another participant of this research study highlighted that designing and implementing a good marketing strategy is essential for performing arts organisations at the moment due to difficult external circumstances. Thus well-educated marketing professionals with great expertise are more and more needed in performing arts organisations.

—“What you see with the 4 big venues in Brabant is that they try to collaborate on marketing. We all have our own audience data. You have fixed clients who are visiting the theatre a few times per year and visitors who only come once or twice. In our marketing we handle the latter visitors as they only come once a year to the theatre and we also think about them in that way. But this is not the reality. A big percentage of these visitors are shoppers which means that they go to Tilburg, to Breda, to Eindhoven and also to the concert hall. So, they are actually heavy users qua culture but we approach them in our marketing as they are light users. This is not matching, so we believe that we can do it better if we collaborate for that.” **(Rob van Steen, Theaters Tilburg)**

#### 4.2.4.5. Collaboration on sponsoring

Although joining forces in the local community can help to increase lobbying power for culture, this system does not work for sponsoring. In case of sponsoring, the giver wants to make sure that the money goes to a certain organisation and it rarely occurs that the sponsor is willing to support the whole cultural scene in a given city. “Sponsors often don’t want to give money to a whole group. It is a lot about personal connections, trust and like-ability.” **(Renske Verbeek, Kroepoekfabriek)** Another problem that occurs when organisations form a sponsoring alliance is that the speed of jointly designing a sponsoring application does not meet the speed that is needed for the actual sponsoring offer. With several partner organisations the process can take longer than expected.

Research in recent years showed that in general companies are not willing to sponsor venues anymore. They sponsor an idea or social responsibility programs. This fact calls for new strategic orientation with different effects on the communication and marketing strategy. What are the underlying reasons of this changing tendency? One explanation could be that the role of sponsoring in the cultural field is changing. “There are no sponsors who just give money nowadays. It is about partnerships in particular. Companies often want to develop special activities for their customers or their potential clients.” **(Geert Overdam, Festival Boulevard)** Sponsoring is more and more becoming a specific partnership where the sponsoring body expects additional values to be involved and generated. It is no longer a money-based transaction.

#### 4.2.4.6. Collaboration in the back-office

A more intensive way of collaboration is sharing back-office tasks together, such as administration, finances, technicians or purchasing material together. A lot of performing arts organisations realised the benefits of purchasing office equipments together. By joining forces performing arts organisations can benefit from reduced prices, discounts, better deals and better services. “We buy all the office equipments such as tapes or pens together with other cultural institutions in the city. That is a small thing but we have a good deal with the supplier and we get discount.” **(Jeroen Blijleve, Patronaat)** Having the same printing company for several venues or making a common beer deal have the same benefits. This is third collaboration type in our framework (see Chapter 4.1.2).

Several interviewees raised our attention to the shared service network model. An increasing number of venues involve in a shared service network model. The term means that organisations search for areas where advantage can be gained by choosing a common supplier and making purchases together. On other areas, where this advantage is not possible, the organisations stay autonomous. This model enables venues to gain financial benefits while staying autonomous organisations. It is a less intensive form of shared back-office.

Due to changing circumstances in the sector, outsourcing certain activities is another option for venues. Restructuring business processes while preserving the artistic quality and serving the best interest of the audience is a good way to reduce costs.

— “We restructured our business processes. We have been in a firm alliance with the theatre in Breda and with the library in the neighbourhood. We have no back-office in the library anymore, we out-sourced it. When you want to give something to your local people, it isn’t always necessary to make it yourself because you can hire it from somebody.” (Jos Kok, *Nieuwe Nobelaer*)

## 4.2.5. Different types of integration between venues

### 4.2.5.1. Shared employees

In our research we explored a couple of cases in which performing arts presenters share employees with each other. Employees can be shared in the marketing and programming department or on the level of governance by having a shared director. First of all, this type of integration contributes to a reduction in personnel expenses. Hence it enhances the financial value of performing arts organisations. Furthermore, regarding the cases discussed during the interviews it turns out that the sharing of employees led to professionalisation of the departments, as well. By having a programmer for several locations, the program can be harmonised and adapted on a more efficient level. By having one general or marketing director who is able to look from above facilitates to fine-tune the programming and marketing departments, which leads to an increase in diversity and a more specific image. We obtained financial data from one of the cases in which such a structure was implemented: a shared director was appointed for three theatres in one region. When comparing the year before and two years after the implementation, we see an increase in income through ticket sales and a decrease in personnel expenses (52%).

### 4.2.5.2. Shared back-office — partial and full integration

A more intensive way of back-office collaboration is the integration of departments. Although, there are advantages and disadvantages of partial integration of the back-office, from all the interviews it appeared that it might be the most successful way to cut costs, increase efficiency and still preserve the artistic merit of organisations. As a shared back-office mainly affects secondary support processes of venues, the front-office can remain intact. A significant advantage of integrating back-offices is the possibility to increase the professionalisation of business processes. Several interviewees highlighted if organisations work together at the back-office, a more stable and stronger organisation can be established with more professional focus while working with better qualified and specialised employees.

A shared back-office can involve partial or full integration. Partial integration of the back-office refers to the process when only a part of the back-office such as the financial department is merged. In case of full integration, a separate back-office is created which is similar to an outsourcing process. It is sometimes referred to as a shared service centre, where the participating venues can give assignments and tasks to the merged back-office. While the back-side of organisations are significantly restructured, the front-side can remain the same. Organisations can keep their brand and image that they have been investing in for years. This specific form of collaboration is the 4th in our framework (see Chapter 4.1.2).

— “I believe that you can organise processes together with organisations at the back-side. If this experiment succeeds, I think we can go further with the collaboration and establish another legal identity. When you have that new organisation, venues can give the new organisation the task to do the program, the finance and the technical support. You have to start with two venues to see if it works and then you can scale up with other venues. I believe that it won’t hurt the front-office. The audience can still see your own branding but at the back-office you can cut costs.” (Marc van Kaam, *Theater Castellum*)

#### 4.2.5.3. The merger of theatres

In our research, we analysed one case in which a merger of presenters of the same discipline took place. The merger occurred because of financial distress of one of the theatres. By merging the theatres, it was possible to have better governance of the distressed theatre and to reduce personnel expenses. Furthermore, because the two theatres are based in the same region, it led to specialisation of the venues in characteristics, such as size of halls, and artistic programming. Hereby, competition between the theatres is prevented and visitor numbers increased. From the data we obtained from this case, we see a total growth of visitor numbers by 61%. Regarding the specific visitor numbers of the theatre that experienced financial challenges, we see that the amount almost quadrupled (3.9 times as much). Also for the other theatre it resulted in a growth of 41%. The total amount of activities increased by 50%.

#### 4.2.5.4. Cultural mega-complexes

Integration between several cultural disciplines we call cultural complexes. The research study found out that the most significant advantages of building cultural complexes are product diversification, cross-over programming, and additional benefits resulted from each other's audience segments. An efficient implementation process, however, is critical for the long-term success of the integration process. Efficient implementation means that the participating parties are able to exploit their strengths and willing to discover the possibilities that working together can offer. Product diversification in this case implies the creation of new products by adding together the products of the individual organisations thus creating a broader spectrum of supply. A good example could be educational programs for schools that contain several disciplines in one package such as classical and pop music, reading and performing arts education.

Moving several performing arts organisations into one building and thus establishing cultural mega-complexes is a relatively new trend in the sector. There are several examples in the Netherlands such as the institutions CODA, Het Cultuurgebouw, Nieuwe Nobelaer, Cooltheater, SCHUNCK, ECI, Energiehuis, de Nieuwe Kolk, Muziekkwartier and so on. Although the participating parties are from different disciplines, there are some common challenges that these often merged organisations have to face. The following part discusses the challenges that might arise and the pros and cons of these cultural multi-complexes.

These building projects are mostly initiated by the local government. By constructing a new cultural complex, organisations within the city can move into a new building with better facilities. It is, however, often overlooked how the institutions can manage their operations in the new building and particularly how they can work together in an efficient way. Organisations often decide to form a joint venture which becomes an umbrella organisation above the different labels. Joint-ventures are mainly established to perform certain activities in these buildings, such as building maintenance or the marketing of the whole complex. The main motive is to cut costs and increase efficiencies and thus gaining financial benefits. This is the 5th form in our collaboration framework (see Chapter 4.1.2).

— *“I think collaboration gives us a lot of input, a lot of energy and a lot of positive flow. When I look at other organisations like us, a lot of them are still on their own, operating very solitary. I think we will see a lot more similar organisations in the future with a lot of different disciplines together. When it comes to budget cuts, you see that there are now a lot of this type of composite organisations created in small towns. I think that this is the wrong approach because it is not cut. It gives you more in the long-run. Especially in what you deliver: in terms of social returns.”* (Tineke Maas, Cooltheater)

It is important to note that the division of tasks and responsibilities of the separate organisations and the joint venture are often unclear at the beginning. On the one hand, the organisations themselves cannot be the operators of the joint venture because it would mean that they are the facilitator and the user at the

same time. As one of the interviewees stated, it can cause unclear roles and other problems as the organisations are able to sign contracts both as operators and users. On the other hand, the danger of joint ventures in the long-term might be becoming too hierarchical and bureaucratic that hinders the efficient operation of the venture and the interests of the separate organisations in the long-term.

- *The threat of mergers*

Organisations operating in one building are often advised by the local government to merge into one organisation. It is a more intensive integration process than forming a joint venture, the 6th type in our collaboration framework (see Chapter 4.1.2). A big threat of these merging processes —when several cultural organisations move into one building and they are forced to form one organisation— is that the process rather becomes an acquisition. Interviewees participating in a merger reported that it often happens that the smaller organisation participating in the merger is taken over by the stronger and older one.

— *“The local government had very practical reasons for the merger. Now they only need to talk to me and otherwise they had to talk to 5-6 organisations. So, it was for them more or less efficiency. But they also welcome the ideas that we have because it is more value for the community. We have a new term: gross return on subsidy. We must give the maximum of return on subsidy to our community. We believe that we get that money from the society, so we are able to give back many things in return.” (Jos Kok, Nieuwe Nobelaer)*

Stronger more established organisations can often dominate these integration processes which greatly damages artistic diversity. If a merger is necessary, it is important that the new organisation becomes stronger afterwards than beforehand. If the separate organisations are more focused on strengthening their position in the new organisation instead of building up a stronger one, then the merger will result in more inefficiency.

Several interviewees suggested that one solution to facilitate a successful integration process is to appoint a neutral director who is above all the managers of the separate organisations and who is able to provide a neutral picture about the situation. It is also an advantage if this person has experience with similar merger processes. The difficulty with this solution, however, is that this person is new which may cause suspicion by the previous directors. Another challenge is that the newly appointed director might have different priorities which can also pose a threat to particular organisations in the merger process. Thus, the new Managing Director is a crucial figure in merger processes.

In case of huge cultural centres, a few interviewees highlighted the issue of equality. The participants emphasised that the implementation process can only result in long-term success if it involves equal partners and besides enhancing financial benefits, the process does not harm the programming and artistic value of any of the participating organisations. As these mergers often involve organisations with totally different organisational cultures, it is hard to stay open towards different organisational structures. This is, however, the way to success. Collaboration and integration can be successful if it is a two-way process and if both parties are able to learn from each other and exploit the strength of each other.

— *“Start working together before you are going to move to one building! Start asking why, and what to do and do it as an organisation. If you move to a building that lasts for 50 years, make sure that you have a good program that still can develop the next 20 years. Make sure that you have an idea and that your art is really appreciated and accepted by the people in this local society. Because then the building is following your idea of what your progress will be.” (Freek van Duijn, Frame Amsterdam)*

As stated by interviewees participating in mergers, the biggest disadvantage of these integration processes is that it is hardly reversible. If merged organisations decide to go independent again, it requires a big amount of investment in resources to realise that. In order to prove the economic rationale behind mergers and acquisitions, further statistical analysis is needed to explore whether the operational costs decrease after the merger. Based on a few interviews, we can state that mergers require additional costs in time and money that are not taken into consideration during the planning period.

- *The importance of the architectural process*

The structure of the newly designed building greatly influences whether a successful integration process can be implemented in the future. It is important that the organisations actively participate in the construction process. It is vital that a booklet of demands for the architect is written properly as these demands can hardly be requested later on in the process when the building is already constructed. Having a good view on the needs of organisations and formulating the demands precisely can result in an even better building than expected beforehand. The following quote contains additional suggestions and advice regarding the construction process of these cultural complexes.

— *“The local government has established the process of building management. They hired a consultant to develop the construction specifications and to do the project management. The problem is that in such construction specifications there are always mistakes and there are things you bump into during the construction that could have been better. You need to be critical towards the building specification party. We actually missed the critical attitude that was needed. That is why we invested in the supervision of the construction process enormously and that led to a beautiful building. But the process would have been better if there was another party who did the project management.” (David van Wijngaarden, Bibelot)*

- *The state of fear*

The empirical research proved that the first reaction in case of mergers is fear. The participating organisations feel threatened and they are afraid of losing their own identity. A few interviewees currently involved in merger processes mentioned that they are afraid of damaged artistic diversity after the merger. Fear is a natural state that can be overcome by showing the partners what they can gain from the process. Employees are often afraid of the unknown as they think that as a result of the merger they will lose their power and their right to make decisions. This fear from bureaucracy is a common mindset that can be overcome by certain measures.

— *“There was a huge opposition to the merger at the beginning. You have to imagine that many employees have doubts and questions about the possibility to cooperate with each other. But the best proof that it is possible is doing it. So, by proving it you can put more steps forwards. And sometimes you have to make decisions. Sometimes you have to mark a point. But in the meantime you have to make steps together to make the belief bigger and greater between the employees themselves.” (Joep van Dijk, Het Cultuurgebouw)*

This fear, however, turns into reality if the partners did not join as equal parties and if some organisations dominate the process of the merger instead of aiming for protecting the brands and artistic quality of the different organisations. In this case, the threat is that the organisational culture of the newly merged organisation will be the one of the most dominant party, instead of a new culture with increased professionalism and the benefits of differences. This process of building up a new organisational culture is further hindered if there is not enough time and energy available for the integration process. The main advantage of these mergers might be the professionalisation of business processes, increased quality and a stronger organisation. However, it is only achievable if the partners are able to accept the differences in organisational cultures and the process does not harm the artistic merit of the participating parties. As these integration processes are quite new in the sector, it is hard to investigate their impact on artistic merit



in the long-term. It is a direction for future research. During the empirical investigation, interviewees often mentioned that pop venues are the most threatened in integration processes. If the participating parties do not realise the strength of different organisational practices and cultures, there is a possibility of 'theaterization of pop venues' which would greatly damage the artistic diversity of cultural production in the Netherlands. In this case, we cannot talk about a merger of two cultural organisations but the theatre takes over the pop venue.

— “A lot of pop venues have been rebuilt or newly built in recent years. There has been almost a ‘verschouwing’ of music venues. If you organise a pop venue more business wise, then you cut out the loose ends. That is probably more efficient and you can gain some euros but you also lose identity and the reason of existing at all. We talked to students of ArtEZ and they all said: ‘We don’t want Ziggodomes but we do want Paradisos.’ (Guido de Vries, Gigant)

— “Many new pop venues were built from the ‘90s because the old ones didn’t meet the requirements of the new regulations. That simply had the effect that venues became more business like and maybe less authentic. But I do believe that program creates an authentic atmosphere. Program makes sure what the atmosphere is. The public is also increasingly demanding. People expect quality and you need to have a healthy wide programming. It means that your building also has to be reasonably versatile.” (Berend Schans, VNPF)

The quotes highlight that the interviewees are concerned about the future of pop venues. In order to analyse the impact of integration processes on the quality of programming, further research would be needed. However, we can state that the biggest difference between theatres and pop venues lies in organisational cultures. While theatres and other traditional cultural institutions have a rather hierarchical structure, pop venues work with ad-hoc and clan cultures (Cameron & Quinn, 1999). Both of these structures have their respective characteristics and merging two different cultures together can result in severe problems if not tackled properly. The implementation process can be successful if the new organisation takes over the strengths of both organisational systems.

- Merging the back-office and creating one stable organisation

Another interesting issue is the integration of back-offices in these cultural complexes. Interviewees participating in a joint venture claimed that setting up a common back-office can be beneficial if it involves the secondary processes such as finance, ticketing system, facilities, IT, maintenance and administration. As it influences the back-side of the organisation, the audience should not recognise the change in a negative sense. That is why, it is important that the areas of programming, marketing, publicity, production stay within the operations of the separate organisations.

Based on the interviews we can state that a difficult part of the integration process is to create one coherent organisation. After finishing the architectural process and harmonising the common activities in the building, the next step is to merge the organisational cultures into one unity. Our interviewees claimed that most of the integration processes face a significant challenge in this phase. In order to achieve success, openness is needed towards differences and the ability to recognise commonalities based on which the organisation can move forward. Even if the directors have the strategy for implementing the process, clear communication towards the employees is essential as they are the main participants of the process. It is important to design educational programs that help the employees to adapt to the changing circumstances. As the research proved, this phase greatly defines whether an integration process can yield the expected benefits and will not result in more inefficiency in the long-run. “After the merger, we first realised cost-benefits. And now we are looking at our identity. Who do we really want to become and how are we going to realise that? However, first you must have your internal organisation complete.” (Jos Kok, Nieuwe Nobelaer)

- Product diversification

The qualitative research showed that the most significant advantages of building cultural complexes are product diversification, cross-over programming, and additional benefits resulted from each other's audience segments. An efficient implementation process is critical for the long-term success of the integration process. Efficient implementation in this case means that, the participating organisations are able to exploit their strengths and willing to discover the possibilities that working together can offer. Product diversification in this case implies the creation of new products by adding together the products of the individual organisations thus creating a broader spectrum of supply. A good example could be educational programs for schools that contain several disciplines in one package such as classical and pop music, reading and performing arts education.

— “There is a great need of providing one program for schools that has a sense in itself and contains music, reading and performing education. If we organise it in a way that we will provide our products in one hand and one person contacts the directors of the schools, it is much more efficient. So, we can make a better program for all the educational institutions here in the community and we can provide the children a broader program in which all culture and arts are branded.” (Joep van Dijk, *Het Cultuurgebouw*)

#### 4.2.5.5. Acquisition

Finally, acquisitions can be considered as the most intense type of collaboration (see Chapter 4.1.2). It is a form of integration when one organisation takes over another. In case of mergers, the organisations create a new legal entity by merging the participating organisations together. Acquisitions are somewhat different because one organisation ceases to exist, thus this form of structural collaboration can be the most harmful to artistic diversity of supply in performing arts. Based on the empirical research, there are not many examples of acquisitions in the Dutch performing arts sector at the moment. Although, a merger can result in an acquisition if the partners do not enter the integration process as equal parties. There is one specific case when an acquisition process is advisable. If one organisation is at the end of its life cycle and threatened by disappearance, another organisation can save it by taking over and being responsible for its operations in the future.

— “The merger between De Vorstin and Theater Achterom was the initiative of the City Hall. There were two main motivations. On one side budget cuts and on the other side we wanted to have a big strong organisation. Furthermore, this is the first time in the history of the Netherlands that a pop stage takes over a theatre venue. It usually happens the other way around. The staff, organisation comes here but not the entire programming. It is a flat floor theatre, so some productions cannot be presented here because it is technically impossible.” (Leon Zwaans, *De Vorstin*)

#### 4.2.6. The disadvantages of intensive collaboration and integration

Based on the results of the interviews, we can conclude that 2 main clusters are apparent in the Dutch performing arts sector. One is formed around traditional cultural institutions such as theatres, museums, orchestras. The other one is established around pop and other innovation-based cultural institutions. The establishment of these clusters have two important implications for the sector. On the one hand, intensive collaboration and integration of cultural institutions can result in financial benefits, increased efficiency and as believed a better chance for sustainability. On the other hand, the appearance of mega-complexes and the merger of several cultural institutions into one giant organisation can greatly damage artistic merit, the realisation of social values and the diversity of supply.

— “There is a gap arising between bigger and smaller institutions. Smaller institutions collaborate heavily because they have to do it in order to survive. However, bigger institutions mainly focus on other bigger institutions and it is most of the time about joint-projects. Those are different types of collaborations.” (Hajo Doorn, *WORM*)

The research discovered that smaller towns with cultural mega-complexes are the ones that can gain the most from bringing more organisations together and merging them. The main benefits are product diversification, product differentiation, professionalisation of business processes, knowledge and know-how exchange and in-house production for the total demand of the community. On the other hand, interviewees argued that in case of bigger cities —with bigger complexes, bigger organisations, bigger audience— merging several cultural institutions together can severely damage the supply and diversity of art available in that given city.

What the results of the investigation showed is that structural integrations are not necessarily the best options for cultural organisations. Several interviewees emphasised that organisations do not need a merger to improve the level of collaboration. Collaborating in the back-office where the audience stay intact can be a better way of intensifying a collaboration. By merging only back-office departments together such as administration or finance, organisations can already raise (1) quality, (2) specialisation, (3) professionalisation.

Based on the findings we can state that the process of centralisation —merging many organisations together— can greatly limit the diversity of supply. Decreased supply and harm of artistic merit are the main threats of integration processes. The question arises: *‘What is the ideal number of companies producing and the ideal number of suppliers for the whole sector?’* From an economic point of view, the main threat of mergers and joint ventures is the creation of monopolies or oligopolies where one or a few big organisations influence the production of the whole sector.

— *“Maybe merging is the problem and not collaboration. That is why I think that you don’t need to merge if there is no need for a merger. There is a need for merger if you feel the need because of budget or artistic ideas. One of the good things about art and the performing art sector is the diversity.” (Yolande Melsert, NAPK)*

— *“I think integration is not a goal in itself. Before you talk about a merger and say that everything under one management, you really need to know why. Not all mergers in the industry have always led to improvement. You can also think of other forms such as a shared service network or outsourcing your personnel. You could decide that all 4 do the finances at an external private agency. A merger might arrive at optimal cooperation and efficiency but it isn’t sure.” (Hedwig Verhoeven, Koninklijke Schouwburg)*

#### 4.2.6.1. Additional costs

Collaboration always involves extra costs that the parties did not take into consideration beforehand. This extra cost can be tangible, such as extra investment in money or non-tangible such as time, energy and effort that could have been used for something else. That is why, collaborations always have an opportunity cost. Moreover, the most problematic issue of integration processes is the fact that it requires a great amount of investment if the organisations want to become independent again. The process is reversible in the long-term, however, the amount of resources it requires are significant.

— *“At that time, the merger took place because of necessity. We had to cut €15.000,- so it was assumed that if we would merge, we would save €15,000,-. These costs would be saved by merging the back-office together, which would lead to less administration. But I think the whole project of the merger cost at least six times the initial cutbacks. Moreover, everybody had to put a lot of extra time in it and this was not compensated.” (Anita Berrevoets, Podium ’t Beest)*

#### 4.2.6.2. Different levels of intensifying a collaboration

The main aim of creating a framework as demonstrated in Chapter 4.1.2. and summarising different types of collaboration is to explain different levels and intensities of working together. As the investigation found out, an important key to success is to build up the collaboration step by step as a natural process. The framework shows that by moving from exchanging information through project-based collaboration, to shared-back office and maybe to a joint venture, organisations are able to build up a strong collaboration while taking the external circumstances into account. As the research proved, jumping right into a joint venture, a merger or an acquisition can cause severe problems for the organisations on both financial and artistic level. It can also take several years to solve the issues and differences. The collaboration framework emphasises that organisations have to decide for themselves which type can provide the greatest efficiency while preserving the artistic diversity of cultural production.

The interviewees also highlighted the importance of timing in intensifying a collaboration. Employees and directors are always intensively involved in these processes and it can be greatly problematic for people working in the cultural sector to get used to working together as they primarily want to protect their artistic autonomy. It is crucial to find the 'right time' for initiating a bigger step and commitment.

— *“At the moment the general idea is that if you have 4-5 different cultural organisations, you just appoint one director and you make one organisation. This research by LAgrouop showed that we already cooperated on few fields and we also wanted to find out where we could find each other to make our operations more efficient. It showed that you mustn't go too far in cooperating because it can make things worse.” (Jeroen Blijleve, Patronaat)*

#### 4.2.6.3. Collaboration between the theatre and the pop venue

The research highlighted that theatres and pop venues face significant obstruction when working together due to differences in organisational cultures. As discussed above, both of the structures have their respective characteristics and working intensively together can result in problems if not tackled properly. Collaboration between these two parties can be successful if they take into account and benefit from the strengths of both organisational systems. *“The dynamic of a pop venue is extremely different from the dynamic of a theatre. For example, in the theatre there are a lot of professionals working on one show while we have one technician who leads a bunch of volunteers. The structure is quite similar but the culture is really different.” (Guido de Vries, Gigant)* The research found out that working together on a project-basis can be beneficial for both theatres and pop venues in many respects. However, the tension between these two parties increases when they are forced to merge. As mentioned before, a less intensive way of working together might be beneficial in order to bring the two communities closer to each other. Organising events and joint-projects together can be a fruitful way to slowly build up collaboration between these venues.

— *“Be open to each other! Be open about the cultural differences between the organisations! Have respect for each other! Don't be scared of the differences! People working in pop music are like the cowboys. We as a theatre are more organised due to our history and we are working a bit more on the safe side. We can always learn from both sides. They can learn from us how to be more organised and we can learn from them how to be more efficient and have a good cost awareness. The way you do things for years is not always the best way to do things.” (Jaap Lampe, Theaters Haarlem)*

#### 4.2.7. The impact of the financial crisis on collaboration

The empirical investigation found out that the financial crisis has a two-sided impact on the development of collaborations in the performing arts sector. On the one hand, organisations have less resources and time

to search for collaborations as a lot of organisations had to implement reorganisation processes in order to survive in the long-term. On this way, employees can refuse to invest energy, resources and time into collaboration and innovation. On the other hand, the necessity that the crisis created triggers companies to search for innovative and creative solutions on different levels within the company: both artistically and financially. *“If you suffer a subsidy cut, you have to become very creative. There is no pressure on creativity if you get enough money.” (John de Vos, Theater het Kruispunt)*

It is important to examine the impact of subsidy cuts on innovation and creativity. The idea that art should be functional continuously grew during the financial crisis. Several interviewees stated that in times of financial insecurity and fear, it is generally harder to create and program more experimental work. It is, however, greatly important to protect innovation and creativity in the sector as art is not only an answer to demand in the society. Cutting out less profitable but more experimental work of performing arts greatly harms artistic diversity in the long-run that cannot be restored later on.

— *“For a lot of organisations that are interested in more experimental work or work that isn’t well-known yet, it has become a lot harder after the budget cuts. It slowly changed and there are now a lot of directors who want to program more experimental performances because in the past 3 years it has been very hard for everybody to justify presenting work that is not immediately accessible to a broad audience. Everybody is sick and tired of the way that it is only about money and audience numbers instead of artistic quality or innovation or the experimental approach.” (Marijn Lems, Brakke Grond)*

#### **4.2.7.1. Financial motive versus artistic and social motives**

The interviewees stated that there is an overall tendency in the performing arts sector to emphasise the economic benefits of collaborations due to decreased financial resources available. The main objective is not to increase revenue or the number of audience but to decrease costs. Based on the findings we can claim that the financial benefits for venues that a collaboration can result in is currently more significant than the artistic and social value that the collaboration can enhance due to external circumstances.

Focusing only on the financial benefits, however, can be a wrong motive for performing arts organisations. As a result, the artistic and social values can easily be forgotten in the process. The collaboration framework (see Chapter 4.1.2) also demonstrates that in case of a shared back-office, joint venture, merger and acquisition, the main benefit is financial. Focusing only on reducing costs, however, can turn into an incorrect and mistaken impulse that overshadows artistic and social benefits. As stated above, collaboration always costs additional resources, such as money and time in the short-term. Setting up a collaboration to gain extra money can result in unrealistic goals and disappointment.

The question is whether performing arts organisations are capable of cutting costs without harming artistic and social values. ‘Thus are performing arts organisations capable of increasing artistic value with a merger or acquisition?’ As a result of this wrong motive, which is strengthened by public and political discourses, collaboration can be seen more of a threat than an opportunity. Highlighting only the economic benefits can greatly influence the perception of people involved. It is always important to find additional benefits that an organisation can gain from long-term collaborations.

— *“In the past 10 years in the whole public discussion about art and culture, the sector has been seduced to talk about culture in economic terms. If you put in 1 euro, how many euros do we get out of it? The same is about entrepreneurship. If you are ‘a good cultural organisation’ it means that you are a good entrepreneur and you make money. I think we have to go back along the road and say: ‘We have a social society meaning. We present cultural programs because we think it enhances our society. And besides that we make people more happy.’ (Guido de Vries, Gigant)*

Social value is continuously becoming an important part of the performing arts sector. Performances often address specific issues in the society or target a specific group of the society. Our interviewees stated that the social function of performing arts institutions is becoming more relevant in recent years. It is especially true for cultural mega-complexes in smaller towns, where the institution has a great social relevance for the city. Collaboration is a good way to realise social values that the organisation would not be able to achieve alone.

— *“We supply more than the performance and it goes over the questions: how many performances, how many students, capacity utilisation, etc. We also do community art projects particularly in the neighbourhoods in collaboration with community centres and schools. A large community art project makes you tremendously rooted in that area and it provides something for the district or school but it cannot be immediately translated into cash. These social things are difficult to measure. We are working on how we can make this clear and measure what that yields.” (Tineke Maas, Cooltheater)*

As discussed in the introduction, talent development is currently a significant reason why venues set up collaborations. It is a specific field where collaboration can yield huge benefits. Due to decreased financial resources organisations need each other to facilitate the nurturing of new talents. The interviews highlighted that collaborations aiming for talent development are easier to set up. It could be explained by the fact that nurturing new talents is a rather tangible objective. Thus, the participants can clearly see the expected benefits and the additional value that working together can create that motivates them to actively participate in the project.

#### **4.2.7.2. Collaboration versus competition and artistic autonomy**

What are the main reasons that contribute to the fact that some collaborations turn into competition? Where is the fine line between being collaborative instead of being competitive? How can we enhance collaborative relationships? Several interviewees stated that some collaborations turn into competition purely because of personal reasons. We cannot neglect the human element in collaboration. Even though people might be aware of the advantages of working together, differences in personality can easily sabotage collaboration.

Collaboration can also transform into competition due to external circumstances. Interviewees mentioned that external pressure, decreased resources can also force organisations to protect their own business and be less willing to share and exchange knowledge and information because it is a valuable asset for the organisation. Due to external difficulties, it is more likely that partners in the collaboration will take over ideas, contacts and other valuable information. These factors often force cultural organisation to be more cautious and to start with strict restrictions when they enter a collaboration. Clear arrangements can prevent the appearance of competition. Another solution to this problem is focusing on the strengths of parties and to create specialisation within the collaboration. On this way competitive advantage can be created and the strengths of the parties can be exploited in a more efficient way.

— *“ Sometimes it is difficult to work together and that is also a complaint to the politicians. Collaboration works most of the time because we believe that it is better. But sometimes politics says: ‘We have to make choices. They are closing or you are closing.’ Then you have to be careful with the things you do.” (Renske Verbeek, Kroepoekfabriek)*

— *“In bigger cities there is more competition because the venues are quite different and there is also a big difference in the way they get subsidies. That gives tension. Here in Haarlem we are closer together. That is also maybe one of the success factors. We are more treated in the same way by the municipality.” (Jaap Lampe, Theaters Haarlem)*

As discussed above, competition has a negative impact on potential collaboration. The question of autonomy is a similar issue. As a consequence of the nature of art, it can be stated that art organisations are unique and special. They produce similar products but these products are always somewhat heterogeneous. As being autonomous is the total opposite of being collaborative, over-emphasising autonomy can have a negative impact on the prospects of working together. As the interviewees stated, performing arts organisations need to find fine balance between engaging in collaboration and protecting artistic identity.

— *“I believe that in the long term the changes in society, the disappearance of traditional infrastructure for culture, the fact that people are becoming more media and place independent and the withdrawal of public funding will change the attitude of organisations. If you think like ‘we must remain independent, we must care about our own interest’ then you won’t persevere. I don’t believe that it is possible to continue to operate very independently. You can have independent thoughts and that have to be organised that way but in the background you have to cooperate. That is something unavoidable.” (Berend Schans, VNPF)*

Venues in the Dutch performing arts sector have a few international collaborations but it is an area where big improvements can be achieved in the future. While performing companies often work together with international companies to co-produce a piece, venues mainly engage in international collaborations if they want to stage an artist from abroad or they are the member of an international network that facilitates knowledge exchange. However, more and more initiatives are started with international partners especially in areas where geographical location makes it easier to collaborate.

#### **4.2.7.3. Tension between supply-driven and demand-driven production**

As a result of decreasing subsidies, there is a transitional period in the performing arts sector. In the last decades the government provided sufficient funding and support for performing arts producers and presenters to realise their artistic goals. From 2011 as a result of substantial subsidy cuts, performing arts organisations have been forced externally to take on a demand-driven perspective. The interviewees claimed that this change is often highly problematic and the change in mind state can take several years. *“I know this problem from several occasions that in culture the change from supply to demand-driven organisation is a very difficult one.” (Jos Kok, Nieuwe Nobelaer)*

Several interviewees argued that there is a tension between supply-driven and demand-driven production which is also reflected in the collaboration between producers and presenters. While venues have to be more focused on the demand-side such as audience numbers, the objective of performing arts companies is to make art which is more a supply-oriented behaviour. Thus the task of the sector is to find the ‘golden middle way’ that does not harm the artistic diversity of supply but still satisfies the existing demand on the market.

This supply demand dynamics is significantly related to capacity and scarce capacity. The question is: *‘How can we maximise the usage of scarce capacities?’* Tension between these two sides often occur because financing or subsidising authorities and performing arts organisations have different viewpoints. On the one hand, performing arts organisations create from an intrinsic motivation and it is not always driven by outside considerations. On the other hand, sponsoring bodies have certain budgetary constraints and policy programs. These diverging interests can occasionally result in tension. The analysis of the interviews highlighted that participants of the sector are more and more searching for new ways to combine supply and demand. The arising question is: *“Can you manage capacity in a very logical, systematic and also financially driven way but at the same time maintaining and guarding creativity and artistic values?” (Mirko Noordegaaf, Universiteit Utrecht)* Thus it is essential to manage capacity with an orientation towards quality, artistic value and creativity.

#### 4.2.7.4. Political interests influencing collaboration

Several interviewees mentioned that there is a tension between short-term and long-term orientation. Collaboration and integration processes are always long-term strategies as it takes several years for the organisations to build up a long-term commitment towards each other. Pushing collaborative processes or expecting benefits before it is realistic can greatly obstruct the process. *“The community is money-driven and short-term oriented now. They don’t talk about what is important for the long-term, for this community. I think culture in a community is important. At this moment they only look at money but I think it will follow within now and 12 months.”* (Marc van Kaam, Theater Castellum)

In order to prevent changing agendas due to changes in local governance, one interviewee suggested that a written commitment between the Mere and the given cultural organisation can be a solution against continuous changes. In case of long-term collaboration, it is essential to build up structure and to make contracts between the partners. The relationship between the local government and the cultural organisation can also be considered as a long-term collaboration where certain measures have to be included in a contract. *“A good advice for colleagues is the one thing that we have learnt and done. When you have a commitment with the local government, you must put that in writing between the Mayor and your organisation. Not the Council but the Mayor because then it is private and the local government has a formal commitment with you.”* (Rian Dirken, Nieuwe Nobelaer) The importance of written contracts will be discussed in a following section. (see Chapter 4.2.8.2.) Moreover, several interviewees stated that the performing arts sector needs a new collective vision to cope with current difficulties in the environment. Due to economic changes in recent years, the sector had to restructure its operations and it is not clear yet where it is heading. Bottom-up initiatives are essential to create a collective vision for the whole sector.

Having a cultural centre for the city which provides performances, activities and in general cultural products for the inhabitants often arises the question of image. As our interviewees claimed, decision-making processes are often based on issues other than efficiency or costs. It is considered to be a privilege having an outstanding cultural centre or institution in a given city that is also one of the motivating factors why cultural mega-complexes are designed and built.

— *“Cognitive constriction very often occurs in case of new buildings: towns are eager to have beautiful buildings and they think in bricks and not necessarily in content. But the first question should be: ‘What do you actually want apart from the building?’ Cities really think in buildings. ‘Yes, we want a music venue.’ Forget the venue first, what do you want with pop culture? You have to develop your vision and mission well and then you can think of how you translate that vision and mission into concrete objectives. It can be very concrete: we want to organise 50 concerts per year. Then the question is: Which organisation is going to do that? And then the organisation can say if they need a new building. This is the better order than thinking that we just build a new building.* (Berend Schans, VNPF)

#### 4.2.8. Professionalisation of business processes

What do we mean by professionalisation? There is a great confusion about different terms such as commercialisation, professionalisation, entrepreneurialism in the cultural sector. This confusion is the result of lack of knowledge available for cultural parties. As performing arts organisations were operating in the governmental sphere before 2010 (Klamer, 2012), they had to work with a different mind state. Due to the subsidy cuts, performing arts organisations more and more face the market sphere which means that they often have to reorganise their business processes in order to be sustainable in the long-term.



— *"After the World War II, we in the Netherlands and abroad as well decided to subsidise art to a great extent. So performing arts organisations, producers as well as presenters, had as a key priority to develop this artistic production. And as the world has been changing, the focus on the role of performing arts organisations started to change. But developments within the organisations were not changing on the same level. [...] The organisations were subsidised. Now that the subsidy is withdrawing, performing arts organisations need to be more business-oriented. However, it is hard for the employees. What we need at the moment are people who can be the intermediary between artistic production and pure business."*

Professionalisation of business processes means that performing arts organisations can be better organised in terms of marketing, promotion, customer-service, logistics, finances and administration. The challenge is to upgrade the business processes within the organisations while paying enough attention to the artistic merit of production. *"Collaboration could be one of the answers but adding more knowledge to specific parts of performing arts organisations, such as marketing, sales and promotion is another step that has to be taken."* (Yolande Melsert, NAPK)

It is also important to mention that changing circumstances in the sector have a direct impact on art education. A few of the interviewees stated that complete awareness is not there yet but more and more parties in the sector started to realise that knowledge of business processes, entrepreneurship, marketing and several other disciplines have to become available at art academies. Furthermore, educational programs are designed in the sector to educate a new group of cultural leaders. These programs, such as LinC aims to reframe the cultural sector itself: its prospects but also the way in which collaborative interactions and entrepreneurial activities are organised. Thus these educational programs are also one of the conditions for improving collaboration. Not only educating professionals but also cultural citizenship is an important issue if we talk about collaborative practices. Collaborative processes are not only apparent in the sector itself but also between the sector and the public.

#### **4.2.8.1. Focus on the process, not only the product**

Professionalisation of business processes also means that the different activities within performing arts organisation have to be well-organised and developed to a certain level. As the findings of the investigation suggest, it is not sufficient anymore to put the main focus on the product. Performing arts organisations used to put all their resources in the realisation of the final product, thus inevitably investing less in other departments such as marketing or IT. The current changes are forcing organisations to invest more in business processes in order to stay sustainable in the long-term. The role of performing arts organisations in society is also changing. The findings prove that it is important for venues to formulate their own vision and mission statements and every decision ought to be made based on the vision of the organisation.

— *"There are big changes in our roles. For instance, in early days we have always been the producer ourselves. But today we say that our main goal as an institution is to make the cultural life in general better and that fits all kind of goals. Sometimes we are the producer or co-producer and in other situations nothing more than the facilitator. Because it is not our product now. We take a higher level in that. It is the cultural life in general in this municipality. That is our goal. Where we can enhance that."* (Jos Kok, Nieuwe Nobelaer)

There are a lot of potential areas for venues where further professionalisation can be achieved. Renting out the venue is one example which can often be organised in a more efficient way. However, especially for pop venues the fear exists that different events organised while renting out the venue can harm the identity of the venue. Interviewees stated that visitors or potential visitors may confuse the program of the external event with internal programming. There are two solutions to this problem. Firstly, the venue can decide to program only events that are in line with its identity. Secondly, marketing can be adapted in a way that programs that are not in line with the venue's identity will not be connected by the visitor to the particular venue.

Cultural organisations in the past were organised in a different way which often involved people staying in the same position for a few decades. The ever-increasing speed of changes in the 21<sup>st</sup> century, however, forces employees and managers for a lifelong learning process. The research findings show that the sector needs to catch up with the changing environmental circumstances which means that continuous learning and the education of employees is a significant area for further improvements.

Several interviewees pointed out that because of the history of the sector and its operation for decades, several cultural institutions have a rather conservative mode of operating. Moreover, it is also important to highlight that a particular way in performing arts organisations to discuss everything in-depth often slows down collaboration and integration processes. *“The way we are organising it, I want to point out, is typical Dutch. We are doing it by talking to each other. And that is not the most efficient way to do it. It takes a lot of time. If you look at this process from the outside, you say: What are they doing over there? Why does it take 3 years? It is the Dutch method.” (Adriaan van Geest, Het Cultuurgebouw)*

#### 4.2.8.2. Formalisation and Evaluation

As mentioned above, making clear arrangements and signing contracts is an important condition for collaborative processes. As the research findings pointed out, in case of venues it is not that common to write a contract if the organisations start an incidental collaboration. However, in case of long-term structural collaborations it is the first step in the process. Formalisation, writing a contract and making clear arrangements are important tools to avoid misunderstanding in the future and it contributes to the sustainability of the collaboration. It also enables the partners to think about the collaboration in-depth and to make a detailed plan about working together.

— *“It is really important that you also formalise in paper as institutions which way you want to go together. Otherwise you will hang in the discussion about where we try to go and how we should do it. In a process of merger, you need to be careful because you are so intensely working with one another, that you are fixated on what you think you have agreed on. But if you don’t write things down on paper, and there is a change of management or one of the organisations suddenly gets a cut, then it is too easy to adjust the vision of the cooperation to it.” (David van Wijngaarden, Bibelot)*

Investing in long-term collaborations also means that the collaborative process has to be evaluated on a regular basis. Evaluation helps to understand the strength and weaknesses of the given collaboration and areas where further improvements can be reached.

— *“I think performing arts have to be cautious that they do not become part of cultural heritage. The National Opera and Ballet is still generously funded and the Concertgebouw Orchestra is richly endowed. That should be like this, but the growth from below, talent development and new sometimes multi disciplinary culture should also be greatly supported” (Berend Schans, VNPF)*

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#### 4.2.9. Future direction for venues

What are the possible directions for future developments in the sector? How can venues cope with the ever-increasing challenges? How can they create sustainable business models? The remaining part of this chapter discusses challenging issues and successful examples that were discovered during the qualitative research.

#### 4.2.9.1. Building Management

There are certain strategies mentioned by our interviewees that can result in financial benefits and can compensate the losses of subsidy cuts. The first example was realised by cultural organisations in Haarlem that might work for others, as well. The venues achieved to persuade the local government and took over the management and maintenance of the buildings. By contracting one company to maintain and renovate the building of several organisations, they are able to achieve better offers, lower prices, discounts and better services. *“A very important thing is our collaboration on the maintenance of the buildings. All the venues in Haarlem already did their own maintenance as a renter. But now we also do the maintenance for the landlord. We do it together with other venues so we can be more efficient. We started with it last January but I am expecting a lot of benefits from it.” (Jaap Lampe, Theaters Haarlem)*

#### 4.2.9.2. Specialisation of venues

According to few of our interviewees, the traveling system in the Netherlands might come to an end because it is too costly. One solution in the future that our participants mentioned is a greater specialisation of venues. There is more centralisation needed in supply. Regional theatres and different venues in a given city can increase their chances by specialising in certain genres and harmonising the programming on a more efficient and intensive way. In general, we can state that the role and position of venues is transforming due to external changes in the sector and it is essential for performing arts presenters to invest more resources in the profile, mission and vision of the organisation.

— *“In the Netherlands almost every city has its own theatre. They are not always paying attention to what is in the surrounding. What kind of theatres are there? What kind of theatre should I be? In terms of budget deficits, you have to be very critical on what kind of theatre you want to be. Your profile is really important.” (Jos Kok, Nieuwe Nobelaer)*

#### 4.2.9.3. Traveling system

The economic depression in recent years had a direct impact on the performing arts sector. The qualitative analysis discovered that the current traveling system in the Netherlands, which implies that performing arts companies play throughout the country is an inefficient and costly structure. As several interviewees emphasised, performing arts presenters and producers have to join forces in order to design a new system which meets the needs of the different players of the market. From the perspective of the venues, it means that they might decide to intensify the relation with certain companies and thus taking over some characteristics of the German system. Some initiatives can already be found in the sector when a theatre and a performing arts company decides to work together on a more intensive, structural, long-term basis. This collaboration inevitably requires more investment of resources, time and money. Further ideas about the relation of producers and presenters are discussed in Chapter 4.4.

— *“The traveling system costs a lot of money but it has to do with the fact that we have so many theatres in the Netherlands. People are used to visiting a theatre without traveling much. They are willing to travel 20-30 minutes. Because of that, producers have to travel to all these theatres. I don’t know how to change it because we are not willing to close venues and there are still new venues built. It is strange because the audience is decreasing and there is money for building the venue but there is not enough money for running and programming the buildings. Maybe when some artists say ‘I am not going to travel anymore’, then the system will change. But only popular artists can do that. I think we also have to wait because we cannot expect that the audience will suddenly travel for an hour.” (Jaap Lampe, Theaters Haarlem)*

#### 4.2.9.4. Working towards a more collaborative system

The empirical investigation raised the issue that the supply side of art production in the Netherlands is quite scattered and the audience often does not know where to go and what to visit. A process of slight

centralisation is a possible way if the artistic diversity of production is preserved. The production chain of performing arts is an essential tool when we want to analyse the sector as a whole. It is also vital that the different players along the value chain receive the same attention. Collaboration is a good way to intensify the relation between the different participants of the value chain. For further details, see Chapter 4.6.

#### 4.2.9.5. Flexible organisational structure

In case of economic difficulties, a flexible organisational structure gives a competitive advantage as it enables companies to quickly react to changes on the market. Our interviewees stated that working with freelancers and a flexible crew around the organisation can give an extra boost for performing arts organisations and an opportunity for more creativity and innovativeness on different levels. Organising the business on a flexible basis provides the organisation more space and gives the opportunity to become more efficient on many levels. On this way, performing arts organisations are able to find new creative ways to cope with difficulties due to the economic downturn. Some directors also highlighted that building up a flexible organisational structure is the new strategy of the organisation. This strategy involves being more flexible with employees, getting more people involved with the organisation as an intern, a volunteer or on a procurement-paid basis. In these reorganisational processes, freelancers and cultural entrepreneurs have an increased role as they are able to work on a flexible basis even for more cultural institutions at the same time.

— *“What I want to do is to create space for extra activities and a flexible crew around Gigant. Creating a layer of flexible employees means that if we want to do something extra, then that has to be funded from the start. So, we need to figure out how this extra projects can pay for itself. I believe that it creates a whole new field for freelancers. I feel everywhere that there are opportunities in-between organisations. A collaboration stops if there is no time to put in it. Freelancers can deliver this cement in the collaboration.” (Guido de Vries, Gigant)*

### 4.3. Collaboration between performing arts producers

#### 4.3.1. Introduction

In this chapter we will discuss the collaboration activities between performing arts companies, for the convenience in this report notified as companies. We have interviewed 25 companies and have seen some major trends. Over the past few years, the subsidy cuts enhanced the level of openness between performing arts companies. It led to a variety of new initiatives and it increased collaboration between companies of different disciplines. Collaboration efforts are being taken to increase social, financial and artistic value. In this chapter we discuss the collaboration structures that exist within the field of art companies and the conditions in order to obtain a successful collaboration.

#### 4.3.2. Co-productions

— *“Co-productions could be established because of the content of the performance. For instance, if we need 12 musicians it is [financially] impossible to hire these musicians.” (Rick Spaan, De Veenfabriek)*

For companies in the performing arts sector, the most common collaboration partner is with other companies in the cultural sector. One could think of working together in the front- and back-office or working together on the artistic level in the way of co-producing. There could be informal knowledge exchange or there could be a collaboration on the artistic level, by the means of a co-production. All the companies we have talked to are currently involved in a co-production or were so in the past. Since this is the most common way for art companies to collaborate with other art companies, we start this chapter by

describing the collaboration process of a co-production, the reasons to do so and the conditions for a successful co-production.

#### 4.3.2.1. Reasons for a co-production

First of all, we would like to elaborate on the reasons to co-produce. One of the characteristics of most companies, which is the result of the cutbacks on subsidies in the performing arts sector in 2010/2011, is that the number of employees of companies working full-time decreased. For instance, dance companies do not have a fixed group of dancers and theatre companies do not have actors employed full-time. The dancers, actors or singers i.e. the artists are mostly involved with the company on a ZZP basis, which means that they work as a freelancer. This has as an advantage that companies could select the artists according to specific qualities. When a theatre company for instance wishes to perform a classic piece of Shakespeare, the artistic director has a certain freedom to decide who is going to perform based on personal qualities of the actors. However, this also means that the qualities are often not in-house anymore. Directors need to go look outside their company in order for the company to be able to perform a certain piece. And this is where collaboration makes its entrance.

Companies namely have several options when they wish to involve artists from outside their own company. First of all, they could hire the artist or artists on a freelance basis. However, this also leads to an increase in financial costs. Therefore, most companies choose, when possible, for a co-production. This type of collaboration is the most common in the world of art companies and is a common practice in the world of art companies. This way of collaboration increased since the cutbacks on subsidies. The reason is simple yet underlines the importance of collaboration: the saved costs make it possible to establish the production. Although, this reason to co-produce is about saving costs, co-productions are established because of the artistic value of a certain production. There is an artistic ambition and in order to realise this production, also on the financial level, co-producers are being found. There are several other motivations to co-produce. First of all, companies are able to make a bigger production when co-producing. When both companies contribute to a co-production in an artistic and financial way, the size of the production can be enhanced. Secondly, other specialisations could be acquired from other companies. This is especially the case when co-producing on an interdisciplinary level. For instance, when a theatre company wants to make a production that involves live music, hiring an orchestra to participate during every performance will increase costs to the extreme. But when co-producing with an orchestra, it is simply an exchange in which the orchestra delivers musicians and the theatre company delivers actors.

It also gives the company the opportunity to perform on a larger scale and to combine audience. The potential audience of the involved companies and the strategies to reach them can be combined, which also leads to an increase in performances. Regarding the Dutch subsidy system, which demands a certain quantity of performances, this advantage of co-production is of increasing importance. Furthermore, a co-production can enhance the artistic quality, by combining two artistic minds into one production. A co-production contributes to the artistic perspective of a company when combined with an artistic perspective of another company.

—“*The two choreographers, the founders of the company, they really like to collaborate. They do not feel themselves isolated. They really want to have multiple perspectives of other makers involved in their creation.*” (Harmen van der Hoek, Club Guy & Roni)

Finally, a co-production can be initiated or forced by the local or national government, as Daniëlla from Adelheid|Female Economy illustrates. There needs to be made a note here: forced co-productions demonstrate to be less successful than non-forced co-productions. There are some important conditions when a co-production, that is not initiated by the co-producing parties themselves, will become successful. We will discuss these conditions in chapter 4.3.2.5.

— “The collaboration with Toneelgroep Amsterdam is a combination that evolved from the decision by the State Secretary for Culture 6 years ago, that the bigger companies also had to have a cultural diversity component in their output. And that they had to work in the city’s neighbourhoods and open up their doors for the people living there. So, Adelheid and Ivo joint forces as they both had to offer each other aspects in their work to strengthen each others ambitions.” (**Daniella Groenberg, Adelheid|Female Economy**)

#### 4.3.2.2. Finding the co-producing partners

— “If we search [for a co-producing partner], we really search within the idea we are trying to realise or are developing.” (**Rick Spaan, De Veenfabriek**)

The reasons to collaborate in the way of a co-production naturally influence the way in which the co-producing partner is searched and found. Co-productions are first and foremost established because of the artistic urge to create a certain performance. It is very important to understand that the successful co-productions we discussed do not have a forced character: they are created because of an intrinsic motivation that mostly relates to the artistic ambitions of the artistic director of a company.

Regarding this artistic urge to collaborate, the artistic director of the company searches for the best suitable partner to co-produce. The best suitable partner is operationalised respectively in the artistic identity of the potential co-producing company and the history between the company and the potential partner. When for instance previous co-productions proved to be successful, there is an increased chance that the company chooses to consult this partner again. This has to do with the reduction in risk: the company knows its partner and its working methods. When it is decided on the wishful co-producing partner, this potential partner is reached by email or phone. Because of the nature of the performing arts sector, this step we found is very easy. The network of this sector is relatively small, hence the directors find all the important partners in their network. Hence the first steps to a co-production can be established by an informal phone call.

#### 4.3.2.3. The input and allocation of financial resources

Co-productions have as an advantage that the costs can be shared. But one needs to keep in mind that, because both organisations put in resources such as artists, management, technicians and the back-office staff, costs will be higher than when making an individual production. Companies apply together or separately for subsidies or sponsorships that support their co-production. Whether they do it together or separately depends on whether the discipline of the companies are different. For instance, when a dance company and a literature company work together, the first could apply for subsidy at the *Fonds Podiumkunsten* whereas the latter could apply at the *Fonds Letteren*. In this way the chances to receive subsidy and the eventual amount are increased.

When subsidies are requested and it has been clear whether these are granted, it is decided upon how much each partner brings in financially. In most cases this happens 50-50: both organisations bring in the same amount of money, which also means that they share an equal part of the risk. The money the co-production generates by ticket sales will then be divided equally as well. Still, the input of financial resources does not always need to be 50-50: sometimes a collaboration is not equivalent in that sense. For example, when a relatively big organisation, that receives a larger amount of subsidy, works together with a relatively small organisation. In most cases the partners decide that the larger organisation brings in a larger amount of financial resources. The reason for a non-equal input is that the party that brings in less financial value has other values that are important for its partner. The most apparent reason is the enhanced artistic value a production contains when creating it with the smaller party. Another reason that has been given by one participant is the fact that the partner brings a certain image which will contribute to publicity.

— “I do not believe that there needs to be a balance. I believe that a large organisation with a lot of income could be collaborating with a very small organisation with virtually no money. [...] When it makes sense on the substantive side of the co-production. Then the large organisation ought to say: ‘we contribute the most financially, because we are able to’. If it contributes artistically, large organisations ought to do that.” (Jan Van den Bossche, *Nederlandse Bachvereniging*)

Companies tend to co-produce with organisations that are being funded by the same party, such as *Fonds Podiumkunsten* or the national government. We believe that there are a couple of reasons for this. First of all, having the same size leads to the preferable model of 50-50 share of revenue and risk. Secondly, governments and foundations have their own conditions regarding subsidy allocation. To have a co-producing partner that takes into account these same wishes and conditions is more convenient.

#### 4.3.2.4. Co-productions and the artistic identity

— “At the beginning [of the coproduction] it is about who has got the power, who will make the decisions and how we operationalise the identity of a production. Otherwise you could have done it with everybody and that has not been the intention.” (George Wiegel, *Het Gelders Orkest*)

The above quote from George Wiegel, financial director of Het Gelders Orkest, demonstrates the importance considering the artistic identity of a co-production. When two art companies have a say in one production, and both companies want to emphasise their view on artistic quality, one could imagine that this is a difficult process. However, we see that when the partners focus on the common goal it is less difficult to overcome this process. The collaboration partner is selected for a reason, for standing its artistic identity.

When co-producing, there are two outlines in which the decision upon the artistic identity is being made. First if all, both artistic leaders of the companies could have an influence in the artistic process. This is mostly the case when co-producing on an interdisciplinary level. For example, when an opera company works together with an orchestra, the artistic responsibility is somehow divided based on the know-how of one’s field. This is simply because an opera maker does not have the knowledge to lead an orchestra and vice versa. But we experienced that it becomes problematic when the parties want to have an influence in one another’s artistic field. Hence it is important that both parties know their limitations considering their professional knowledge about the field of the co-producing partner.

— “Musicians tend to take over the role of the producer. I do understand this because there are some overlapping elements visible. Of course I also interfere with their tasks, to say with the interpretation and the text of the music. But in essence I try to stay away from that.” (Corina van Eijk, *Opera Spanga*)

Besides a shared artistic input, the most common way to translate the artistic identity of a co-production is the decision to let one party be the leading party in the process of artistic development. This party is mostly the one that initiated the co-production. Here the artistic director approached the other party for specific reasons and when the other party decides on co-producing, it implies to agree upon the artistic identity of the initiating partner.

The difficulty though when talking about artistic identity is that we try to grasp a factor that is not directly visible. Therefore, even after the decision to co-produce, the artistic visions of the partners sometimes conflict. The risk can be reduced by earlier experiences and knowledge of the other party and its artistic vision. One also needs to keep in mind that the artistic identity is not only translated in the product itself. It is also apparent in the marketing and communication strategies of a production, which could for instance be reflected in the brochure text or the website of the company. We also observe that the artistic quality is apparent in the location of the performance(s). If a company assumes that the production is being made

for a relatively small venue and suddenly it is being performed in a very big hall this might influence or harm the artistic identity of the production, as well. Therefore, it is very important that all these factors are considered and agreed upon before starting the development of the product. A sufficient preparation before deciding on co-producing is hence as important as the coproduction process itself.

The decision-making process in the artistic development of the production is often formalised. We see that, in addition to the financial factors such as budget allocation, there is being made an agreement about how the artistic identity of a co-production is monitored and which party gets a say in the identity. Here we noticed that not everything needs to be written out beforehand; that would in most cases even be impossible since the details are mostly reflected upon during the co-production process itself. However, companies choose for an agreement who is going to be involved in this process.

The development of the artistic value during a co-production is a process of giving and taking. Therefore, it is of high importance that a co-production stems from an intrinsic motivation of both co-producing partners and the belief that they need each other to enhance the artistic quality, that is that they could not reach the quality of the production without the partner. If this belief is not apparent, the company would wonder whether some decisions need to be made by the other party at all.

— *“In the end we decided that Marcus (director of the co-producing partner) is the person who sees the bigger picture and we have to help him to translate that into a production. He does not have the knowledge about music but he does know what works and what does not work. We have to respect this and try to understand him in order to think along with him.” (George Wiegel, Het Gelders Orkest)*

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### 4.3.3. Collaboration in the back-office

Just as with theatres and pop venues, we explored the ways in which companies collaborate or see collaboration potential in the back-office. Initiatives on collaboration in the back office increased since the budgets of companies decreased. The initiatives to collaborate on the back office department are not only internally motivated but are also stimulated from outside forces such as grant providers. Depending on the size of the company, it could all have in-house employees on the field of marketing and communication, human resources, financial administration and education, hence it raised the question whether it is necessary for every ensemble having its own marketing director, ticket sale system, or even copying machine. We discovered some collaboration structures in the back office for this exact reason. However we found that companies have certain counter arguments to actually implement this collaboration. In this chapter we describe the discussed efforts on collaboration in the back office, the levels of intensity that exist in this field and the limitations our participants mentioned.

- *Knowledge exchange*

The least intensive way of collaboration in the back-office is by the means of knowledge exchange. Marketing directors of companies contact each other and discuss marketing strategies or new developments to market the company in question; accountants could contact each other when experiencing difficulties or problems with their bookkeeping; managers could talk about efficiency increasing methods for their company. This collaboration area is relatively easy to implement. As we will discuss during the conditions for a successful collaboration, companies tend to collaborate in this way when the characteristics of the fellow companies are the same but there is a sufficient geographical distance in order to prevent competition.

- *Shared facilities*

Companies share facilities in order to reduce costs. Facility management is possible when the companies work in the same building or operate very close to each other. Companies have shared rehearsal spaces,



a shared rental system, joint purchase or share relatively basic things such as a copying machine or a washing machine. These are all small efforts but therefore easy to implement. Companies could focus on which areas things are not too personalised or work in a too specific way and see if there is collaboration possible in these ends.

- Marketing and communication

— “Marketing and communication [is a field for collaboration]. Because the most ensembles or organisations do not have the financial resources to hire a top marketer or have an extensive marketing department.” (Jan van den Bossche, Nederlandse Bachvereniging)

The reasons to collaborate in the marketing and communication area are not to reduce costs but to enhance professionalism, specialisation and outreach. When companies coproduce they evidently collaborate in this field. There is one case in which collaboration between marketing and communication employees is found outside co-productions and on a structural basis. In both cases employees of the companies are shared. One could imagine that when a relatively small company needs the same staff as another company, it could be a fruitful method to share these employees. It could also be traded with other specialties the collaborating company has.

Example from the field

Adelheid|Female Economy has a shared publicity and finance manager. This performing arts company shares the professional employees with Toneelgroep Amsterdam, in return for their artistic contributions to certain co-productions.

- Financial administration

The reasons for collaboration in the financial administration department are similar to the reasons for collaboration in the marketing and communication department: to increase efficiency and professionalism. Efforts are being taken by Het Filaal and De Utrechtse Spelen, to collaborate on the level of salary administration and bookkeeping. This has as an advantage that these functions in the back office become more professionalized. Toneelgroep Amsterdam and Adelheid|Female Economy share a finance manager.

#### **4.3.3.1. Conditions for collaboration in the back-office**

There are several conditions in order to have a successful collaboration at the back office.

- Geographical location

This condition is important regarding all collaboration structures in the field of the back office but is translated in several ways. Companies could either be situated close or far from each other to have a successful collaboration. When companies of same size and discipline share knowledge, we see that they are actually not situated close to each other because that could enhance the competition. When companies do not share audience segments, they are open to share their knowledge and expertise on certain areas. When sharing staff, some functions require to not be operated from a distance. Therefore it must be considered beforehand whether the function could be exercised from a certain geographical distance. For example, the contact between the artistic director and the marketing manager happens on a very regular and intense basis. Companies should look whether it is wishful if this manager works from a different location. Other functions such as a financial administration employee are more convenient to implement and operated from a geographical distance.

- Acknowledging the different identities

Intensively working together in the back office brings along the fear that the products of both companies would go look too similar. Most companies are reluctant to work together in the back office on the areas of marketing and communication. They are afraid that because of the less time available for certain

productions and the employee working for more than one company, it harms their identity. When employees work for several companies, the identities of these companies must be safeguarded. We will elaborate on this in the next chapter.

- *Pressure*

This is the most important condition. Companies argue that, especially since the budget cuts, they are working as efficiently as possible with the least people as possible. Every production has an own identity hence needs a different marketing strategy. Companies are of course very protective about this identity. But even on terrains that do not have a direct influence on one's identity, collaboration in the back office is very laborious. The priorities of the company are simply focused on other areas: they are managing their work with less financial resources and less employees, furthermore collaborating in the back office needs time to be implemented. Time that is scarce. This is for example the reason that Het Filaal and De Utrechtse Spelen, working on practically the same location, have the intention to broaden their collaboration in the back office but do not find the time to do so. Thus we can translate pressure to a certain urge to collaborate in the back office, and the government could play a role in this in the means of motivating the companies to look at possibilities. This also means that the winnings of this collaboration need to be clear for the company as well.

Example from the field

A successful example of a pressured collaboration in the back office we find with the Gelders Orkest. They were pushed by the national government to collaborate in this field with the Symfonieorkest in Enschede. Today they share a personnel officer, a human resource employee and an education employee. It is important to notice that the government did not force them to share these employees, but forced them to look at options to collaborate more intensively.

— *“We are forced to collaborate with the orchestra in Enschede. We are enjoying it but it was a condition in order to receive subsidies. De pressure led to the eye-opener about things you could do more.” (George Wiegel, Het Gelders Orkest)*

- *A shared history*

Another important side note that needs to be made regarding the successful back office collaboration of the Gelders Orkest and the Symfonieorkest is that they collaborated before. Collaboration in the back office is, as opposed to coproducing, on a structural basis. Having experienced each other's working mentality, culture and differences is a condition not only to successfully cooperate in this field but also a condition to have a realistic insight in which collaboration efforts are possible.

#### **4.3.3.2. Limitations to collaboration in the back-office**

Although we have talked to companies that are either small or big, funded by the government or by a foundation, specialised in dance, classical music or in opera, there are some general statements about the limitations in collaboration at the back office. These are of course somehow related to the previously mentioned conditions, but they demonstrate that it is unlikely that these obstructions could be overcome.

First of all, in the case of one or more shared employees, this means the absence of a physical presence for at least one party and we see that this is especially difficult during the creation of a certain production. If the shared staff member will be present at both locations, he or she can for example divide his or her days working at the companies. But this still means that the employee could not be present full-time at one location. For smaller companies this is a reason not to share certain staff members.

— *“You really need to have people physically present, just as we are having this conversation right now. Of course we could have done it through the phone, but then you will miss something. And in a working process, in which you are creating art, you just need your back-office employees: their physical presence.” (Eve Hopkins, Generale Oost)*

Another limitation is that there are different ways in organisational culture and identity, and companies argue that employees especially at the marketing department need to be matured with the product in such an intensive way that it is impossible to focus on the product identity of more than one company. The subsequent quotes give an overall picture of the tendency regarding collaboration in the marketing area.

— “Collaboration in the back office is very often a matter of identity. If you work together and share a back-office, you do want to maintain your identities as partners, which is hard. [...] I am afraid that it arises competition. If several companies have many projects and 2 or 3 shared marketing employees, employees are going to ask questions: ‘Why is your marketing employee working on that project and not on my project? And why is my identity getting not as much attention as the other?’ I think this is very, very difficult to do. That is why I appreciate us being responsible for the whole chain.” (Valentijn Fit, Peergroep)

Another obstruction one participant mentioned is, paradoxically, the professionalisation of the shared employees. When there are two employees of the same profession shared with two companies the reason and assumed advantage is mostly that the employees can undergo a certain level of professionalisation in which they focus both on another area of their working field. But the disadvantage is the reduction in tasks and responsibility for the employees in question which would actually demotivate the employee.

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#### **4.3.4. Performing arts companies and integration perspectives**

Throughout this chapter we have talked about reasons for performing arts companies to collaborate. Objectives could be artistically driven, such as deciding on co-producing, or financially driven by for instance sharing a head of finance. We have named conditions and also limitations to these collaboration processes. Our next step is to review whether the discussed ways of collaboration could also become a reason for integration. In this chapter we discuss the initiatives in the field of integration that are being taken by our participants and the conditions they mentioned in order for this integration to be successful.

##### **4.3.4.1. Areas of integration**

We distinguish three types of integration: a joint venture, a merger and an acquisition. The type of acquisition did not occur in our research.

- *Joint ventures*

Companies decide on establishing a joint venture when they share some but not all activities in the front- or in the back office. It has as an advantage that organisations gather these activities under a new entity and keep other parts autonomous. This is especially important regarding companies, since they emphasise their artistic identity and autonomy and do not want to be compromised on this side. The other advantage is that it separates control or power in the company from that in the joint venture. When for instance two companies decide to create a joint venture to share facilities in the building, the regulations of this venture do not fall under the directors of the companies and in this way it serves as a prevention for certain conflicts about power and responsibility. One participant mentioned the set-up of a joint venture to rent out rehearsal space to third parties. The companies get the first say in renting these spaces and the other moments rehearsal spaces are available for third parties.

Regarding companies, a joint venture can also be the answer to enhance artistic value, as is the case with the three production houses Generale Oost, De Wintertuin and Oost-Nederland. Together they set up the joint venture Nieuwe Oost and from here they utilise each other’s professional knowledge about each discipline they represent (respectively dance, literature and pop music).

We do not intent to suggest that a joint venture is necessarily a next step in a collaboration process. Setting up a joint venture of course is a time-consuming process: not only the practical side but also the

content side needs to be considered and agreed upon. Therefore a joint venture is only a worthy addition when this part is being taken care of as well. Furthermore, objectives and the additional value needs to be clearly articulated. Otherwise the companies do well with collaboration, which is less fixed and definite.

— “The intention is ok and what we try to achieve is ok, but in the end [for a joint venture] you need a common vision on what you would like to achieve. And that is what lacks here. There is not a common vision on what we would like to achieve.” (H.G. Mannak, *Nederlands Symfonie Orkest*)

- Mergers

A merger is seen as a more definite way of integration as compared to a joint venture: the companies give up their separate entities and identities to create a new one. When the merger fails, there is no going back whereas when a joint venture fails, the companies remain existing, although separately.

The reasons to merge could both be because of financial and artistic motivations. In our research, four mergers were discussed. Three of these four mergers were practiced under a certain level of constraint, which is reflected in the ambitions of the subsidising party. The Toneelmakerij experienced a merger because of the decision of the national government that it would not adopt more than one youth theatre company in its *Basis Infra Structuur*. At the time this condition was communicated there were two youth theatre companies in Amsterdam. If the two parties would not have merged, it meant that one party would not have survived the subsidy cuts. Het Nationale Toneel and a youth theatre company merged because the national government at that time emphasised the increasing responsibility of theatre companies regarding education. The youth theatre was, according to the director of Het Nationale Toneel, at the end of its lifecycle and would otherwise not have survived. These two objectives connected with each other by the means of a merger. The third merger we discussed happened between Het Brabants Orkest and the Limburgs Symfonie Orkest, today the Philharmonie ZuidNederland. The national government forced these orchestras into a merger for the reason that the government regarded the offering of two orchestras in the same playing area as unnecessary. The ensemble Asko|Schönberg stems from a merger between two modern music ensembles. Because of the overlap in the artistic output of both ensembles, it was decided to merge by the former directors of the ensembles.

As said, three mergers happened under the force of an external stakeholder. In two cases the merger was indirectly forced and supported by the organisations in question. We discussed the voluntary nature of a merger as a factor that contributes to a successful implementation. However regarding Philharmonie ZuidNederland, we actually see an exception: a directly forced but successful merger.

Regarding the forced character, the director argues that the fact that the merger was constrained is the reason that the merger took place. However the process of merging was difficult. Other factors contributed to a successful implementation: the willingness of the employees to co-operate, honesty and clearness from the start of the process, an external committee overlooking the process, an interim manager during the process and a new manager when the process was finished. We see that the forced characteristics did not contribute to a successful implementation but were necessary for the merger to take place, which is a success factor today since the merger is regarded as being successful.

Regarding the discussed mergers, the participants see them as being successful. The remark needs to be made that the mergers were not implemented to save financial costs but to enhance the artistic value of the companies. For example, Asko|Schönberg could enhance the artistic quality, because now they could select the best musicians of both former orchestras. In case of the Philharmonie ZuidNederland the orchestra consists of more members than when there were two separate orchestras, which leads to the fact that the artistic portfolio is broadened. The orchestra can play in various settings, playing pieces that are meant for relatively big orchestras or even simultaneously with different ensembles at the same time.

Regarding Het Nationale Toneel, although it was officially a merger, they have created a new department in which they house educational activities. We see a similar tendency regarding the merger of the Toneelmakerij: they did not change their name and their activities. They have simply become a bigger organisation of enhanced quality in youth theatre.

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### 4.3.5. International collaborations

Besides national collaboration, companies also tend to work together with companies abroad. International collaboration is stimulated by the local and national government by the means of subsidy conditions and we see that it functions as a useful means to create support and publicity. Hence we asked our participants about their international collaboration perspectives and the advantages and disadvantages that occur.

#### 4.3.5.1. International collaboration structures

For companies, the most common way of collaborating on an international level is by the means of co-producing. This works in a similar way as a national coproduction: each party brings in artistic and financial value and together the parties realise a production. As opposed to national collaboration, the performances could take place in other countries as well. It is also possible that the company sells its performance to an international partner and takes care of the artistic side of the production. There is an increasing amount of companies that have their performances in-stock: the performance is, after it has proven itself in the Netherlands, sold to a foreign partner. Besides coproduction there is a wide variety of international collaboration possibilities. Companies visit festivals by means of touring; they give or receive workshops and master classes; they develop educational projects and they exchange information about common developments and challenges.

The search for an international collaboration partner is similar to national collaboration partners. The network reaches beyond the borders. Directors simply know each other or know people that could be interested in producing something together. Especially during festivals there is attention from a lot of different people and potential partners. There are also network groups for companies that have similarities in activities.

#### 4.3.5.2. Advantages of an international collaboration

There are some specific advantages of an international collaboration, as opposed to a national collaboration.

- *Less competition*

The collaborating companies do not compete in the same market. In this way there are more options for collaborating on the international level.

- *Publicity enlargement*

Collaborating beyond borders naturally brings different audience segments and more publicity. This is especially fruitful regarding international festivals: companies, bookers and audience come together.

- *Learning from each-other*

Differences in culture and organisational structure also provide a learning process. It works like a mirror: companies reflect upon their own ways of working by learning about other ways of working from their partners.

— “I think it is very interesting to see how in other countries cultural organisations work and interact with society. [...] So, that is a big advantage. It gives you a broader view about possibilities and what can be done.” (H.G. Mannak, *Nederlands Symfonie Orkest*)

- *Inspiring experience*

Especially for starting artists the overall experience of an international collaboration is said to be inspiring. Artists could learn from other points of views and opinions and see how their work is experienced by other cultures.

— “Of course for young choreographers, there is the chance to show their work internationally and that is just great. Also to get to know these theatres and their employees, and to learn to know other choreographers as well.” (Eve Hopkins, Generale Oost)

- *Scale and network enlargement*

When collaborating on an international level, the company naturally operates on a larger scale. It is also a method to learn to know people that could be of interest for the company.

#### 4.3.5.3. Challenges of an international collaboration

Besides specific advantages, there occur also some challenges when collaborating on an international level.

- *Cultural differences*

The difference in culture could be an advantage because people tend to learn from each other's differences. At the same time it could cause several problems. The first one is the difficulty in communication which often leads to misunderstandings. Secondly, as we have heard from one participant, it could cause for the obligation to compromise on the artistic side.

- *Bureaucracy*

Working abroad always brings extra bureaucracy. One could think of the extra subsidy requests that need to be filled out; arranging the traveling and taking care of the fact that all the necessary materials will be transported to the location of performance. All and all, international collaboration takes more time.

— “We found out that the way they are organised in Germany is totally different than ours. They are also financed in a totally different way. So, I already had to send a lot of letters to confirm our investments in it because they needed that for the government.” (Ruud van Meijel, Toneelgroep Oostpool)

- *Different time frame*

When collaborating, the timeframe is totally different from a national collaboration. Whereas regarding a national collaboration there is room for informal appointments or an extra scheduled meeting on short notice, appointments with foreign partners are more fixed. There is less room to schedule an extra repetition or have an extra meeting about the production. In general, foreign partners have less chances to meet each other in person.

- *An increase in risk*

Regarding co-productions, when the performance is newly created there is a higher level of uncertainty whether the production will have the expected result, for example in audience numbers, because the estimations are harder to make.

— “It is of course very difficult because there is an increase in risk. So it would be more more convenient to have a performance that has already proven itself and which has a certain artistic quality and then take that performance abroad.” (Corina van Eijk, Opera Spanga)

### 4.3.6. Additional collaboration strategies

Regarding collaboration between companies, we have so far focused on collaboration on the level of coproduction and the back office. Participants also mentioned other ways of collaboration. These collaboration strategies appear less regularly but demonstrate an increasing interest in the way of which collaboration is possible. We see that there is transition from a competitive attitude towards a more open, collaborative attitude. This is translated in very basic steps such as exchange of knowledge in expertise or know-how. In this chapter we will briefly describe other collaboration structures that appear between companies.

- *Artist and location exchange*

Theatergroep Kwatta has an informal network collaboration with similar companies and together they take care that performances could travel to all the collaborating companies. Het Gelders Orkest exchanges musicians with Het Nederlands Orkest in Enschede, to enhance the quality of performances. Musicians become specialized in a certain piece or a music genre.

- *Creation of alliances*

An important reason for collaboration is to create and propagate support, by the government as well as local communities. This could be established in both formal and an informal ways. As discussed previously, Generale Oost together with two other production houses set up a joint venture, to profit from each other professional knowledge in the different art disciplines. The second reason to create this joint venture is that, regarding today's culture climate and the omission of support from the government as well as society, they feel that together they stand stronger. It is a means of demonstrating the local and national government that they are entrepreneurial in re-establishing this support and also to have a bigger voice in current debate, because together they could reach a bigger scope. An informal way of enhancing support by means of collaboration is simply by setting up a certain network with parties that could strengthen the vision these companies want to propagate to the government or other subsidising parties. Furthermore, together it is more feasible to discuss current policy or for instance research certain possibilities in policy.

### 4.3.7. Collaboration framework collaboration strategies

In this framework (Table 4.4) we have listed the collaborations discussed in this chapter. The framework demonstrates the collaboration activities, whether these activities are primary or secondary and if the collaboration creates financial (f), artistic (a) or social (s) value. The activities are linked to the collaboration structures, respectively an informal alliance, strategic alliance, joint venture and merger, to demonstrate in which forms our participants exercise these collaborations. We also demonstrate where the activity is to be found in the performing arts value chain according to Preece (2007).

Activity		Informal Alliance	Strategic Alliance	Joint Venture	Value
Coproductions					A
Back office	Knowledge exchange				A + F + S
	Facility management				F
	Marketing and communication				A + F
	Financial administration				F
International collaboration					A
Artist exchange					A
Location exchange					A
Alliances					A + F + S

Table 4.4: Framework collaboration between companies

## 4.4. Collaboration between presenters and producers

### 4.4.1. Introduction

—“We [companies] of course have a totally different dynamic [from theatres]. Every time we perform we want to promote the Nederlands Blazers Ensemble, and preferably the specific production we are playing right then. A venue books a company every day, hence every day there is a new group coming in. For them we are not any more special than all the other companies. They are busy all year around.” (Karen Smit, Nederlands Blazers Ensemble)

Throughout our interviews with 28 theatres and 23 companies, we explored that the relationship between theatres and companies is an ever-changing one, influenced by external forces such as the heavy subsidy-cuts and the wishes and conditions of several subsidising parties that are involved in the performing arts sector. In this chapter, we will further explain this tendency and the effects of these changes on the relationship of theatres and companies.

The subsidy cuts reached both ends of the chain of the performing arts sector: both the producing and the presenting party experienced heavy cutbacks on their subsidies, whether these subsidies were distributed by the local, provincial or national government or a foundation. Influenced by these cutbacks, the performing arts sector is imposed to look outside their so-called ivory tower, i.e. to look at the environment in which it plays a part. To put it short: the last couple of years the emphasis on the social or financial value of a performance increased. Of course the artistic value is still being factored, but the subsidising party also emphasises these other values. One way in which this is reflected is the fact that companies that are subsidised by the national government need to have an own income of at least 21.5%.

We experienced some general developments, retrieved from the interviews with our participants, coined by the drawback in subsidies. We see that companies and theatres attempt to intensify the collaboration on the marketing area with the means they have. Collaboration on marketing efforts often start on a very accessible base: the art company delivers publicity material and the theatre commits to reaching the audience by specific marketing strategies. It can also be intensified by a collaboration between the marketing employees of the company and the theatre. This has as an advantage that target groups of both parties can be reached for a performance, hence increasing the growth in audience numbers.

However, we found some paradoxical tendencies regarding our interviews with companies and theatres. In the area of programming, of buying and selling performances, is where most companies experience difficulties regarding collaboration with theatres. When programming a certain performance, for the theatre there is also a certain amount of risk apparent. An estimation about visitor numbers is made, based on earlier data and experiences. This of course is always an estimation, hence there is always a risk involved. One can imagine that some performances come with a greater deal of risk; for example new artists or performances that are developed for a very specific group of people. Because of the reduction in budgets on the producing as well as the programming side, this sharing of risk changed: it is not naturally anymore to share the risk of ticket sales on so-called *partage regeling* or split-up basis.

Some companies feel that theatres these days are more keen on offering a buy-out sum. This means that the responsibility for the ticket-sales is at the side of the theatre. However, these companies feel that the amount of this buy-out sum declined. This argument we heard in only a few cases. However these participants argue that selling their performances become a struggle. Another obstruction in collaboration we find in the marketing department. Theatres work together with so many companies who would all prefer or need a customised marketing strategy whereas, partly due to the reduction in budget, there is simply not enough time and money for the marketing department of the theatre to deliver a personalised marketing strategy for every performance.



Also on the programming side there are changes visible. Local governments also have, in comparison to 5 years ago, less money to spend on culture which means that the theatres also experience a reduction in their subsidy income. Companies, specifically the smaller and less-known companies, had the idea that because of this reduction this reduction is that theatres have a reduced budget and tend to book more on the 'safe side': there is less room for relatively experimental performances. Performances that have a prognosis to sell enough tickets gain more popularity, so they argue. And it also works the other way around: performances of which the theatre cannot make any estimation on how much tickets will be sold are being booked less.

— *“The programming department of theatres takes less risk. First of all, theatres book less dance and theatre performances. There is an increase in musical and cabaret. Theater and dance is really decreasing. And if the company works with young and unknown artists, theatres tend to argue “No, I will never get a full house when I book these performances.” (Eve Hopkins, Generale Oost)*

We do not have any hard evidence of this argument since our research method is highly qualitative and explorative. Furthermore, we actually see an increase in the booking of subsidised companies (source, ask Cees). However although we do not have evidence on this, it is an emotion that occurs at especially the smaller companies. We could state that when asked about their relationship with theatres, the relationship or feeling towards each-other somehow changed because of this emotion.

We explored that there is one issue at the base that causes for a complicated relationship between theatres and companies. This issue is concerned with the wishes of the main grant providers. The grant providers differ according to discipline, for the theatre this is the local government whereas for the company this is the national government or a national foundation. The issue is that the conditions of these partners are not adjacent to each-other. In this way there is being created a gap between the chain of producing and presenting. As mentioned within the previous chapter, theatres try to practice their influence on the programming of the companies. While in some cases there is space open a dialogue about this aspect, in most cases this is not an option. Furthermore this is not a long-term solution. We will get back on this factor in chapter 4.7 about general advices for the performing arts sector regarding collaboration.

#### 4.4.2. Collaboration in primary and secondary activities

We have discussed the collaboration structures among theatres and companies. In this chapter, we will describe the collaboration structures we found between these two types of organisations. We see a combination of organisations that are active on the presenting and performing side of the spectrum. Therefore we use the Performing Arts Value Chain (PAVC) of Preece (2003), as discussed in the literature review, as a framework to explore in which different activity areas these organisations collaborate. We discuss the areas in which the theatre and company work together and in which areas of the value chain this can be found.

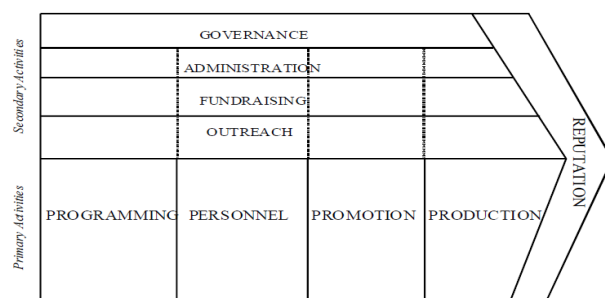


Table 4.5. Performing Arts Value Chain by Preece (2007)

#### 4.4.2.1. The front-office

There are to be found several collaboration structures regarding the artistic programming of theatres and companies. We will discuss each structure in this chapter.

- Joint side activities

*Activities: programming, personnel, production*

A development in the performing arts sector is the so-called festivalisation of the field. Besides independent festivals, theatres and companies decide on collaborating towards a night presented in the way of a festival or create an edge around the performance itself. This way of collaboration is also strategic in the sense that it functions as a mechanism to reach more potential audience. Both the theatre and the company could decide upon this so-called side programming.

—“The fashion today is that if you are performing somewhere, you organise events around this performance. These activities we organise together with the theatre.” (Ton Wiggers, *Introdans*)

- Joint programming

*Activities: programming, production*

We talk about joint programming when the theatre has an influence on the artistic output of the company. The possibilities to collaborate in the programming area differ, depending on the artistic discipline. If we look at music ensembles, the compositions are mostly already written. Some ensembles are willing to create a space for the theatre to have a say in which pieces are going to be performed. For instance when there is specific theme programming or when an orchestra of comparable artistic vision wishes to play pieces of the same genre. In the latter case it could even enhance the audience numbers. Regarding the theatre discipline, this is also the case with the bigger theatre companies that perform existing pieces. However when the company creates the artistic product from scratch, the companies argue that there is no room to compromise on this part.

—“There is a certain dialogue about [the artistic programming]. [...] We are able to decide for ourselves what we are about to play in the end, but there is consultation with the theatre. I listen and see what the theatre programs besides us. In this way we avoid playing the same piece in the same year.” (Jan van den Bossche, *Nederlandse Bachvereniging*)

There are cases in which the director of the theatre requests the artistic director of an orchestra to perform certain pieces. We experienced that companies are very protective about this area, because it is an intervention in the artistic autonomy of the company. In this case of collaboration, we see that deciding upon the programming is a dialogue in which the company in question has the last word: there is created space for the theatre to have a say in artistic programming but the decisions on this area in the end are in hands of the company.

- Purchasing arrangements

*Activities: programming, production*

Collaborating in the way of facilitation, as described above, is an effective means for a company to have the guarantee that it has a location to perform. To guarantee performances, there is an additional way in which theatres and companies collaborate. This is by so-called purchasing arrangements. The theatre and company come to an agreement about the supply of a certain number of performances. Important to notice is that this agreement is made before there is decided upon the precise artistic content. This gives the company in question the security of a certain quantity of performances. It of course brings along a certain level of risk for the participating theatres: what if the performance that is being created does not fit the

profile of the theatre or does not attract the expected amount of visitors? Hence it is important to know that this collaboration structure is only possible when there has been a history of collaborating with each other and a good knowledge of the artistic profile of the collaborating company. The accrued trust and knowledge of the company in question and reduces the additional risk that is involved in this collaboration structure.

We have mentioned that trust and collaboration history are the foundation for this kind of structure. Trust in the artistic value, but also the financial value is an important condition. This trust is enhanced by the openness on the producer's side: the costs that are involved by creating the production are made visible to the participating theatres. Companies must consider to have a high level of transparency, which enhances the trust on the theatre's side. This is very important since the theatre deals with a larger insecurity.

— “Here there are also initiatives where the producer has generated a commitment from a series of venues before they started touring. They did that actually before they started producing the show. That way there was a sort of guarantee.” (Nico Schaafsma, Fonds Podiumkunsten)

#### 4.4.2.2. Collaboration in the back-office

For theatres and companies, one of the most common areas to collaborate in, is in the back office and specifically regarding the promotion of artistic products. Here we find the shared priority of both parties: the quest to find an audience for the performance in question. We see that the share of risk and consequences is actually a stimulation for both parties to work on marketing efforts as sufficient and cooperative as possible. It also leads to an increased contact between both parties, in order to discuss in which ways they could profit from joint marketing efforts.

The reason to collaborate in the promotion area is not to reduce staff costs but to enhance professionalism, quality and efficiency.

- Knowledge exchange

*Activities: all*

Directors of companies that are part of the *Basis Infra Structuur* do collaborate with directors of the theatres in the cities where they are situated, in the way of arranging meetings and sharing knowledge. They talk about common challenges and ways in which collaboration could contribute to solutions.

- Marketing and publicity

*Activity: promotion*

There are different levels of collaboration found on the marketing and publicity side. The collaboration could be very basic when the company distributes publicity materials to the theatre and the theatre subsequently takes care of a specific marketing strategy. Collaboration is intensified when in a few cases the company director meets with the director or employees of the theatre to discuss potential audience segments and marketing strategies. Collaboration could be intensified by a shared marketing and sales effort: the marketing department of the theatre collaborates with the marketing department of the company to create a joint marketing structure and both parties put effort in ticket sales. Logically, an enhanced effort in ticket sales and marketing increases the possibility to sell more tickets. However this structure rarely occurred.

The collaboration in marketing and publicity can further be intensified. There is one case in our research in which a theatre and a company decided upon a shared marketing department. This increased the outreach, professionalism and efficiency of the marketing employees.

Example from the field

Ro Theater and Stadsschouwburg Rotterdam decided to have a shared marketing department, as a first step towards merging more departments of their organisations. It increases the reach in target audiences. Again, this collaboration structure is not to save costs but to work more efficiently by profiting from each other's knowledge and visitors.

— “For us it is a good way to use the theatre as a way to build bridges between different groups that live in the city of Rotterdam. And we have many more plans. That we cannot carry out because we have not enough budget. So, if we work more efficiently, we will invest it in projects like this.” (Erik Pals, Ro Theater)

- Financial administration

*Activity: administration*

Collaboration in the administration department could for instance be when organisations share administration employees. We have seen that this happens, still not very frequently, between companies. Between companies and theatres we see that this collaboration is even less frequent: there is one case in which a theatre and a company collaborate in this area and this is between Het Nationale Toneel and Theater aan het Spui. Here the staff employee of Het Nationale Toneel works one day a week at Theater aan het Spui. It is a future perspective of Ro Theater to merge the administration departments of Ro and Schouwburg Rotterdam. Hence we cannot make any statements about the success rate of this collaboration structure yet.

- Education

*Activities: promotion, outreach*

Youth theatre companies collaborate with theatres in the field of education. Regarding these companies, there is an extra stakeholder involved in the process, namely the school. During or after the process of producing, the company searches for a theatre that is interested in booking the performance. When this settlement is reached, schools need to be found in order to present these productions. It is a matter of course that this phase involves competition and that is why youth theatre companies and theatres could decide for a partnership. This for instance happens in the case of the youth theatre group Het Filiaal, which is based in Utrecht. They formed, together with museums and two theatres in Utrecht, a strategic alliance in which they offer their programming directly to the schools. The advantage is that because of this alliance the company in question gets a priority role regarding the theatre and other youth theatre groups. In this case the company functions more as an in-house company. This way of collaboration could of course be applied to other companies as well, something we will discuss later on in this chapter.

#### **4.4.2.3. Other collaboration structures**

There are also other collaboration structures apparent between theatres and companies in which the front and back office are combined.

- In-house company arrangement

*Activities: promotion, production, programming*

One of the means to enhance promotion and outreach is for a company to become a so-called in-house company of a theatre. This means that the company and the theatre make certain arrangements about the purchasing of artistic productions and marketing efforts. Most companies argue that they have a better relationship with some theatres than other theatres. They have a history of performances or they have the same view on artistic quality. However with a core company arrangement this is taken a step further by forming a strategic alliance. Het Nationale Toneel is the core theatre of the Nationale Schouwburg in The Hague and the Parkstad Limburg Theatres in Heerlen. The company has been progressive in enhancing its relationship with theatres. By this means company has a security about a number of performances.

Another advantage is that when a company has a certain number of core theatres, it reduces the amount of theatres a company will perform hence the traveling costs will decrease. There is also the advantage of artistic quality enhancement. Every venue has its characteristics, for example in acoustics and size. By focusing on a limited amount of theatres, companies could adapt their performances in a more efficient way.

— *“With your own venue you will have the best result, for instance regarding the Concertgebouworkest and the Concertgebouw. If you play there as a guest orchestra, it is very difficult to handle the acoustics. The Concertgebouw is being admired for its good acoustics but at the same time it is very difficult to perform in for the musicians.” (Wim de Vos, Asko|Schönberg)*

- Facilitation

*Activities: programming, production*

Companies need a stage in order to perform their productions. Preece (2003) demonstrates that there are three ways in which this can be achieved: (1) hierarchy when the company owns a theatre, (2) partnership when a company and a theatre have an alliance on facilitating the performance and (3) market when a company rents a stage. Regarding facilitation we talk about the second way. Certain arrangements have been made about the facilitation of performances, it goes further than the traditional transaction model in which the company rents a stage. This is for instance the case when the theatre is available for every premiere night of a company's production. This has as an advantage that it strengthens the profile for both the theatre and the company. It also means that there is a certain level of security of performing, which is important for both the theatre as the company.

— *“I am not sure whether we would have been able to make the coproduction, regarding the costs. If you have to rent all the locations.. [...] Of course we do create something that has high costs but we all deliver something of our own expertise. In this way there is created a balance.” (George Wiegel, Het Gelders Orkest)*

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#### 4.4.3. Integration structures between companies and theatres

As with integration perspectives between companies, joint ventures and mergers occurred in our research between companies and theatres. We will discuss these efforts in this chapter, illustrated by the specific examples.

- Joint ventures

There are two cases in which a theatre and a company decided upon creating a joint venture. This was in order to enhance artistic and financial value. There is one case in which a theatre and two companies have created a joint venture in order to start-up and manage a venue. De Melkweg, Toneelgroep Amsterdam and Stadsschouwburg Amsterdam have jointly invested in the Rabozaal in Amsterdam and divided nights of performance. They made this joint effort in order to create a suitable venue for certain performances. The second case we find in the fundraising area. The Koninklijke Schouwburg and Het Nationale Toneel have set up a joint venture in which they have a fundraising and an education department. The fundraising department was strategically driven: according to the directors, target groups for fundraising are people that are willing to donate either because of the building or because of the performances. Since Het Nationale Toneel is a core company of the Koninklijke Schouwburg, a fact we will discuss later on, it is decided to perform the fundraising together.

- Mergers

As discussed previously a merger is a more intensive form of integration, which takes a lot of time and dedication to be implemented.

Some companies are in an intensive relationship with venues, which is translated in becoming a core theatre or having shared back office activities. However when asked whether a merger would be possible, it was argued that this would imply a shared director for the producing as well as the presenting side. This has simply been a bridge too far, regarding the organisations that participated in our research. There are future plans for the Ro Theater and Rotterdamse Schouwburg. As we discussed in [chapter](#), mergers need to be implemented when there has been sufficient time and growth of the collaboration. This is also the case in Rotterdam: the first step would be the merger of the back office which can also be formed in a joint venture. The future perspective is that, when this is regarded as successful, the organisations could be merged into one organisation.

— “We started with the marketing department. The Head of Marketing of the Rotterdamse Schouwburg also became the head of marketing of Ro Theater. And probably our head of education department will also become the head of education department of Rotterdamse Schouwburg. [...] We just made the first start and we think that our organizations will be merged by the end of 2016, which also means that there will be one Board of Directors and not two as there are now.” (Erik Pals, Ro Theater)

#### 4.4.4. Collaboration framework

We have listed the existing efforts in collaboration in the framework, which is demonstrated in table 4.4. The framework shows the collaboration activities and whether these activities are primary or secondary. It also shows if the collaboration creates financial (f), artistic (a) or social (s) value. The activities are linked to the collaboration structures, respectively an informal alliance when the collaboration is not formalised, a strategic alliance when the collaboration is formalised, joint venture and merger, to demonstrate in which forms our participants exercise these collaborations. We also describe the chain location as according to the PAVC.

Chain activity	Specification	Informal Alliance	Strategic Alliance	Joint Venture	Value
Artistic programming	Side programming		■		A
	Joint programming		■		A
	Purchasing arrangement		■		A+F
	Core company arrangements		■		A
Back office	Knowledge exchange	■			A+F+S
	Marketing and communication		■		A+F
	Fundraising			■	F
	Financial administration		■		F
	Education		■		A+S
Joint venue			■		A+F
Facilitation			■		A+F

Table 4.5: Framework collaboration between companies

## 4.5. Collaboration activities of Festivals

### 4.5.1. Introduction

We involved four festivals in our research, two of which are mainly concerned with music and two of which are mainly concerned with theatre. Festivals have some particular characteristics which have influence on their collaboration activities. As with venues, festivals are concerned with the presentation of performances. However they do not own a venue to present these performances. Furthermore, the festivals in our research program on more than one stage. They have intensive collaboration with more

than one location, in order to take care of the facilitation of performances. The festivals are also involved in certain side activities, which will be discussed in this chapter.

The music festivals originate from a collaboration between venues that are situated in the city in which the festivals are operating today. Of the theatre festivals, one festival was founded by two production houses. It demonstrates that the founding fathers, already active in the performing arts sector, felt the urge to create a certain platform for specific activities.

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#### 4.5.2. Collaboration partners

For the participating festivals, collaboration is seen as a main activity. As opposed to venues, festivals are visible during specific times in a season or a year. The main activity of the participating festivals takes place once a year. The organisations of festivals therefore are relatively small, however the quantity of performances during the festival is relatively large. That is why collaboration is a necessary tool to have sufficient manpower taking care of the organisation. Furthermore, collaboration is used to develop the artistic program. The participating festivals, whether the genre is music or theatre, are mainly or partly concerned with talented new-comers.

In order to know where to look and book, the organisations turn to other professionals and get informed about their latest discoveries. The two theatre festivals also collaborate with the artists themselves by offering them know-how and in specific cases financial support.

One of the outstanding collaboration partners for the festivals are the locations at which the performances take place. Instead of a traditional transaction model, these organisations have made arrangements in order to save costs for the festival and to generate audience for the locations. It is an exchange in values. These arrangements differ regarding each case: the venue gets the income and pays partly or entirely for the costs or the venue pays a part of the program. Derrick Smittenaar, marketing director at Motel Mozaïque, argues that these agreements somehow changed over the years of financial crisis:

— *“Ten years ago it was more convenient for theatres to pay us for getting our festival inside their venue. They actually made profit from revenue of the bar, and it brought them new visitors. Today, this structure is less attractive for them. That is a result from the cutbacks. Nowadays we hardly receive income from these partners.” (Derrick Smittenaar - Motel Mozaïque)*

The collaboration with locations could be broadened by the sharing of artistic input. The facilitating locations are specific in genre and discipline and have their own audience. Therefore, regarding the music festivals, the program is developed in accordance with the programmers of the participating locations. Each programmer has its own expertise and uses this for the programming of the festival. Regarding *Le Guess Who?*, the artistic director is in a dialogue with every participating venue and generates ideas, input and know-how from these conversations. Regarding *Motel Mozaïque*, a pool of programmers is formed in which each location delivers a programmer. The artistic director of the festival subsequently makes the decision on artistic input in accordance with these programmers.

The collaboration with the locations also takes place in the back office. Regarding the marketing, locations show the program on their website or on other publicity material such as posters and flyers. *Le Guess Who?* collaborates with venue *Tivolivredenburg* in the marketing department: in return for artistic value, the venue takes care of the administration of the festival.

Other important partners for the festival are fellow festivals. These collaboration structures differ in intensity. There is knowledge exchange between partners, which is sometimes informal and in other cases formalised by meetings of interest groups. Furthermore festivals form strategic alliances in order to create

a lobby towards local and national politics; to exchange artists; to jointly develop a program; to exchange programmers and to develop side activities. *Festival Boulevard* joined forces with four other festivals to develop a special program for new artists within the festival. Each party delivered two upcoming talents. *Motel Mozaïque* exchanges programmers with festival *De Keuze*, organized by the *Rotterdamse Schouwburg*. *Motel Mozaïque* contributes to the music programming and the *Rotterdamse Schouwburg* contributes to the theatre programming. In this way both parties could profit from each other's expertise.

Besides venues and fellow festivals, other important places for artistic input are arts education schools, which are important in order to scout and provide a platform for upcoming artists and with organisations concerned with talent development. For example, *Cement Festival* provides the stage for the organisation CO which is concerned with new talent.

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### 4.5.3. Side-activities

The organisations of the festivals are involved in side activities. First of all it gives the organisations the chance to pursue their goals over a broader period, and in some cases it generates publicity for their main activity. Both music festivals organize spin-offs: smaller versions of the festival that take place during another time a year. *Le Guess Who?* organises a handicraft market which strengthens their profile and generates publicity. *Motel Mozaïque* also programs performances besides the festival together with venues in Rotterdam.

The theatre festivals are involved in a strategic alliance, together with four other partners, to partly adopt the role of the disappeared production houses in the Netherlands. In line with the festival's goals and values, this alliance contributes to the creation of the artistic production, both in financial and artistic ways. The alliance is relatively new and the specific activities need to be discussed, but it demonstrates an intensive form of collaboration outside their main activities.

## 4.6. Vertical collaboration and the importance of the chain

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### 4.6.1. Introduction

This chapter introduces vertical collaboration as a specific type of collaboration when different partners along the value chain collaborate. There are not only presenters and producers in performing arts but also other cultural players whose participation and facilitating role is essential in the field.

### 4.6.2. Collaboration with non-cultural organisations and companies

There is no performance without an audience. That is why, cultural education is an important area where collaboration can deliver added value. Cultural citizenship starts at the age of 4 when children enter school and become familiar with different art forms. Collaboration in this area can facilitate that performing arts organisations are able to provide a wider range of products for schools, thus enhancing cultural citizenship indirectly. Product diversification of educational products is important and can be a tool to cope with decreasing audience numbers in the long-term. Educational programs should focus on a wide audience and it is the responsibility of every cultural institution to contribute to cultural citizenship in one way or another. Collaboration is an efficient tool that can help achieve this specific goal.

— “In my opinion arts education starts with culture and art lessons in primary school and continues till the age of 18. Students have to have lessons and need to be aware of poetry, performances, concerts, literature, museums. In a developed country this is the base. That is where you start. This is where you start developing audiences and artists. Art education starts at the age of 4 for every citizen. It is about developing cultural citizenship like mathematics or languages. It is part of our DNA.” (Yolande Melsert, NAPK)



The supply chain is the network of all the organisations, individuals, resources and activities that are involved in the creation and sale of performances. It starts with the creation of the piece and ends with the eventual presentation of the piece to the audience. In this chain, not only venues and performing arts companies but also non-cultural organisations, companies and other cultural institutions are involved. Thus it is a whole ecosystem where the disappearance of parties can cause severe problems in the whole cycle. Collaboration between these different parties is essential and is often referred to as vertical collaboration. Several interviewees emphasised the importance of the supply chain and the diversity of production. As a result of the economic depression and decreasing government subsidy, several producing companies disappeared in recent years. Thinking about the long-term sustainability of the sector and formulating a common vision has to be implemented from the perspective of the supply chain. Diversity can only be maintained if the sector is examined from a helicopter view, paying attention to every participant of the value chain. On this way, a balanced progress can be realised in the long-term.

— *"We have to make sure that laboratory production and Research & Development is protected. Art is not always what people think of. It's not always a response to the need of the audience. It has an autonomic part, as well. If we are talking about diversity, you have to take care of the big institutions which program top talents, of the middle sized companies that are presented in smaller venues, of the individual artists that are innovating and experimenting,, and you have to take care of the environment where people easily enter the art world and see performances. That is the chain."* (Yolande Melsert, NAPK)

Performing arts organisations often work together with companies or non-cultural organisations if they have a goal that they cannot realise alone. Non-cultural organisations or companies can be local stores or businesses, welfare and social organisations, housing corporations, etc. The goal can be different every time. It might be to get new audiences into the theatre. A performing art company can also decide to use art as a tool to achieve a social goal while working on a big art community project. In every case, collaboration facilitates the realisation of a goal that could not be possible if the organisation tried it alone. Joint effort and a mutual gaining point are key factors in success.

— *"You can collaborate with companies that are not directly involved with the arts. You can make beneficial deals with suppliers. For example, the supplier of interior for our foyers can be very proud that such a beautiful theatre with such an interior displays his work. Thus I don't pay almost more than the purchasing price because he can build his image and brand. That is possible because a theatre has a certain allure."* (Rob van Steen, Theaters Tilburg)

Furthermore, performing arts organisations can collaborate with other non-performing arts institutions, such as museums or libraries. This type of collaboration often happens on the local level. Cultural organisations in the local community mainly collaborate in two different ways. On the one hand, they can work together to realise a common project and on the other hand, they can decide to set up an alliance, a lobbying group for culture that represents the interested of the parties in the city. In both cases collaboration adds additional artistic, social and financial value. In case of common projects, joining resources can facilitate the realisation of a common project. In case of a cultural alliance, a bigger group has a larger power which gives an additional advantage to all the parties involved. *"I think it can be of great advantage to start with a sort of political lobby group. You can show that you talk and plan with other cultural organisations in the city. It always works in your advantage. And by starting that, other things will grow."* (Jeroen Blijleve, Patronaat)

As discussed in the previous chapter, festivals are also playing an ever increasing role in the supply chain of performing arts. These events are essential for the career development of artists. Festivals and venues are currently the two main platforms where the presentation of performing arts is facilitated. *"Festivals are also part of the supply chain. It is impossible to just present an unknown act because then you lose your credibility. First acts often appear a few times in the club circuit, then they already have some name recognition, so they appear on a big festival. Each time a step higher. After the festival, they get back to*

*the club circuit. So, every time it grows a bit. It is a form of cooperation but it is not fixed in advance. It is not a kind of policy. Festivals help venues and artists and vice versa.” (Berend Schans, VNPF)*

## **4.7. Conditions for optimising collaborative processes**

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### **4.7.1. Introduction**

The 3 pillars of optimising collaborative processes are structure, collaborative awareness and strategic outlook. These three important conditions have to be present in order to realise a successful collaboration and neither of these 3 dimensions are enough only in themselves. The empirical investigation revealed that in order to achieve the planned objectives, organisations need to have the right structural forms, collaborative culture and a common strategic outlook.

### **4.7.2. Success factors**

Structural conditions for optimising collaborative processes and mechanisms refer to the collaboration type itself and how organisations design the collaboration. In collaborative endeavours, it is not enough to only make a formal document and some sort of agreement. The three conditions —structural, cultural and strategic— all have to be present in order to realise the main objective of the collaboration. Strategic sensitivity is the second significant factor. It does not only refer to the way in which the participants view the collaboration and its prospects for the future but it also involves the underlying agendas and the interests that the partners have in the collaboration. When there are shared agendas and there are no openly conflicting interests, it is easier to develop a strategic course together. Strategic interests also implicate political interests. In order to realise financial, social and artistic benefits in the long-term, the political interests behind the collaboration have to match. The right strategic orientation is crucial if organisations want to optimise collaborative processes. Collaboration is not purely about capacity and maximising financial benefits but also about taking the artistic and social values into account at any given time. That is why, the third pillar is also an essential ingredient of successful collaborative processes. The cultural dimension of a collaboration refers to the collaborative culture and the way in which participants experience, value, view and frame the collaboration. If organisations do not understand the unavoidability, the nature and the values of a collaboration, then it is hard to engage in these processes.

Collaboration is not only related to the cultural sector itself but also to the environment in which it operates. Due to changing circumstances in this decade, a fundamental challenge for performing arts organisations is to make a new match between the sector and the environment in which they are performing because of legitimacy problems. There is more criticism upon the added value of the cultural sector than there used to be in the past and there is less financial support available. These factors led to the fact that a sense of urgency is more and more present in the sector. The interviewees emphasised that collaborative processes tend to happen more when there is the feeling of urgency. The value of the cultural sector is never perceived in the sector itself but in the perception of the stakeholders such as citizens, audience, municipality and so on. The sector needs this authorising environment in order to build reputation, support and enhance legitimacy. Collaboration is not only important for the sake of collaboration but it is a tool to do something in relation to outside expectations. Having collaborative awareness does not only relate to the collaboration itself but it also means that performing arts organisations take the continuously changing perception and expectation of stakeholders into account. The interviewed participants of this study named several factors or conditions that help to optimise collaborative mechanisms and contribute to a ‘successful collaboration’. Based on the research findings and related research conducted in the field, 30 success factors were compiled that are essential in order to implement and optimise collaborative processes.

Conditions for optimising collaborative processes	
Structural conditions	Voluntary intention and organic development
	A shared collaboration history
	Well-harmonised logistics — efficient communication, regular meetings
Cultural conditions	Transparency
	Commitment
	Trust and openness
	Mutual investment of money, time and resources
	Belief in the collaboration from both sides
	Willingness to give up privileges to realise a common vision
	Human element — working chemistry, match of experiences
	Equality
	Homogeneity of partners in type, value, workload, speed, capacity, number of inhabitants in the service area
	Scale
	The skill of listening and searching for commonalities
	Clear communication of the Director's vision to the employees
	Spending personal time together
Strategic conditions	Urgency
	Clear identity before collaboration
	Well-defined common vision and clear objectives
	Mutual gaining point
	Value, goal and mission alignment
	Realisation of a goal can only be achieved by common action
Additional conditions for mergers	Neutral director
	A consultant with extensive experience of integration processes
	Timing
Additional conditions for co-productions	Intrinsic urge
	Formalisation
	Artistic match
	Respecting differences in organisations culture and structure
	Active involvement of employees

Table 4.6: Conditions for optimising collaborative processes

### 4.7.3. Structural conditions

- Voluntary intention and organic development

Starting a collaboration on a small scale and then letting it grow naturally can result in greater success in the long-term. We can state that the chance to succeed is always bigger if the collaboration is voluntary. Enforced collaborations are always problematic because the parties do not have the chance to choose their partners voluntarily. Enforcement can often result in sabotage from the side of the organisation. That is why, organic development is a general condition if we talk about the long-term sustainability of collaborative endeavours. Intrinsic urge is a foundation of successful collaborations. Collaborations must arise from an intrinsic urge, which is related to the question: what is the added value that is achieved through collaboration? This must be elaborated before starting a collaboration. Collaboration should not be an end in itself but a tool to achieve a goal the parties could not have reached without their partner or partners. *“Natural development is the most successful way to start a collaboration because people can try to force it but if people don’t want, they will find ways not to do it. If people want it themselves, they will also find ways to do it.”* (Sandra Bruinsma, Stadsgehoorzaal)

- A shared collaboration history

As discussed in the framework, building up a collaboration naturally gives a bigger chance to succeed. Thus knowing the partner beforehand and having a collaboration history together can be a significant factor for success. A shared collaboration history between partners is not a condition in itself but a factor that facilitates a more optimal mechanisms for implementation. Knowing each other’s working methods and processes, and thereby understanding the differences between organisations facilitates and accelerates the collaboration process. Furthermore, a shared history enables collaborations to grow. To summarise, this condition reduces a certain risk that is inherent to collaboration processes.

— *“Knowing your partner if you intensify the collaboration is quite important because you understand each other better. You can also moderate your own opinions about the other one. You still have to try staying open to the opinions of your colleagues, your partners. And that is easier when you know each other better. But sometimes it also helps when somebody is new. It can also give a new boost.”* (Joep van Dijk, Het Cultuurgebouw)

- Well-harmonised logistics — efficient communication, regular meetings

Structural conditions are really important if organisations want to optimise and maximise collaborative mechanisms. Efficient communication and investment in regular meetings is necessary in order to keep the collaboration going. Most of the time it is easy to come up with a good idea and bring people together but the implementation process can be more problematic. Trust is reached by being open and transparent to each other. Therefore, there must be sufficient clear communication between not only the directors but also the different employees of the organisation. In general, it is crucial that enough attention is paid to logistical issues if the organisation aims to build up a long-term collaboration.

— *“Invest in meetings between the companies who are supposed to work together. Invest in meetings on culture, on the way they work, on understanding each other’s core business!”* (Freek van Duijn, Frame Amsterdam)

- Transparency

As highlighted in the previous conditions, structural conditions are vital for the long-run sustainability of collaborative processes. A written arrangement in the form of a contract can often help to avoid misunderstanding and miscommunication but the partners also have to get involved in continuous conversation with each other throughout the whole process. Transparency can help the partners to build up a well-functioning collaboration based on trust and open communication.

#### 4.7.4. Cultural conditions

- *Commitment*

Commitment is related to the cultural dimension of optimising collaborative processes. The first step in every collaboration is making a commitment. If the participating parties have collaborative awareness and understand the value of the collaboration, it is easier to commit to the other partner and to the common goal. The first step in every collaborative process is making a commitment. It does not necessarily mean that a formal contract needs to be signed in order to ensure commitment from both sides but the partners have to feel responsible for the collaboration from the beginning of the process. The interviewees of this study often used the metaphor: *'Collaboration is like a marriage.'* Real commitment is crucial in the long-run and it helps to deal with emerging obstacles and difficulties during the implementation process.

— *"For some cultural organisations, collaboration is a marketing thing. We actually married Roodkapje. We said: 'Okay, we marry because I want you to influence me. Because you have things you do well as an organisation. We can learn from you to be more open.' We wanted to show the world that we are serious about our collaboration."* (Hajo Doorn, Worm)

- *Trust and openness*

Trust and openness is a basic condition that has to be present in the background as a fundament for the collaboration. Collaborative processes always involve a level of risk. At the start the partners cannot entirely foresee how the process will develop. Without a certain level of trust in the other party, suspicion towards each other increases which inevitably harms the collaboration process. Trust is mainly created by open communication and sharing underlying agendas with each other. Based on the findings we can state that voluntary collaborations are mainly established from a common goal and an intrinsic urge. In some cases, there might be additional reasons why an organisation chooses for a specific partner to collaborate with. Although, the main goal of the collaborative endeavour might be the same, other interests could be involved, as well. It is essential that the collaborating partners are open to each other about these additional reasons and agendas.

— *"Trust should be in the background, as a foundation. If you trust each other at start, you won't doubt what the benefit for the other will be. If you don't trust each other, then you might think: 'Why would you collaborate with me? What is in it for you?' If you cannot get that on the table, then there is always a suspicion."* (Guido de Vries, Gigant)

- *Mutual investment of time, money and resources*

A commitment without active participation and involvement cannot deliver the expected results. A successful collaboration requires the mutual investment of resources that can be money, time or energy. Working together consumes extra time and resources at the beginning but it gives back capacity to the organisation in the long-term. The success of collaborative processes also depends on the fact whether there are a few people in the organisation that actually do the practical work. Structural planning is really important but if nobody takes the effort to actively invest in the collaboration, then the results will be less than originally expected. Active involvement from the employees is necessary in order to build up a successful collaboration. As the employees are the participating parties both in collaborative processes and integration procedures, their actions can enhance or sabotage the whole process.

— *"If the people in your company —musicians, staff members— can't see the merger happening, if they don't see that it makes any sense and they are not willing to cooperate, to work for it, to spend their energies on it, to invest their knowledge in it, you will never make it. Never!"* (Stefan Rosu, Philharmonie ZuidNederland)  
 — *"Collaboration in the beginning takes a lot of time but you have to put that time into it to get it to a higher level. At a certain moment it just starts to work and you can leave it alone. It takes time in the beginning and at the end it gives time."* (Jaap Lampe, Theaters Haarlem)

- *Belief in the collaboration from both sides*

Collaborative awareness also indicates that the parties participating in a collaboration have a belief in the successful realisation of the collaboration. It is important to highlight that the collaboration has to be supported by all the layers of the organisation. Collaborations are always intense, hence the people who in the end have to do the work must also believe in it. Collaboration is often initiated and set up by the top layers of the organisation. It is the task of the managers to explain the importance of the collaboration to the employees and to create support (see Clear communication of the Directors' vision to the employees). Not only the employees and the organisations but also the politicians and the city council have to support the idea and the efficient implementation of the collaboration. This condition is essential when companies aim to enter a structural collaboration. Political stakeholders influence collaboration in a direct way by subsidy allocation. Especially if the partners want to hand in a subsidy request specifically for the collaboration, it is important that they know the political stakeholders in question support the initiative.

— *“Trust, same goals, clear objectives and ambition. A mutual belief in the future is also important. You have to know where you want to go and you have to work for that. Pro-activeness and positiveness is also crucial.” (Renske Verbeek, Kroepoekfabriek)*

- *Willingness to give up privileges to realise a common vision*

The mutual need to realise a goal is not enough in a collaboration. The partners have to be willing to give up some privileges that they had before in order to realise the common vision of the collaboration. Collaborative processes always cost time, energy and additional resources and the partners have to put the overall interest of the collaboration above their individual interests. Regarding the cultural sector it might be problematic in some cases as the artistic identity of performing arts organisations and their need to emphasise their specific characteristics are very strong. *“Well, respect is very important and general interest above personal interest. When your self-interest is too big, then collaboration becomes very difficult.” (Peter Sikkema, Oosterpoort)*

- *Human element — working chemistry, match of experiences*

As every collaboration involves people working on it, the human element is a significant condition for success. It has often been stated by the interviewees that there has to be a personal click between directors in order to initiate and start a project together. That is why, collaboration can often be sabotaged if people in the process cannot work together efficiently. There has to be a certain chemistry present on the personal level. This factor is harder to grasp because it is intangible and refers to a match or click between people that are involved in the process. The presence of personal match increases the chance that people are willing to collaborate and see collaboration as an opportunity. Match in experiences is a further advantage for the collaboration. It is advisable for partners to find each other's strengths as every organisation has a specific expertise and knowledge that makes it unique.

— *“A personal click is very important. Initially you could say that same interest fields but completely different characters can work but I think no click means no successful collaboration. If you like each other, then you are on the same wave. Then talking and brainstorming will create ideas that you both like. That is the beginning of putting effort into something.” (Guido de Vries, Gigant)*

- *Equality*

A significant cultural condition that facilitates a more efficient implementation process is equality between the partners. Having unequal positions in a collaboration can lead to unseen difficulties and obstacles. This condition is extremely problematic in case of mergers. If the partners are not equal in a merger, the process can often turn into an acquisition. This issue is also essential when small organisations collaborate

with big institutions. Equality in size contributes to equality in understanding and equality in control during the collaboration process. It can partly be achieved by making agreements and formalising these agreements beforehand. When equality in size is not present, it is important that there is a mutual respect from both partners. When selecting the collaboration partner, an organisation must consider whether one of these two options are present in the collaboration. The equality in size factor is different for co-productions. For further details, see [chapter 4.3](#).

— *“That collaboration is not really on equal level. They are on a higher level and they decide a lot of things by themselves. They partly tell us what to do. If working together is on an equal level, then it gives more the feeling of collaboration.” (Cees Langeveld, Chasse Theater)*

- Homogeneity of partners in type, value, workload, speed, capacity, number of inhabitants in the service area

Not only equality but similarity of partners in certain attributes can enhance a more successful collaborative endeavour. The main areas where similarity can result in a bigger chance to succeed are: type, values, workload, speed, size, number of inhabitants in the service area. Type in this case means that, for instance, collaboration between a governmental and a private organisation is often more problematic than collaboration between two governmental institutions. Different strategies, evaluation processes or budgetary restrictions can often make collaboration more problematic between different types of institutions. Differences in values and workload can often lead to obstacles or even to an interrupted collaborative process. Not only the workload but the general speed of the organisation can influence the way in which organisations work together. Speed refers to how fast a project can be implemented or how quickly organisations can react on changes. The speed of an organisation is often related to its size. Larger institutions generally need more time as a result of a more hierarchical structure, while smaller organisations are able to react and change fast due to a more flexible organisational structure. Even the number of inhabitants in the services area can influence the success of a collaboration. This factor is mainly relevant in case of venues. Venues with a similar number of people in their service area are more likely to work together on an efficient way compared to venues with highly different number of inhabitants.

— *“The speed of the organisations or the persons that you work with is very important. Speed is about whether you need one month to finish a project and the other partner needs 5 months. For me that is an important measurement in terms of how we can just relate to each other. Does your deadline match my deadlines? If the speed is not similar, it might work for a short time but then it is gone. For big institutions it is very difficult to change the speed to faster and for small organisations it is easier to slow down for a short period of time.” (Hajo Doorn, Worm)*

- Scale

In general we can state that smaller collaborations have a bigger chance to succeed in the long-term. If there are less partners involved in the process, the participants feel more responsibility towards the common goal. In case of collaborative practices with more participants, the problem of free riding can emerge. *“The collaboration is more intensive with 5 partners instead of 20. With 20 we are waiting what the other is doing and with 5 we are more active and influencing.” (Cees Langeveld, Chasse Theater)*

- The skill of listening and searching for commonalities

In order to find each other's specific strength and to create competitive advantage with the collaboration, listening is an important skill that can greatly contribute to the success of the collaboration. As mentioned before, the partners have to give up some of their privileges in order to realise a common vision. At the same time, the partners must also listen carefully to each other to understand where the common interests lie. When companies get involved in a collaboration, a value often arises that could not have been created when the organisations would not have collaborated. This implies that the partners often have supplementary values. Each organisation must therefore look at itself and recognise its strengths and

shortcomings. This prevents certain conflicts about power during the implementation process. The parties always have to keep in mind why they need each other.

— *“The most successful collaborations happen with me when I briefly sketch who I am and I listen carefully what the other person is saying. By asking questions and listening to the other party, I can figure out where I can contribute and join. It is also a type of communication. It is not so much about selling your own chat but you must also give the other a chance to put his things on the table. On this way you can better find the common interests. So, it is not about your own story if you want to collaborate. It is more about a very open quest. Where can we actually find each other?” (Marijke van der Woude, CBK)*

- Clear communication of the Director’s vision to the employees

Collaborative processes often involve a great amount of people whose contribution is essential in order to facilitate the realisation of the common objective. Not only the directors have to understand the mutual benefits and the common vision but also the employees have to be well-informed. If communication is not efficient within the organisation, employees working in the collaboration can easily sabotage the process which was originally planned by managers on a higher level.

- Spending personal time together

Not only investing in open communication and regular meetings can lead to a more successful collaborative process but also spending personal time together. Creating stronger bonds and bringing people together is important in order to deepen the collaboration and ensure its long-term sustainability. These cultural conditions are essential in order to build up a collaborative culture within the organisation.

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#### 4.7.5. Strategic conditions

- Urgency

External pressure and necessity is often needed in order to initiate a greater number of collaborations. In times of recession, organisations need to become more creative on many levels within the organisation. Before the economic downturn there was not really a strong incentive for cost reduction. In times of economic prosperity there is no real incentive for organisations to stick together and combine activities. The climate at the moment is favourable for collaboration processes. The economic changes in recent years made it more essential for performing arts organisations to collaborate. Working together became necessary in order to survive, achieve certain goals and realise common projects together. Sponsoring bodies and municipalities have an important role in partly creating a sense of urgency. With budgetary influences it is possible to make priorities or enhance certain actions because if budgets and subsidies start changing, then organisations are also forced to react on it.

— *“In good times I don’t think we would have collaborated on this experiment as we do now. When you feel that your organisation is doing great and the figures are good, why should you do it? It is just the time and the economics and the politics that made it critical to look forward.” (Marc van Kaam, Theater Castellum)*

- Clear identity before collaboration

It is critical to have a clear identity before entering a collaboration. If the partners are moving too fast or jump into a structural collaboration before getting to know each other through common projects, the chance is bigger that the collaboration will fail. New collaborative processes often trigger fear at the beginning as organisations do not know what to expect. Respecting each other’s distinctive identity and strength is essential in order to facilitate efficient collaborative mechanisms.



— “A threat to collaboration is the identity question. So, the search to be stronger together than only yourself. How do you want to show yourself to your audience or to the politics or to the sponsors? How can you be better together than alone? Because sometimes you are just better alone. You have to have a clear identity before collaborating.” **(Renske Verbeek, Kroepoekfabriek)**

- Well-defined common vision and clear objectives

Having a common vision or in other words a common strategic orientation is vital for a long-term collaboration. If the vision is a tangible objective, it is easier to implement the collaboration successfully. As a result of this tangible element, talent development is a field where significant collaborative efforts and projects have continuously been realised. In order to facilitate a successful process, it is important to discuss the mission and vision of the collaboration in details beforehand. Having a strategy regarding the collaboration also means that the partners clearly define where they want to be in 5 or 10 years. It must be well-understood by both partners what the added value of the collaboration is and in which ways this added value can be operationalised.

Having a common vision is also a means to overcome additional challenges in the future. When an incidental, project-based collaboration is successful, it is often a motivating factor for the parties to repeat the process. While setting up a structural collaboration, it is important to examine whether it still yields a certain added value. In order to monitor the process, the partners continuously need to evaluate the achievements and the mechanisms based on previously defined goals and objectives. “Some collaborations are very time-consuming. You need to stay critical whether the collaboration still makes sense.” **(Jan Van den Bossche, Nederlandse Bachvereniging)**

- Mutual gaining point

Collaborative processes always have a bigger chance to succeed if the collaboration delivers a win-win situation for the participating parties.

Finding mutual benefits and mutual gaining points can help organisations to better understand the added value a collaboration can deliver for them. These benefits can be financial, artistic or social.

- Value, goal and mission alignment

Goal and mission alignment is still related to the strategic outlook of the collaboration. If the goal an organisation wants to reach does not match the goal of the partner, the chance to succeed in a collaboration is less. It is essential that the collaborating parties know beforehand what they want to achieve and are able to align their goals and missions. Aligning the objectives also means that the underlying agendas and the interests that the partners have in the collaboration have to match not only on the organisational but also on political level. When there are shared agendas and there are not real conflicting interests, it is easier to develop a collaboration strategy together.

— “In this case it is apparent that our organisations are aligned when it comes to mission statement and philosophy. The other organisation is reaching for the same goals. That is very important because if you have different agendas, then that will clash quite easily. Of course, two agendas are never completely alike but still you have to find out in the conversations at the beginning whether or not the project supports your ends in the same way. Otherwise one goes one way and the other goes the other way, and then it will fall apart.” **(Marijn Lems, Brakke Grond)**

- Realisation of a goal can only be achieved by common action

Collaboration can be a successful tool if the realisation of a goal is impossible alone. Areas where working together can deliver added value are talent development, reaching for new audiences, obtaining a higher quality in programming by purchasing certain acts together, ensuring the diverse supply of performing arts within a given city. Collaboration should not be a goal in itself but a technique to achieve a goal that the parties could not have reached without their partner or partners.

#### 4.7.6. Additional conditions for mergers

- *Neutral director*

In case of integration processes, there are three additional success factors that we have to take into consideration. First of all, a neutral director is crucial if several organisations merge together. Interviewees who experienced a merger highlighted that it cannot be expected from one of the directors of the participating organisations to implement the merger. Neutrality is a key factor as the participating organisations do not feel that the new director is in favour of one of the parties participating in the merger. Appointing a neutral director can often speed up the process and facilitate that a new merged entity evolves through the collaboration of the participating organisations.

— *“It is not only because he is a good manager but because he has no history with the old struggles and he is not connected to one of the two or one of the four. What really important is to daily make sure that I am not too much in favour of one of the two organisations. Because as soon as that idea starts to exist, then problems might develop.” (Frans Vreeke, TivoliVredenburg)*

- *A consultant with extensive experience of integration processes*

As integration processes have a lot of downsides and often challenge organisations, it is important to have a consultant with experience in mergers and acquisitions. The difficulty is that performing arts organisations often do not have the capacity to implement these processes because it requires a lot of extra time, money and other resources. As a result of the subsidy cuts, initiating a merger in order to cut costs is a wrong motive because these processes absorb a lot of additional resources at the beginning and might only result in financial benefits after several years.

— *“I think the only way to achieve a successful merger is to have an agent, a consultant with experience who facilitates the process. Otherwise it can happen that two directors “we talk together and we do something together” without process management. You can achieve more when the process is sufficiently facilitated.” (Freek van Duijn, Frame Amsterdam)*

- *Timing*

Timing is the third significant factor that can greatly influence integration processes. Timing has several dimensions that has to be discussed. First of all, choosing the appropriate time for a merger is significant because external and internal circumstances can often give an impetus for the integration process. Such a circumstance can be a change in management that offers a good opportunity to start an integration process without making more damages than the process already causes. Moving into a new building is also an external circumstance that can give the right moment for cultural organisations to merge.

Secondly, right timing is also relevant during the implementation process. Appointing a new director can be a critical decision in the integration procedure. When two or more organisations are merged it is advisable to appoint a new manager when the critical questions are already answered. The following questions might arise during the process: ‘Does the merger involve firing employees from the organisation? What kind of organisational changes does the merger induce? Who is the leader of the process? Who are going to be in key positions? Who are going to be the head of the departments?’ These issues are highly relevant if an organisation want to implement a successful merger. It was advised by one of our interviewees who took part in a merger process that their success was partly due to the fact that he joined the process after these issues were decided by the Board and an interim director. Thus he was able to focus on the future and the strategy that the organisation needed to implement in order to become vital in the long-term. These examples illustrate that finding the right timing to start a merger and to make further steps in the process is highly critical if we talk about the long-term success of integration.

#### 4.7.7. Additional conditions for co-productions

- *Intrinsic urge*

The foundation of a successful co-production is that the intrinsic urge. The artistic directors of the involved parties always have to be clear about the added value of the co-production. ‘Why cannot I do it on my own?’ is the first question that needs to be answered when deciding on co-producing. Some participants recognised this by mentioning that during informal conversations the idea of a co-production sometimes rises, simply because people like to collaborate. However, without a clear view on the added value of a co-production, the collaboration will most likely to fail. This common urge motivates the partners to invest the necessary amount of effort and time into the collaboration. Furthermore, it helps to overcome certain barriers when collaborating because the greater goal is always present at the background of the process.

— “You need to have the same goal. If you are working with artists, these goals are mostly the same: everybody wants to get on stage and take care of the fact that the audience will experience something beautiful. [...] It could take a lot of effort from your organisation but in the end that is your goal. If that aligns, then the rest will follow.” (Karen Smit, *Nederlands Blazers Ensemble*)

- *Formalisation*

Some participants recognised that they occasionally lack the formalisation of the co-production, however all the participating companies recognised that formalisation is in fact a condition for a successful co-production. As mentioned before, the performing arts sector is a relatively small world. People know each other from previous co-productions, from other collaboration structures, from visiting each other’s productions, from meetings with interest groups and so on. Therefore, there could be a tendency not to or only partly formalise the co-production. Formalisation can be seen as an expression of distrust: ‘why formalise something when you trust the other?’ However, it is important to have security about both financial and artistic contributions of the collaborating parties.

The energy the companies need to put can become wasted when it turns out at the end of the process that there was simply a misunderstanding about budgetary conditions. Formalisation also prevents parties from doing the same things twice. Formalisation is not about distrust, it is about the simple fact that the enthusiasm of starting a co-production overshadows the practical part of the collaborative process. Therefore, formalisation is not only the guarantee but also the tool to discuss the practical aspects of the co-production.

It is also advised to formalise the artistic side of co-productions. It does not mean that the artistic outcome of a co-production needs to be formalised: this is often a process that is conducted during the actual co-production. However, when making a co-production two or more directors or choreographers need to work together to make one product. A frequently heard statement during our research is: ‘*There are suddenly two captains controlling one ship*’. Decisions on artistic autonomy during a co-production can take many forms and need to be discussed beforehand. A good mechanism to do so is by the means of formalisation. Moreover, the artistic identity of the co-production is not only apparent in the product itself but also in the marketing and communication strategy.

- *Artistic match*

Many participants mentioned artistic click that needs to be present between the artistic directors or choreographers when co-producing. We translate artistic click as understanding and respecting each other’s artistic identity. There needs to be a certain agreement on the expected artistic output. This also implies that the company must have an understanding of its own limits. Regarding the first condition for a successful co-production, the intrinsic motivation to co-produce arises from the fact that the artistic value

cannot be created by the party itself. This understanding contributes to the space one needs to leave open for the co-producing partner. Performing arts companies often ask themselves the following two questions before co-producing: 'In which ways do I need the co-producing partner? Why cannot I do this on my own?'

— “For both parties, it needs to have additional artistic value. The production needs to be supported by everybody. [...] If somebody feels that the artistic performances of the musicians or the singer or the director are below level then it will not work. You need to have trust but it is also a certain artistic level. This needs to match.” (Wim de Vos, Asko|Schönberg)

- Respecting differences in organisations culture and structure

Especially in case of performing arts companies, there is an emotion at the base that causes the organisations to be very protective about their own artistic identity. We can argue that every company is different in this sense because every production is unique. On the other hand, we can also state that these companies put in this effort for the same goal: to create art. By acknowledging and understanding differences in organisational cultures and structures, the success of a co-production can be enhanced. Every company has a different identity and culture, especially two companies producing art of different disciplines. The time frame to produce a performance for instance can differ immensely. The added value of working with a company from another art discipline could be that one is also forced to look at its own organisation, the associated characteristics and culture. However, it is always an intensive process. One example of this issue was given by the director of Het Gelders Orkest, George Wiegel. While it takes approximately three times practice for an orchestra to perform a piece, it takes months for a theatre company to rehearse. Hence, the characteristics of certain art disciplines are reflected in the the culture of these companies. Recognising these differences may enhance flexibility of both partners and the success of the co-production.

— “We can put something together rather quickly but we need to know in advance what we want to play, while a director [of a theatre company] may think ‘I am still working on the production, so I don’t know yet which music will be attributed.’ Then your production processes are endangered. We found our way, with a little bit of giving and taking.” (George Wiegel, Het Gelders Orkest)

- Active involvement of employees

Last but not least the management layer needs to involve the employees, such as dancers, singers and actors in the collaboration process. This is very important because their involvement goes even further than the employees of the earlier discussed theatres and pop venues. By agreeing upon a co-production, they are the ones that contribute to the artistic production and by doing so they have to collaborate in an intense way. It has to be clear why the co-production contributes to the company’s repertoire and why the given company is needed to make that certain production. The involvement of employees could even be more intensified by giving them a say in the decision-making process while choosing the collaboration partner, as one participant mentioned.

## 4.8. Unsuccessful collaborations

### 4.8.1. Introduction

We asked our participants whether they have experienced an unsuccessful collaboration. We define a collaboration as being unsuccessful when it did not generate the wished result. This implies that a collaboration could have proceeded, but had disappointing results. Therefore it is a rather broad framework: the mentioned unsuccessful collaborations have a variety of reasons. To frame these reasons we distinguish four phases in a collaboration process: (1) *Approaching* —» (2) *Consultation* —» (3) *Organising* —» (4) *Output*. This distinction is important because it demonstrates that collaboration starts

from the moment potential partners approach each other. And here the first pitfalls are apparent, which obstruct a successful collaboration. In this chapter we first discuss in which ways the collaboration could become unsuccessful regarding each phase. After that we discuss general pitfalls we distillate from these unsuccessful collaborations.

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#### 4.8.2. The approaching phase

Naturally, collaborations will not proceed when a partner is not willing to cooperate. This often appears in the approaching phase. An organisation sees benefits in collaboration and approaches the potential partner but the partner sees no added value in the collaboration or believes that the opportunity costs are too high. Another reason not to collaborate is the difference in size and structure of the other organisation. Differences in size and hence financial resources are too high for an organisation to get involved in a collaboration or the potential partner does not have enough financial resources to generate the wished output. Size is a factor in the sense that when organisations become too big they will naturally function less efficient. Even though organisations have similarities in artistic output, it could also be decided not to collaborate too extensively for this reason. When the artistic vision of the potential partner is too different from the other partner, it is also a reason not to enter collaboration activities.

— *“Of course, I can go to Van de Valk, which is a big caterer, and ask: “can you help me?” I could help him too, if he is willing to send applicants or interesting people my way if his accommodation is full. [...] But that is a commercial business and although I’m also partly commercial because I have to balance things, I think you should keep in mind that the primary function of this organisation is being a theatre.” (John de Vos, Theater het Kruispunt)*

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#### 4.8.3. The consultation phase

In this phase there is worked towards a concrete plan of the collaboration. It is discussed what will be the mutual goal and benefit and which partner is going to deliver which input. The consultation phase is a very delicate phase because here ideas must be transferred to something to grasp.

One of the most apparent pitfalls appears here: the lack of a shared goal. Because when ideas become concrete, it happens that partners find themselves having a totally different view upon the proceedings of the collaboration. The risk is enhanced when artistic value needs to be concretised, since artistic value is especially difficult to grasp. Partners could be unpleasantly surprised when the ideas of the other party did not meet their expectation. The consultation phase could also be harmed when there is no clear communication. This is for instance the case when there is too little time put in meetings, whether they are physical or virtual. Finally, collaboration is about giving and taking. Organisations must believe that collaboration brings an enhanced value. When this believe is not there, we see that collaborations will surcease in this phase because organisations do not want to give up certain aspects, or do not have an open mind about whether things could be done better in collaboration.

— *“People were not able to see the benefit of getting the [shared ticket] system and did not want to give up their own systems. It is really difficult. And I tried again on a nationwide scale. That didn’t work. And the same experience I had with trying to collaborate in marketing and publicity actions between concert halls, classical orchestras and classical ensembles. And we said: ‘Nationwide we should see if we could get classical music more sexy, more for younger people, etc.’ And everybody said: ‘Yes, that is necessary.’ But when you ask them some money to make marketing things and work together and think in the programming to develop some kind of programming. That is, well that is different from what they do usually.” (Jaap Lampe, Theaters Haarlem)*

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#### 4.8.4. The organising phase

Here the collaboration becomes the most tangible. Partners start creating together. Unsuccessful collaborations appear when the agreements made in the consultation phase are interpreted differently by the organisations. Distrust is a factor that harms the collaboration as well. The organisation feels that its

partner is not putting the discussed efforts in the production. Honesty is an important condition for a successful collaboration and we have experienced that when the organisation has not been honest about its capabilities or promises this will seriously harm the collaboration or make the collaboration less successful. It worsens the collaboration in a greater way than when the organisation would have been honest about its capabilities from the beginning. Now the process is built on motivations that cannot be solidified. Another pitfall is when organisations lose track of their own goals. Even when the goals have been made clear during the previous phase, a collaboration is a very intensive process and always comes with a degree of risk. Not everything can be predicted. When the organisations do not hold on tightly to their own goals, the collaboration could become unsuccessful in the sense that the output will be different than expected.

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#### 4.8.5. The output phase

The collaboration enters its final form. This could reach from the performance of a coproduction to having a shared marketing booklet. Unsuccessful collaborations in this phase appear when the output does not meet the expected final form. This happened when the co-productions did meet the artistic value that was expected or when after deciding upon a shared marketing effort, the expected amount of tickets have not been sold. Remarkably, this is the phase where the least unsuccessful collaborations are mentioned. Our participants argue that the whole process to the output could have been unsuccessful but in the end, although with a lot of struggle and additional effort, the output was successful. It is frequently heard that the partners decide to leave it to this collaboration hence not collaborate with this partner again in the future. This implies that problems are mostly found within the second and third phase, which do not necessarily need to harm the output, but because it takes so much more effort than expected the overall experience of the collaboration could still be reviewed as being unsuccessful.

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#### 4.8.6. General pitfalls

We can distillate general pitfalls from the unsuccessful collaborations we discussed. Furthermore we found pitfalls that were mentioned by participants when they discussed difficult or obstructing factors in collaboration activities.

- *Different organisational culture and structure*

When the organisational structure and culture differs it can become an obstruction to collaborate. When an organisation is larger than the other organisation, the latter could have the fear that it will not have a say in the collaboration process. The larger company in some cases tends to overtake the process or be the leading party in the decision making process. Another pitfall regarding the structure of an organisation we find when there is a difference in income for the collaborating parties. This could be that one partner is governmentally financed while the other organisation is commercial.

— *“It’s difficult to really set up a collaboration between municipal and non-municipal organisations. What is a contract with a governmental organisation? When the new elections arrive, everything disappears from the table. So, cooperation between a governmental and a private organisation is very difficult.” (Han Evers, De Meenthe)*

Difference in income could also have as an effect that both parties cannot contribute to a collaboration in an equal financial way. Therefore the potential partner could decide not to go through with the collaboration. Cultural differences do not need to become a pitfall, it could even be a motivation to collaborate as we see with interdisciplinary co-productions. However there are certain aspects in culture that could obstruct a collaboration. The most heard case is regarding theatres and pop venues. The difference in income, professionalisation and overall culture leads to a misunderstanding of each other. Furthermore there is a big difference in the timeframe of these parties. For instance while a pop venue

tends to book an artist a couple of months ahead, a theatre finishes this process at least a year prior to the performance. When the theatre and pop venue want to collaborate on programming or marketing this becomes very difficult.

The differences in culture could lead to a certain disrespect to each other. The organisations both feel that they have a better view and knowledge on processes within a performing arts organisation. We have seen that both parties have their advantages and disadvantages in culture and structure, however when it is not recognised that both organisations can learn from each other and that each has its own qualities, collaboration will be harmed.

- Lack of a shared goal

One of the fundamental success factors is to regard collaboration not as a goal but as a tool to receive a certain goal. When coming to the phase of discussing the concrete content of the collaboration, it will become an obstruction when parties want to collaborate just for the sake of collaboration. Another related pitfall is when the organisation expected a certain vision on goals and outcome from the partner, and this is not there or when there are fundamental differences in what the partners want to achieve through collaboration. *“The downside is that sometimes if there is no mutual love or interest, then the collaboration is already very fluidly gone.” (Hajo Doorn, WORM)*

Lack of shared goal is often a pitfall for a collaboration between theatres and companies. As discussed in chapter 4.4, the mission and vision of a theatre differs from that of the company or both could not provide the wished input for a successful collaboration.

- Different artistic perspective

This is a difficult pitfall to foresee because it is hard to grasp the artistic perspective. Therefore especially when collaborating for the first time, the difference in artistic perspective can become a pitfall. This is mostly the case regarding co-productions, where two artistic perspectives need to be reshaped into one. However also regarding theatres there are a few examples of a different artistic perspective, for example when it enters a collaboration with a cultural organisation from a different discipline. In this case it is also difficult to foresee the clear artistic perspective.

- Wrong estimations

A collaboration comes with a certain level of risk. The collaborating partners must estimate beforehand what the collaboration will yield. This comes with a part that must be translated in concrete elements such as visitor numbers and ticket sales. A pitfall is when these estimations do not match the outcome. Often this risk is enhanced by collaboration because the parties produce something new and cannot base their estimations on prior experiences.

- No clear agreements

One of the most apparent pitfalls is when the responsibilities and tasks of the partners are not made clear to each other. This leads to the fact that nobody feels responsible for certain fundamental tasks, or even that both parties do double work. Differences in organisational structure worsen this pitfall because it occurs that both parties do not exactly know the working processes of each other.

— *“The pop venue employees didn’t understand the theatre. There was always struggle about the box-office. ‘Where’s the box office? Who is running the box office? Is it my box office, is it your box office? Is this a different person? Who is going to do the income of the pop concerts?’” (Freek van Duijn, Frame Amsterdam)*

- Lack of urge

Collaboration is an intensive process. A pitfall for a successful collaboration is when one or both parties lack to see the priority or urge of the collaboration. This is especially apparent when there is a difference between the understandings of the priority between the partners. It becomes very frustrating when one party prioritises the collaboration, puts a lot of effort in it and notices that the other party feels that other activities in its organisation need more attention. Another problem considering priority of course arises when none of the partners see the collaboration as a priority. Priority can also fade when a structural collaboration becomes less important. It is not clear anymore, to one or all parties, what is the synergetic value of the collaboration.

- Lack of personal click

With a personal click comes trust. Without the personal click or chemistry, collaborations will not be initiated. Theatre directors mention this fact more often than company directors. While company directors talk about a click on the artistic level, theatre directors find a personal click of main importance for a successful collaboration. It is a rather unique pitfall because we cannot give any advices to overcome this pitfall, still it is fundamental in order for a collaboration to be successful.

- Competition

Competition does not need to be a direct pitfall since it is argued that competition could in specific cases be a better tool than collaboration to realise certain activities. Competition however becomes a pitfall when partners are already collaborating. It results in a refusal to share certain information and it often worsens because this is a reason for other parties to develop a more competitive attitude as well.

- Forced characteristics

We cannot emphasise enough that collaboration needs to be implemented because of a shared goal and vision. A major pitfall is when an external party enforces a collaboration. Stimulating collaboration could be of advantage, but forcing parties to collaborate is a pitfall. Collaboration needs to be an intrinsic motivation. Otherwise this leads to the pitfall of not having a shared goal to collaborate.

— “It [forced collaboration] does not work. It has to be from the bottom-up. Because otherwise clubs are forced to do it and you are going with the wrong mind-set. I think a local government can endorse working together but they have to do it on another way. If they do it by money or by directives, it won’t work.” (Frank van Iersel, Mezz Theater)

- Distrust and suspicion

When there is distrust and suspicion between the partners, they will hold back certain information or not be open about aspects of the collaboration. This obstructs the whole collaboration process and also future initiatives to collaborate. Distrust is specifically apparent when organisations that are naturally competing with each other, decide upon collaboration. Suddenly organisations need to adapt a different mind-set. When the greater goal is not communicated clearly, organisations may have a very protective attitude about their organisation and feel distrust and suspicion towards their partners.

- Obstruction from the local government

Feeling of competition can be enhanced by the attitude of the local government towards collaboration. Especially regarding theatres, the local government can act very competitive because for instance it is afraid of identity loss or a decrease in visitor numbers when theatres from different cities collaborate on programming.



— “The first reflex of local governments regarding collaboration [of theatres] is that they are each other’s competitors on the level of local governments. I need to explain and exemplify the value over and over again and demonstrate it in my policy. The local governments need to be satisfied individually as well. And that is difficult. Because it is very difficult for a politician to understand that if I book a certain performance in a city I won’t book the same performance in a city within acceptable traveling distance. Then the local government does not understand why the performance is not booked in their city as well.” (**Bas Schoonderwoerd, Parkstad Limburg Theaters**)

- ***Not sticking to agreements***

A very logic pitfall is when one or both parties do not stick to their agreements. Although this does not directly need to harm the collaboration process, it often harms the trust in each other.

## 4.9. General advice for performing arts organisations

### 4.9.1. Introduction

When time allowed us, we asked the interviewees whether they had general advice or suggestions for other companies that are involved or would like to get involved in collaborative activities. In this chapter we summarise these advices. First of all, several interviewees highlighted that there is no collective vision about the future within the Dutch performing arts sector which is essential in order to take actions collectively.

— “One of the problems is that we have a wrong identity in the Netherlands. That is because we don’t organise our own sector. We don’t have a vision on what to do. In the future if you have a collective vision, you can get much more from the communities and the government.” (**Marc van Kaam, Theater Castellum**)

— “You have to look beyond the present. And that has to do with a change of mentality. Even within your own organisation.” (**Peter Voorbraak, Stadstheater Zoetermeer**)

### 4.9.2. Suggestions and advice

The interviewees emphasised that the overall mentality and perspective of the sector needs to be changed. A fundamental transformation is crucial in order to look at collaboration from a different angle and to utilise the opportunities that working together can bring.

— “Don’t see collaboration as a threat but as a series of opportunities!” (**Hajo Doorn, Worm**)

— “Look outside your own borders! It is necessary for the existence and development of the whole cultural heritage in Holland that organisations give up some of their privileges.” (**Jaap Lampe, Theaters Haarlem**)

— “Dare to collaborate and find your possibilities! We reached a point that we as venues have to innovate. You have to reorganise yourself and I think in that reorganisation one of the good possibilities is to collaborate. It could be working with another city but it might be a solution to work with cultural organisations in the city. Dare to look further! Dare to discuss it with your community!” (**Marc van Kaam, Theater Castellum**)

The research demonstrates that the real goal behind collaboration changed in the last years. The main objective is not to increase revenue or the number of audiences but to cut costs. It also implies that the financial benefit of collaborating is much more significant than the artistic and social value that the collaboration can enhance. It can give a wrong motive when working together. The question is whether performing arts organisations are capable of cutting costs without harming artistic and social values. Are they capable of increasing artistic value through a merger or acquisition? As a result of this wrong motive, collaboration can be seen more of a threat than an opportunity because only the economic benefits are emphasised which influences the perception of people involved. The key is to find the extra benefits that an organisation can gain from long-term collaborations.

The participants also mentioned that the role of the local government has to be controlled, so that the life of organisations does not become the playing field of politicians. One of the interviewees mentioned that signing a contract between the Mere and the cultural organisation can prevent that changes in local power significantly influence the operations of a cultural institution. Interviewees claimed that decisions of the municipality are often based on short-term orientation which is against the strategies of cultural institutions favouring a long-term perspective. Implementing an intensive collaboration takes years and requires a long-term strategy. Changes of power in the local government can undermine the process of building up a successful collaboration that can be sustainable in the long-term.

Furthermore, the investigation showed that chances to become successful are bigger if the collaboration is voluntary and not enforced. Thus the nature of the collaboration —whether it is voluntarily initiated by the sector or enforced ‘from above’— affects the outcome and the achievements of the collaboration. All of the professionals interviewed were in favour of bottom-up collaborations. It is important to highlight that if collaborations grow organically, time is needed for continuous development. With mergers and acquisitions, it takes at least 4-5 years till the new organisation reaches a stable organisational structure.

Local identity and branding is also an important part that cultural institutions need to improve in the future. It is crucial for cultural organisations in smaller towns to communicate their social role well within the municipality. As many cultural organisations need to face declining audience numbers, the diversification of services and introducing creative solutions on many levels of organising business is essential for a sustainable future.

— *“The best thing I could do and I have done is that we made visible what we do for everyone here. What is our value in this city? What do we mean economically but also socially? And from there, what the minimum costs are if you want to have an organisation like this in your city.” (Sandra Bruinsma, Stadsgehoorzaal)*

Changing from supply-driven production to a demand-driven one is problematic. Due to external changes, cultural organisations are forced to focus more on the expectations and wishes of the clients i.e. the audience. The performing arts sector can learn a lot from other disciplines such as the cinema sector or book publishing and implement best practices of these sectors while taking own characteristics into consideration. As money from sponsoring organisations is significantly decreasing in recent years, performing arts organisations have to face more and more the mechanics of the market sphere opposed to the government sphere. (Klamer, 2012) It means that the role of art management and business education in the arts is gradually increasing and professionals are needed who are able to tackle the gap and bring more business knowledge to the sector. Some of the interviewees emphasised that a management change is sometimes inevitable because the sector needs managers who are able to deal with the changing circumstances of the economy.

— *“Think outside the box! Think from the perspective of your clients! Don’t only focus on inside-out! When I have to give advice for colleague organisations, I would say: ‘You must think business-like!’ It is necessary. You can’t permit yourself anymore to be too nice to your own people. When you are too nice, you won’t be there anymore in a few years. You must get a business-like attitude. It is necessary these days.” (Rian Dirken, Nieuwe Nobelaer)*

Moreover, the study revealed that cultural organisations create a bigger advantage in the current economic situation if they organise their business more flexible. A flexible organisational structure helps organisations react fast on market changes and adapt better to the transforming environment. A flexible structure also gives more space to new collaboration initiatives. Organisations can also decide to work more with freelancers for specific projects who can provide extra creativity and innovation for the organisation and are able to boost the process with additional energy. Creativity should not only appear in the creation of performing arts performances but also in the way business is organised.

— *“There is a tendency to switch from pyramid kind of organisation into spider-web structures as a result of changes in the world. The spider-web structure is providing collaboration more easily than the pyramid because the pyramids are very hierarchical, focused on themselves and what is happening within the organisation. I think if organisations of the sector are more spider-web, collaboration is taking place more easily.” (Yolande Melsert, NAPK)*

As mentioned before, collaboration is not an end in itself but a means to achieve an end. The big advantage of bottom-up processes is that organisations are able to explore that working together on which areas can provide extra benefits. The number of areas are countless from marketing through purchase of goods together to having a shared manager for subsidy applications. Organisations have to explore these areas themselves in order to decide whether a collaboration is beneficial or only delivers extra costs.

A problematic area in the performing arts sector is the relation between producers and presenters, which represent the two sides of the market: supply and demand. As the sector faces serious challenges and obstacles at the moment, joining forces together is a crucial step that has to be intensified in the future. The main enemy of the sector is ‘the couch at home’, namely continuously decreasing audience numbers. A collective vision is needed and more conversation on the meta-level in order to create a more collaborative system that is based on implementing actions together and not only discussing ideas and options with each other.

Some performing arts companies already took the initiative with theatres to work together on a more intensive basis. As mentioned before, several interviewees had the idea that the traveling system is coming to an end in its present form and another structure will evolve in the coming years. Intensifying collaboration between presenters and producers and joining forces in order to find solutions to the emerging problems of the sector is an area that needs a lot of attention at the moment and can provide new innovative initiatives to present difficulties.

— *“In the current system we travel with all our productions all over the country and that is expensive. We believe that we have to look for new forms because it is too costly and it is also not that interesting for theatres to have every day another company with another visitor. We are talking with some of the venues in the country to play there for more days. Then we can also do more things in education and in working for that city. I think venues find it interesting but if you want to do it, investments are needed from both sides. If you work together on that base, the results are quite promising.” (Walter Ligthart, Het Nationale Toneel)*

Increased collaboration starts with a shared feeling of responsibility. We have seen theatres that try to enhance relationships with companies do not regard themselves simply as the purchaser of performances but feel a shared responsibility, together with the companies, to take care of a healthy performing arts climate. A good practice in this field comes from Bas Schoonderwoerd, director of Parkstad Limburg Theatres. He argues that the theatre does not simply function as purchaser of performances, but as a co-producer of performances.

— *“There has been paid too less attention to the co-creation as I tend to call it, the emphasis on the core product. Moreover, if I try to create this in my city and I tend to get involved with the producer, he or she feels that is nonsense. He or she even feels threatened when I ask questions.” (Bas Schoonderwoerd – Parkstad Limburg Theaters)*

This quote also describes the tension when putting effort in emphasising the shared responsibility factor. We emphasise that the influence of the theatre on the success of a performance by the means of ticket sales is crucial. The performance should not be regarded as finished, but it is created in a certain atmosphere and environment. The companies should acknowledge that they need the knowledge from the theatre about the tendency and culture of a certain playing area in order to reach their visitors. On the other side, a theatre director needs to feel responsible for this process, as well.

In other countries, such as Germany, we can observe integration between companies and theatres. We have not encountered a case of having one organisation with an integrated theatre and performing arts company in our research. When suggesting this model to our participants, they mentioned certain advantages and certain disadvantages. The advantage is mainly having shared responsibility, which is inherent to this system. Furthermore, theatres could fine-tune their marketing strategy to the specific company. Furthermore, the connection between inhabitants of the area and the organisation could be strengthened.

A decisive disadvantage for this system is that it reduces the principle of dispersion of companies. Another problem is that because of the rich performing arts culture in which relatively many cities have a theatre and as a result of dispersion, people only limitedly travel for the performing arts. Regarding dispersion, some companies are more open to have an integration partner than others. This raises ethical questions, as well.

Furthermore, the current system of subsidy allocation would not be sufficient if this model is wishful. The local government has other interests than the national government. Issues about the dispersion of companies arise, as argued by Walter Ligthart, director of Het Nationale Toneel:

—“It also means that an in-house company in a city like Amsterdam or den Hague or Rotterdam or Utrecht —to mention the four big cities— is easier as opposed to being the in-house company of Arnhem. That is quite difficult.” (Walter Ligthart, *Het Nationale Toneel*)

We can conclude that this model would be too profound. We do believe that, to increase the awareness of a shared responsibility, theatres should enhance their relationship with a selection of companies and vice versa. We advise companies and theatres to start considering the model of in-house companies. On this way, the producing and presenting side could be more aligned. It significantly contributes to enhanced artistic, financial and social value. Dispersion would still exist but it could prevent companies playing at locations operating in the same area in which theatres find their potential audience. In this way, it actually stimulates dispersion.

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### 4.9.3. Advice from and for companies considering collaboration

The interviewees emphasised that companies must take time to discuss and generate their common vision. They have to keep in mind that this vision might be conceptual but the concretisation may take some time. It is important to recognise this fact and have sufficient consultation. Companies must also acknowledge and be open about their differences in organisational structure and culture. Furthermore, they must be interested in the problems and challenges of the partner. They could discover whether there is something the partners could exchange or areas in which the partners could help each other in order to enhance the value of the collaboration. Openness, sharing knowledge and trust are conditions and at the same time advices we heard from our participants. Another advice, translated in different ways by our participants, is the principle of taking time to implement a collaboration. Collaboration at first will take more time considering when there would not have been a collaboration and it is important for the partners to acknowledge this. Furthermore, collaboration needs time to grow. ‘Start small and see where it will lead you’ is an additional advice.

Another general advice concerns the whole performing arts sector: consider the sector as a common responsibility. Organisations should ask themselves how they are of complementary value to each other and how they can strengthen the field when collaborating. All the smaller collaborations could be added up to one joint effort of collaboration throughout the whole field in order to strengthen the sector and create support. This can be translated in multiple ways: the most basic idea is openness about artistic

programming or ticket sales. As Marjolein van Bommel (Jeugdtheatergroep Kwatta) puts it, “people can spend their money only once”. In a broader way, be very critical about your position in the collaboration field and if you have a sufficient offering of cultural products. Consider what you jointly want to establish and deliver.

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#### **4.9.4. Advice from and for companies considering integration**

Relatively less effort has been taken regarding integration between companies or between companies and theatres. Hence it could be even more important to look at the advice of the companies that are actually involved in integration structures. The first advice is to be fully committed to the process and be absolutely certain that the partner is just as committed. Secondly, be open to the experiment. It implies another important advice: consider the integration process as an experiment hence be open for unexpected issues or incidents. It will help to bring along an open attitude towards the integration process. Related to this advice, treat the integration as an organic process in which the partners share a sufficient history in order to continue to a joint venture or a merger. Start relatively small by the means of collaboration, then see what happens!

## 5. Conclusions and Recommendations

As a consequence of declining attendance and governmental support, collaborative processes in the Dutch performing arts sector increased in recent years. In general we can state that if performing arts organisations have the opportunity to search for a suitable partner voluntarily, the chance for success in the long-term is bigger because the collaboration grows as a natural process. Thus a bottom-up process has a higher potential to facilitate success and growth opposed to a top-down method.

The research study attempted to understand different types of collaborative processes, the effects of these processes, the mechanisms for optimising the effects, and conditions for achieving the expected results. A collaboration framework has been created based on the empirical investigation and it has been argued that three conditions are essential in order to optimise collaborative processes, namely structure, collaborative awareness and strategic outlook. Furthermore, the research revealed that if the goal an organisation wants to reach does not match the goal of the partner, the chance to succeed in a collaboration is less. When there are shared agendas and no outright conflicting interests, it is easier to develop a strategic course together. The study highlighted that although, small organisations have a lower level of professionalism and are generally more vulnerable, they are also more eager to work collaboratively, grab opportunities and have an ad-hoc or market-oriented culture.

The research discovered that the chance of success in case of an integration process is bigger if the parties have been working together beforehand on several fields: they exchanged knowledge, worked together on the realisation of projects, collaborated on programming or on other fields. As integration processes often involve organisations with different organisational cultures, it is hard to stay open towards different organisational structures. Based on the investigation we can state that collaboration and integration can be more successful and optimal in the long-term if it is a two-way process: both parties are able to learn from the other and exploit the strengths of each other. Mergers between venues in two provinces are problematic because of the municipalities and their often diverging goals. Less intensive collaborations between venues in different cities or municipalities are easier to implement. The report presented that the creation of cultural complexes and the merger of more institutions into one new organisation is the most successful if it is implemented in one city as the social added value of the new organisation towards the city is bigger in this case. The research discovered that smaller towns with cultural mega-complexes are the ones that can gain the most from bringing more organisations together. The main benefits are product diversification, product differentiation, professionalisation of business processes, knowledge and know-how exchange and in-house production for the total demand of the community. On the other hand, interviewees argued that in case of bigger cities —with bigger complexes, bigger organisations, bigger audience— merging several cultural institutions together can severely damage the supply and diversity of art available in that given city. It was argued that when establishing cultural complexes, it is important that similar institutions are involved in the process. The chance of success is bigger if organisations from the same or very similar disciplines merge. The larger the number of participants, the less chance it has for a successful merger.

The report also discussed the collaboration activities of companies. The most common collaboration partner of performing arts companies are other companies. These organisations collaborate to enhance artistic, financial and social value and the most common way of working together is engaging in co-productions. Collaborative activities are carried out both in the front and back-office. Companies frequently share staff members to save costs and enhance artistic benefits. Factors that enhance a successful collaboration are the pursuit of a common goal, recognising and respecting each other's differences in organisational culture and structure, a share in the artistic vision, and a shared collaboration history. Regarding successful co-productions we observed that working together voluntarily is an important

condition. On the other hand, the forced character of collaboration in the back-office is in some cases a contribution to success. However, companies argue that sharing departments in the back-office can often lead to the fact that the employees have insufficient time to focus on the specific artistic products. Regarding integration, our research found out that joint ventures between companies are created to enhance financial and artistic value, while mergers are mainly implemented to enhance artistic value.

Finally, collaboration between theatres and companies changed in recent years due to budgetary cuts. Theatres and companies currently collaborate both in the front and back-office. In programming, they collaborate by the means of joint programming and purchasing arrangements. In the back-office, they work together to enhance professionalism, quality and efficiency. In order to enhance social value, theatres and companies often work together on the educational field to reach schools in their regions together and jointly take care of programming and facilitation. Merger between a theatre and a performing arts company might be problematic for two reasons. After the integration, there is one director for both the producing and presenting-side and the institutions are subsidised by different bodies. Theatres are funded by the local government, while companies are financed by the national government. These differences in interests and the arising problems has to be tackled in the future if venues and companies aim to work together on a more intensive basis.

In conclusion, there is a great space for future empirical investigation about collaborative practices in the cultural sector. Collaborative practices raise several issues that can be further investigated in the future. Researchers can in-depth examine the long-term implications of integration processes on the artistic diversity of production. Moreover, further statistical analysis is needed in order to prove the economic rationale behind mergers and acquisitions and to explore whether operational costs decrease after these integration processes have been implemented.

## APPENDICES

**Appendix 1: Interview Participants**

NR	Date	Organization	Name	City
1	5-Mar	Tilburg Theaters	Rob van Steen	Tilburg
2	19-Mar	Castellum BV	Marc van Kaam	Alphen a/d Rijn
3	20-Mar	De Meenthe	Han Evers	Steenwijk
4	25-Mar	Theater het Kruispunt	John de Vos	Barendrecht
5	27-Mar	Stadstheater	Peter Voorbraak	Zoetermeer
6	27-Mar	Stadsgehoorzaal Vlaardingen	Sandra Bruinsma	Vlaardingen
7	31-Mar	Festival Boulevard	Geert Overdam	Den Bosch
8	1-Apr	Frame Amsterdam	Freek van Duijn	Amsterdam
9	2-Apr	Het Cultuurgebouw	Joep van Dijk, Adriaan van Geest Bart Fiers	Hoofddorp
10	3-Apr	Nieuwe Nobelaer	Jos Kok Rian Dirken	Etten-Leur
11	7-Apr	Duycker	Rob Kuiphuis	Hoofddorp
12	7-Apr	Brakke Grond	Marijn Lems	Amsterdam
13	9-Apr	Kroepoekfabriek	Renske Verbeek	Vlaardingen
14	9-Apr	Patronaat	Jeroen Blijleve	Haarlem
15	11-Apr	Parkstad Limburg Theaters	Bas Schoonderwoerd	Heerlen
16	16-Apr	Coolplein	Tineke Maas	Heerhugowaard
17	23-Apr	Worm	Hajo Doorn	Rotterdam
18	7-May	Bibelot / Energiehuis	David van Wijngaarden	Dordrecht
19	7-May	Motel Mozaique	Derrick Smittenaar	Rotterdam
20	8-May	Gebr de Nobel	Ruud Visser	Leiden
	8-May	Conversation about thesis	Lisa Gribling	Amsterdam
21	9-May	NAPK	Yolande Melsert	Amsterdam
22	9-May	Fonds Podiumkunsten	Nico Schaafsma	Amsterdam
23	13-May	Groene Engel	Marjolein Kooijman	Oss
24	15-May	Gigant	Guido de Vries	Apeldoorn
25	15-May	Podium de Vorstin	Leon Zwaans	Hilversum
26	21-May	PeerGroup	Valentijn Fit	Donderen
27	21-May	Centrum Beeldende Kunst	Marijke van der Woude	Groningen
28	22-May	Podium 't Beest	Anita Berrevoets	Goes
29	2-Jun	Stadsschouwburg	Hedwig Verhoeven	Den Haag
30	4-Jun	Melkweg	Geert van Itallie	Amsterdam
31	5-Jun	Stadsschouwburg & Philharmonie	Jaap Lampe	Haarlem
32	5-Jun	Veenfabriek	Rick Spaan	Leiden
33	6-Jun	Operamakers	Anthony Heidweiller	Amsterdam
34	6-Jun	Nederlandse Bachvereniging	Jan van den Bossche	Amsterdam
35	10-Jun	Chasse Theater	Cees Langeveld	Breda
36	11-Jun	Opera Spanga	Corina van Eijk	Amsterdam
37	12-Jun	Kamerooperahuis	Annemarie Reitsma	Zwolle
38	17-Jun	Mezz	Frank van Iersel	Breda
39	19-Jun	Askoschoenberg	Wilm de Vos	Amsterdam
40	24-Jun	Oosterpoort	Peter Sikkema	Groningen



NR	Date	Organization	Name	City
41	26-Jun	NBE	Niek Wijns; Karen Smit	Amsterdam
42	2-Sep	Club Guy & Rony	Harmen van der Hoek	Groningen
43	4-Sep	TivoliVredenburg	Frans Vreeke	Utrecht
44	4-Sep	Introdans	Ton Wiggers	Arnhem
45	8-Sep	Theatergroep Kwatta	Gerda van de Kamp	Nijmegen
46	8-Sep	Adelheid Female Economy	Daniella Groenberg	Amsterdam
47	9-Sep	Toneelgroep Oostpool	Ruud van Meijel	Arnhem
48	10-Sep	Rotheater	Erik Pals	Rotterdam
49	11-Sep	Het Gelders Orkest	George Wiegel	Arnhem
50	15-Sep	Nederlands Symfonieorkest	Harm G. Mannak	Enschede
51	16-Sep	SoapIt	Benoit Vanraes	Maastricht
52	25-Sep	Generale Oost	Eve Hopkins	Arnhem
53	25-Sep	Het Filiaal	Marjolein van Bommel	Utrecht
54	29-Sep	Toneelmakerij	Erica van Eeghen	Amsterdam
55	2-Oct	Toneelgroep Maastricht	Marcel 't Sas	Maastricht
56	3-Oct	De Utrechtse Spelen	Jacques van Veen	Utrecht
57	6-Oct	Universiteit Utrecht	prof. dr. Hans Schenk MBA	Rotterdam
58	9-Oct	Het Nationale Toneel	Walter Ligthart	Den Haag
59	14-Oct	VNPF	Berend Schans	Amsterdam
60	14-Oct	Le Guess Who	Johan Gijsen	Utrecht
61	4-Nov	Universiteit Utrecht	prof. dr. Mirko Noordegaaf, Paul Adriaanse	Utrecht
62	6-Nov	Cement Festival	Leonie Clement	Den Bosch
63	7-Nov	Philharmonie ZuidNederland	Stefan Rosu	Eindhoven
64	20-Nov	Theaters Zeeland	Petra van de Mannacker & Frans Lievens	Middelburg

## **Appendix 2: Interview questions for presenters**

### **General questions on collaboration**

1. Which collaboration partners do you have at the moment?
2. In which ways do you collaborate at the moment?
3. Does your organisation collaborate with non-art institutions? If yes, with whom?
4. Does your organisation collaborate with schools? If yes, with whom?
5. When not discussed yet: Do you have or have you ever had a collaboration because of artistic reasons?
6. When not discussed yet: Do you have or have you had have a collaboration for financial reasons?
7. When not discussed yet: Do you have or have you ever had a collaboration because of social values?
8. What are your objective to collaborate?

### **Development of a collaboration**

16. In which ways do you find your collaboration partners?
17. How does a collaboration develop?
18. What are the conditions prior to a collaboration?
19. What are the pitfalls prior to a collaboration?

### **Most and least successful collaboration**

14. Could you tell me about your most/least successful collaboration?
15. How did the collaboration start?
16. How did you choose your parter?
17. How was your first response to the collaboration? Did you hesitate or were you enthusiastic about the collaboration?
18. What did you expect from the collaboration in the beginning? What did you think about the time frame?
19. What were the main intentions of your organisation when it entered the collaboration
20. What kind of benefits were the main objectives of starting that collaboration?
21. Did you formally write down the expectations-goals-values of the collaboration?
22. What did you want to achieve? Was it clear from the beginning or did it become clear during the process?
23. Who were involved in the collaboration from you organisation? Was it supported by several departments or only a 1-person action?
24. Did you have a concrete plan or was it an evolving process?
25. Which factors contributed to the success of your collaboration?
26. Was the collaboration enforced by the government or another governmental body?
27. Was it a short-term or a long-term collaboration?
28. Did it result in a financial benefit? How much did you gain?
29. Did it result in artistic or social benefits? If yes, in what ways?
30. What did your organisation measure to conclude on the success of this collaboration?
31. What do you think is necessary for success? What do you think is a failure?
32. How did you evaluate the collaboration? Did you have a formal evaluation process?
33. What were the disappointing or negative aspects of this collaboration?
34. Could you think of effects of collaboration, either positive and negative, that were unexpected?

35. Could you give an indication of the time spent on collaboration, including the preparation that is needed? And did it take more time than when you would not collaborate to achieve the same objective?
36. Can you provide data to prove the benefits?
37. Have you ever consider collaboration but eventually use an alternative way other than collaboration to achieve your objective(s)?

**Questions on integration**

38. Has your organisation ever participated in an integration (merger or acquisition)?
39. What was the type of the integration?
40. Was the integration enforced by the government or another governmental body?
41. Which of the 3 benefits (economic, artistic, social) was the main objective of engaging in an integration? / What was the benefit your organisation strived for that motivated this merger or acquisition?
42. In what ways was the integration successful?
43. What were the disappointing or negative aspects of the integration?

**Evaluation and improvement**

44. Do you feel collaboration can be improved and if so, how?
45. What are the conditions for a successful collaboration?

**After having discussed these themes, what are the factors that contribute to a successful collaboration in general?**

**The influence of subsidy (cuts) on collaboration**

46. Have you ever had a collaboration in order to receive subsidy?
47. How did the subsidy cuts influence your collaborations?

### **Appendix 3. Interview questions for producers**

#### **General questions on collaboration**

1. Which collaboration partners do you have at the moment?
2. In which ways do you collaborate at the moment?
3. Does your organisation collaborate with venues? Why (not)?
4. Does your organisation collaborate with production houses?
5. Does your organisation collaborate with non-art institutions? If yes, with whom?
6. Does your organisation collaborate with schools? If yes, with whom?
7. Does your organisation have international collaborations? If yes, how does the collaboration process differ from a national collaboration?
8. What are the advantages and disadvantages of international partners?
9. When not discussed: Do you have or have you ever had a collaboration because of artistic reasons?
10. When not discussed yet: Do you have or have you had have a collaboration for financial reasons?
11. When not discussed yet: Do you have or have you ever had a collaboration because of social values?
12. What are your objectives to collaborate?

#### **Development of collaboration**

13. In which ways do you find your collaboration partners?
14. How does a collaboration develop?
15. What are the conditions prior to a collaboration?
16. What are the pitfalls prior to a collaboration?
17. Does your organisation often collaborate with other disciplines? Musici, dancers, actors?
18. How do you influence the process of collaboration in this case?

#### **Most and least successful collaboration**

19. Could you tell me about your most/least successful collaboration?
20. How did the collaboration start?
21. How did you choose your partner?
22. How was your first response to the collaboration? Did you hesitate or were you enthusiastic about the collaboration?
23. What did you expect from the collaboration in the beginning? What did you think about the time frame?
24. What were the main intentions of your organisation when it entered the collaboration?
25. What kind of benefits were the main objectives of starting that collaboration?
26. Did you formally write down the expectations-goals-values of the collaboration?
27. What did you want to achieve? Was it clear from the beginning or did it become clear during the process?
28. Who were involved in the collaboration from your organisation? Was it supported by several departments or only a 1-person action?
29. Did you have a concrete plan or was it an evolving process?
30. Which factors contributed to the success of your collaboration?
31. Was the collaboration enforced by the government or another governmental body?
32. Was it a short-term or a long-term collaboration?
33. Did it result in a financial benefit? How much did you gain?

34. Did it result in artistic or social benefits? If yes, in what ways?
35. What did your organisation measure to conclude on the success of this collaboration?
36. What do you think is necessary for success? What do you think is a failure?
37. How did you evaluate the collaboration? Did you have a formal evaluation process?
38. What were the disappointing or negative aspects of this collaboration?
39. Could you think of effects of collaboration, either positive and negative, that were unexpected?
40. Could you give an indication of the time spent on collaboration, including the preparation that is needed? And did it take more time than when you would not collaborate to achieve the same objective?
41. Can you provide data to prove the benefits?
42. Have you ever consider collaboration but eventually use an alternative way other than collaboration to achieve your objective(s)?

#### **Allocation of resources and formalisation**

43. How do you decide about putting resources (both financial and artistic) in the production? Is it always 50-50?
44. How do you share the revenue?
45. How do you share the risks of the production?
46. In what way do you formalise these agreements?
47. Do you formalise the collaboration (especially important when co-producing)?
48. How important are personal aspects while entering a collaboration process?
49. Geography of collaboration partners: does this influence the collaboration? Why (not)?
50. How do you insure your artistic integrity within a collaboration? Are there other ways than formalisation?

#### **Evaluation and improvement**

51. Do you feel collaboration can be improved and if so, how?
52. What are the conditions for a successful collaboration?

#### **The influence of subsidy (cuts) on collaboration**

54. Have you ever had a co-production in order to receive subsidy?
55. How did the subsidy cuts influence collaboration?

#### **Appendix 4. Introductory e-mail sent to organisations**

*Besten,*

Velen onder ons zijn zoekende. Zoekende naar manieren om onze culturele taakstelling uit te kunnen blijven voeren en naar manieren om onze maatschappelijke functie inhoud te geven. Er wordt meer dan ooit creativiteit en initiatief van ons verwacht en onze organisaties zoeken wegen om zich aan te passen aan de nieuwe werkelijkheid.

Een van de aandachtsgebieden hierbij is samenwerking. Om ons heen zien we vele vormen van samenwerking ontstaan. Samenwerking tussen podia onderling en samenwerking van podia met andere culturele en niet-culturele instellingen. Subsidiegevers vinden samenwerking belangrijk en roepen ons op deze te ontwikkelen. Hoewel je overal initiatieven ziet ontstaan, is niet duidelijk welke vormen van samenwerking effectief zijn. Met effectief bedoelen we dat er aantoonbare meerwaarde wordt verkregen op bijvoorbeeld artistiek, financieel of sociaal gebied.

Aan de leerstoel Economie van de podiumkunsten van de Erasmus Universiteit Rotterdam zijn twee onderzoekers verbonden die dit jaar onderzoek doen naar samenwerking in de podiumkunsten: Tessa Koppenberg en Dora Belme.

- Wat zijn voorwaarden voor een goede samenwerking?
- Wat zijn de daadwerkelijke opbrengsten van een samenwerking of zijn de kosten van en de bestede tijd aan de samenwerking hoger dan de opbrengsten?

Als jullie een mooi voorbeeld hebben van een geslaagde of een mislukte samenwerking, willen jullie die dan met ons delen?

Om helder te hebben waar we over praten: wij verstaan onder een samenwerking een georganiseerde incidentele of langdurige activiteit met derden waarbij een gemeenschappelijk doel wordt nagestreefd.

Als je je ervaring wilt delen, meld dit dan via [belme@eshcc.eur.nl](mailto:belme@eshcc.eur.nl) of [koppenberg@eshcc.eur.nl](mailto:koppenberg@eshcc.eur.nl). De onderzoekers komen dan graag langs voor een interview.

Met vriendelijke groet,  
Mede namens Tessa en Dora,

*Cees Langeveld*

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