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Strategic Management in Culture

Necessity. Fashion. Need. Based on Polish context

Introduction

The theories of strategic management focus on business management, developing specific tools to be used in practice, but at the same time promoting a distinctive philosophy of action. For some time now, we have been observing the latter, which has gone beyond business environment. Strategic thinking has become a common practice in many areas of life. This tendency is particularly noticeable in thinking about how the state functions, and is dictated by global trends; it regulates the fundamental principles governing the European Union. EU-level regulations are implemented in all the Member States and transferred to all management stages, imposing certain rules of conduct. Everywhere we go, we might find it compulsory to adjust our operations to the existing regulations in the increasingly numerous strategic documents.

In Poland, which became a member state in 2004, such documents have also been developed. In my opinion, similar activities have taken place in other countries which accessed the EU with Poland. The ways and effects of implementation, however, may vary. In Poland, strategies were initially general guidelines – from the country's development strategy to the development strategy in the individual sectors of economy, but in the last few years various strategies have been mushrooming at all levels of public administration. So many documents are created that it immediately raises the question of whether they are useful and consistent with the existing ones. Another dubious issue is their design, as the existing documents are highly general in their content. Moreover, there are questions about to what extent the emerging strategies result from a genuine need, and to what extent it is just a fad of the 'everybody has one, so we should develop one too' kind.

Tenets

In the context of the aforementioned preliminary observations, the following initial assumptions have been made:

- Institutional development of the European Union leads to the increased organization and systematization of the joint activities. This occurs at the level of the EU as well as of the individual member nations.
- The increasing number of strategic documents in the Member States stems from the implementation of the EU policies.

- Development strategies that have emerged in Poland are heavily connected with the implementation of the EU policies even if they were developed before Poland's accession to the European Union.
- In Poland, creating strategies in various sectors of the economy, including culture, has become extremely fashionable.

Scope and objectives

The following paper will further develop the assumptions above. Its aim is, in fact, to take a closer look at the existing strategic documents in several different contexts described in separate parts of the paper. The main portion of the paper will therefore focus on discussing the following specific topics:

1. Between culture policy and the EU strategy.

This part will describe various approaches to culture in the context of reaching a joint EU cultural policy in the historical perspective, and will present the current situation – the creation of the EU's development strategy.

2. Implementing a strategy in Poland in the context of culture.

This section will be devoted to the adapting of the EU guidelines to Polish realities. It will discuss the main strategic documents resulting from the system change, administrative reforms, and adaptation to the EU law.

3. Regional and local strategies for the development of culture in Poland.

In this section, I will present strategies and their significance for regional development. For it seems that a region is where the implementation of the main EU policy objectives can be observed, and the documents created are increasingly the result of genuine needs and not just a short-lived trend or necessity.

Between culture policy and the EU strategy.

In order to be able to talk about the implementing of the EU policies in Poland, we should go back in time a little and present the wider origin of this phenomenon. Discussions about culture and culture policy seem endless. The very concept of culture is among the most difficult ones to classify. Debates about what culture is or is not have been held for centuries, and the end of the twentieth century brought a new thread into the discussion. It was related to the rapid development and dissemination of new media, as well as to the development of civil society, to which the new media partly gave rise. Cultural activities went beyond the framework shaped by the entire previous century. It should be mentioned that as early as in the 1980s, UNESCO expanded the domain of culture by fashion- and design-related activities, which developed the concept of cultural industries (creative industries today) in the decade to follow.

Broadening the concept in a systematic way has led to an increased interest in cultural issues within the structures of the European Union. Although the first formal documents on culture policy did not appear until the 1992 Maastricht Treaty, the European Communities had dealt with this issue much earlier, almost since the beginning of their existence (it was not, however, the primary object of their interest). Isolated resolutions appeared in the 1960s, and since the Europe-

an Commission's 1977 Announcement addressed to the European Council, a section on culture has been part of the annual General Report. Stabilization of Communities and the discussion about finding shared roots which started in the 1970s, and building common Europe based on regions and not states – all this fostered culture. In 1980s, culture increasingly appeared as the element that would unite all the Member States. Thus, there were more and more documents granting culture an important place in the policy of the Communities. Informal meetings of the Ministers of Culture were held; in 1986, the competence of the Committee on Information started to include activities in the area of culture; finally, in 1988, the Committee for Culture was established, modelled on the committees for other sectors. Despite the ongoing debate on culture, we can observe a multitude of divergent approaches to the problem, which results from the society's different perceptions on the culture's role. Suffice it to mention here the traditional British model, emphasizing an individual, private initiatives, which did not require any intervention and regulation (as demonstrated by later experiences, this model in the UK alone was not entirely successful). On the other end of the scale, there were models of the welfare state, whose principle was to take care of artists and people of culture, encouraging their development (in this case, the most characteristic example is the French model of a welfare state). One of the elements which led to an agreement on this issue was the already mentioned idea of the Europe of regions, undermining the existing state models and artificial post-war divisions. Realising that it is the regions, with shared history, tradition and culture, which will determine the power of future collaboration, has led to the adoption of the Maastricht Treaty, which gave rise to the European Union, today known as the Treaty on European Union (TEU). The treaty is the first document that formally organized the EU activities related to culture. Article 128 reads as follows:

The Community shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore¹.

The politicians were later accused of not making the terms and concepts sufficiently clear and specific. The best example here is the way of understanding culture itself, which was limited to the so-called high culture, so the arts and cultural heritage. The priorities of the UE cultural policy of the 1990s primarily included the European architectural and archaeological heritage protection, for example:

- in 1991, events aimed at protecting craft and industrial manufacturing;
- in 1992, public space restoration in historical centres;
- in 1993, historic gardens;
- in 1994, historic buildings and sites.

¹ *Treaty of European Union*, Official Journal C 191, 29 July 1992, <http://eur-lex.europa.eu>

It should be noted, however, that despite the observed problems and lack of precision, these first regulations led to the permanent inclusion of culture within the EU policy. In the following years, new treaties and additional acts broadened the discussion to include the shape of the policy rather than its sense. Another treaty which somewhat clarified the approach to the problem is the 1997 Treaty of Amsterdam². Article no. 151 is devoted to culture and contains the regulations transferred from the previous treaty as well as some new provisions, such as:

Action by the Community shall be aimed at encouraging cooperation between Member States and, if necessary, supporting and supplementing their action in the following areas:

- *Improvement of the knowledge and dissemination of the culture and history of the European peoples;*
- *Conservation and safeguarding of cultural heritage of European significance;*
- *Non-commercial cultural exchanges*
- *Artistic and literary creation, including in the audiovisual sector*³.

The treaty also includes certain provisions concerning the cooperation with third countries, or with the Council of Europe, and clarifies the principles of cooperation. The provisions of the treaties were to hammer out the impossible – the non-interference in the internal politics and protection of diversity, independence, and cultural identity of the individual Member States, while carrying out a shared policy in the field of culture at the same time. The provisions were the product of the interests of various pressure groups, a number of compromises, and political arrangements. Establishing common rules of conduct and cooperation in the field of culture towards the non-associated countries is, after all, nothing but politics. As a matter of fact, already in the 1980s culture was recognized by the Community as an important factor affecting its socio-economic performance, and as a tool designed to increase a sense of togetherness and identification with the Community in the Member States' citizens.

Therefore, contrary to the original approach, culture became part of a common policy. With time, its significance began to grow; for example, it was recognized that the intercultural dialogue as an element of trade, foreign, or educational policy was a necessity. The earlier idea of using culture for socio-economic impact was revived. The new economy brought the development of new industries in the world's economy. We could observe the birth of service economy, which meant that the services sector started to play a major role in creating social welfare. We witnessed the development of the creative digital

² *Treaty of Amsterdam Amending The Treaty On European Union, The Treaties Establishing The European Communities And Related Acts*, Official Journal C 340, 10 November 1997, , <http://eur-lex.europa.eu>

³ *Ibidem.*, Art.151 *Treaty of Maastricht*, now: 167 *Treaty on European Union*

economy, typical of the emerging information society. Finally, there was the development of the knowledge-based economy. One tangible result of this type of thinking was the study done for the European Commission whose aim was to analyze the economic potential of culture in Europe. It was an answer to the ongoing debate on the meaning of culture in the globalized, digital world, broadening the concept of culture by the following new categories:

1. cultural sector – traditional areas of art and cultural industries, whose results are purely artistic, such as visual arts, performing arts, heritage, film and video, television, video games, music, books and press;

2. creative sector – encompassing ideas and actions which use culture as an added value in production of non-cultural products; these are: architecture, design, advertisement and related industries (computers, mobile phones, MP3 players, etc.)⁴.

The study revealed that with such an approach to culture, the potential is significant and very often can be calculated and expressed with hard economic indicators. With these changes, J.M. Barroso, the then President of the European Commission, proved the need to integrate cultural activities into the mainstream EU policy. Another effect of this approach was establishing the European Agenda for Culture as part of the European Commission's activities.

The main goals of the Agenda included:

- cultural diversity and dialogue
- culture as a catalyst for creativity and innovation
- culture as part of the EU's international relations⁵.

Since its conception in 2007, the Agenda has performed well both as a tool to implement the EU's culture policy and as the executive body for the development strategies prepared in the meantime. However, the treaties have not put an end to the discussion about the similarities and differences between the individual Member States. The EU enlargement with other states forced a reflection upon the principles of cooperation and resulted in the increasingly precise rules of functioning, at the same time leading to today's complaints about intricate red tape and excessive regulations.

In 2000, the European Council adopted the Lisbon Strategy, whose main objective was to make the European Union “the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion”⁶ by 2010. The strategy was yet another document; however, unlike the situation before the EU's foundation, legislative and executive authorities were established. As a result, in

⁴ The Economy of Culture in Europe. Study prepared for the European Commission, KEA, 2006

⁵ More information: http://ec.europa.eu/culture/our-policy-development/european-agenda_en.htm

⁶ The Lisbon Strategy, 2000

the light of no progress in the implementation of the strategy, the plan proposed a number of policy initiatives to repair and activate the member nations.

The strategy focused primarily on economic problems and does not contain provisions explicitly referring to culture. This does not mean, however, that the issue of culture has been completely ignored. Culture has been incorporated in all the policies implemented by the European Union. What is more, in its commentary about the Lisbon Strategy, the Committee of the Regions claims that the strategy objectives can be implemented effectively only if the European Union focuses its efforts in culture on the social importance of intangible assets created by culture. It was emphasized that the role of cultural education and cultural cooperation is crucial in using the resources of creativity in society. The main method of execution included an open method of coordination, involving the use of the soft law mechanisms such as guidelines, tips, comparisons to specific standards, and sharing experience and practice. On the one hand, it provided the Member States with a lot of freedom of action. On the other hand, it should be noted that at the same time the EU has created a myriad of programmes and funding mechanisms available only to those states which act in compliance with the established standards. This leads to the most common accusation brought against the EU policy today that we are allowed to pursue only those activities which are included in the strategic documents. If we have ideas which do not fit in, the money are virtually nowhere to be found, as these mechanisms are already well-established in all areas of life and at all levels even if they are not directly related to the EU.

The Lisbon Strategy had been implemented by the end of 2010, and the very same year the European Commission presented another strategy document called Europe 2020. This plan includes the following provisions on culture, which became part of its main objectives:

- participation of culture in smart growth;
- participation of culture in sustainable growth;
- participation of culture in inclusive growth⁷.

This final document accompanies us every day, and the new EU's budget programming period for 2014-2020, which is underway, has launched a real avalanche of political acts referring to the main strategy for Europe.

Implementing a strategy in Poland in the context of culture.

Along with the majority of the former communist states, Poland became a member of the European Union in 2004. Therefore, most of the abovementioned discussions took place before these countries became fully-fledged members, which does not mean, however, that they did not affect some of them. The first regulations between the Communities and Poland date back to 1988⁸. Poland

⁷ EUROPE 2020. A strategy for smart, sustainable and inclusive growth., COM(2010) 2020

⁸ Diplomatic relations, trade agreements, etc.

submitted an application for the EU membership in 1994, and the following ten years were the period of negotiations and gradual integration. The European Council launched a strong pre-accession strategy with respect to all the candidate countries from Central and Eastern Europe, allocating special funds, but also requiring the countries to adhere to the existing regulations.

With becoming a member state, all these countries entered into the existing financial programming period, but also fully participated in the debates and the establishing of rules of conduct for developing the new 2007-2013 budget. They ratified the Community strategic guidelines on cohesion⁹, which became the basic document defining the areas for which the EU subsidies should be used. Based on these guidelines, the National Strategic Reference Framework, also known as the National Cohesion Strategy, has been developed. This strategy aims to create the conditions for boosting the competitiveness of the Polish economy based on knowledge and entrepreneurship in order to make this economy provide more jobs and increase the level of social, economic, and spatial cohesion. These documents are crucial as they regulated budget management and triggered another changes in the documents which appeared under the ratification of the accession treaty. They also contributed significantly to the creation of further policy and strategy documents at all levels of state administration.

Analysing the example of Poland, it should be emphasized that the strategic documents appeared as early as in 2004. They concerned the policy/strategy for the entire country, but sectorial strategies were adopted soon after. One example of the latter is the National Culture Development Strategy, originally adopted for 2004-2013, and in 2005 completed to include the period until 2020. Undoubtedly, this proves a high commitment of the Polish Ministry of Culture and its far-sighted way of thinking; although the earlier strategy development in other sectors (e.g. in the context of the environment protection, transport, tourism, and regional development) remains disputable. On the other hand, it should be pointed out that the strategy has become one of many documents which fit perfectly in the framework presenting the philosophy of thinking rather than specific tasks to perform. It refers to the EU idea of regional development in the most straightforward way.

To further comment on this topic, a few remarks should be made with respect to the presentation of the Polish state administration system. The Poland's system transformation and the ensuing reforms in the 1990s gave rise to the new administrative division, which consists of two basic levels:

1. The central level, where the laws for the entire country are created. This is also the level where the Ministries and other institutions subject to central government function. For instance, the Ministry of Culture was the main

⁹ COUNCIL DECISION of 6 October 2006 on Community strategic guidelines on cohesion (2006/702/EC), Official Journal of the European Union, L 291/11

organizer for the most prominent Polish institutions, although sometimes the issue of organizational subordination was somewhat problematic. In general, these institutions are nicknamed as national, though it is not a rule – as is exemplified by the case of a national museum, which, after the reforms, consists of several separate institutions located in various Polish cities; two of these institutions are subject to the Minister, the rest is subject to regional administrations. Over the past few years, the Ministry has established a number of novel institutions called institutes to carry out activities in different cultural sectors (e.g. the National Audiovisual Institute, the Polish Film Institute, and the Theatre Institute) on its behalf.

2. Regional level in Poland includes self-government provinces. After the reforms, Poland has 16 provinces with autonomous legislative and executive authorities (before the system change, there were 49). Provinces have taken over most of the previous powers of central offices. Lower regional levels include:

- districts and cities with district rights (usually the capitals of provinces, e.g. Cracow, Warsaw, Gdansk) – there are 380 of them in Poland;
- communes (2479 in total) – often understood as the local level.

Administrative division entails budgetary independence and statutory obligations, including a duty to carry out cultural activities. In this context, it is easier to comprehend the vision of culture development as a regional development. This is the vision of development – the development at all regional levels – which the National Culture Development Strategy attempted to create. To that end, the analytical tools based on the theory of strategic management were applied and the diagnosis of the current state was developed. This diagnosis was based on both the documents owned by the Ministry and the public statistics. There was no research dedicated to any specific area, so it seems that the picture of culture's functioning which is painted here is highly incomplete. Moreover, this document proves something which permeates many Polish publications; namely, that there is an informal division into the institutional culture financed by public funds (mostly local government money) and the culture functioning in market conditions. This is particularly important for perceiving and defining the place of culture in the region and its role in regional development. The fact that the strategy, ultimately shaped in 2005, includes the above division and is still valid shows that Poland has failed to cope with the results of system transformation and the dynamic development of private cultural activities, which are functioning somewhat outside the official circuit. To this day, this realm of activity has been poorly researched.

The National Culture Development Strategy therefore contains a developed diagnosis about how public culture functions, leading to a clear-cut conclusion that the main reason for this system's failure is insufficient financial resources. In response, the Strategy focuses mainly on proposing financial mechanisms, with particular emphasis on the Structural Funds and the instruments of the European Economic Area, as part of the grant programmes. It does not formulate

any culture development vision with a specific time-frame; it does not show how the planned programmes are to implement this vision, nor the evaluation tools or indicators of progress for the strategy implementation.

These observations are all the more important because the document has become the fundamental act which must be respected by all those who wish to obtain financial support for their own cultural project. It is the document which is not exactly the formulation of cultural policy, but it is not a proper strategy either. Furthermore, we should pay attention to its high degree of centralization because all the strategy's planned funding mechanisms are implemented as part of the Minister's programmes, coordinated by the Ministry itself or subordinate institutions, which undoubtedly reduces the role of local governments in building a regional development policy. And all this is true despite the fact that ensuring a sustainable culture growth in the regions is one of the first goals in the document.

Regional and local strategies for the development of culture in Poland.

The statutory obligation to conduct cultural activities by local and regional self-governments means that they define the place and role of culture in their own strategic documents. These regulations were introduced as a sign of the political changes and reforms, and revised and adjusted to the EU policy after Poland's accession in 2004. These are usually the strategies for the development of provinces, in which culture is somehow inscribed, and rarely culture development strategies, although the latter element has been arousing a lot of interest recently. It should be noted that these documents refer to the National Cohesion Strategy (i.e. directly to transferring the EU guidelines to the realities of Poland) and do not take into account the strategy designed at the central level for the cultural sector.

At the lower levels of regional and local self-governments, development strategies are still underway, and their existence depends mainly on the will of local authorities. In all of these documents, regulations on culture largely take on the nature of political manifestations and demands, and are not always followed by concrete actions. Moreover, they do not always appear explicitly. Just like the previously discussed documents, they express certain philosophy of thinking rather than tangible actions. Analyzing the existing strategies results in identifying seven key ways of thinking about culture in the context of regional development¹⁰, which are understood as factors affecting the development of civilization and economy, heritage, and commercialization, and as a restructuring element, boosting the sustainable development, emphasizing the integrative role of culture, its mythologisation or marginalization. Thus

¹⁰ Typology in: Pawelska – Skrzypek G., 2005. *Kultura w rozwoju strategii województw in Kultura w procesie rozwoju społeczno-gospodarczego państw i regionów Unii Europejskiej*. Kraków–Warszawa. Narodowe Centrum Kultury.

interpreted approaches often mean focusing on interregional initiatives in order to promote the region, and they are rarely aimed at intraregional activities.

The new European Union budget programming period has led to the re-writing of all development strategies. Provinces were granted greater powers to implement operational programmes which can help improve and enhance regional development. They formulated their priorities very precisely, including cultural activities in an explicit or implicit way. One good example is the Malopolska Province, with Cracow as its capital city, considered locally and globally to be the most cultural place in Poland. The province's strategy strongly emphasizes the role of culture in the development of the entire region, as well as the use of tradition and heritage of the place. Despite this, the financial resources devoted to cultural activities have been marginalized in the operational programme and combined with the funds for the development of tourism in a common budgetary plan.

Over the last few years in Poland, we have been able to observe a rapid growth in the number of strategic documents. Undoubtedly, it was triggered by the already mentioned programming period of the EU budget for 2014-2020 and the adoption of the Europe 2020 strategy. In addition, there have recently been more and more sectorial strategies in Poland, prepared at all levels of public administration. They include, for example, the strategies of cultural development in provinces, communes, and cities. The way they are developed varies, and, in many cases, the process is the creation of yet another instrument, making the concept of strategy less meaningful. The most recent idea is developing strategic programmes which would be real tools for strategy implementation. In the Malopolska Province, for instance, the programme called Heritage and Leisure Time Industries (*Dziedzictwo i Przemysły Czasu Wolnego*) is currently underway, and it concerns culture.

Strategy development increasingly takes place in collaboration with the environment and citizens interested in a particular topic. This is the way the Culture Development Strategy in Cracow was created, for instance. Its formulation took two years and entailed meetings of the Convention composed of clerks, culture management experts, trade representatives, and researchers. It also included consultations with interest groups and the public. The final document has a relatively short period of implementation – only four years (2010-2014), which, compared to similar publications from the recent period, is not long. The strategy was designed to determine the cultural policy of the city. Hence, the strategic objectives rather dictate the directions for this policy, and include the regulations concerning such issues as the patronage of culture, creating the rules of partnership with subjects carrying out cultural activities, developing creativity, or protecting cultural heritage. Additionally, there are operational objectives and performance indicators. Despite a certain level of generality (associated with the determination of the policy directions), it can be said that the Cracow strategy is to support the creation of specific mechanisms and tools for its implementation. It also seems that the cited example has an

increasing number of followers in developing strategies on local markets, unlike the case of very general documents being formulated at the level of provinces and higher. The examples abound. There are more and more strategies formed at the level of small communes, and they are generally created in collaboration with the local community in order to satisfy its needs. It is increasingly difficult to develop documents in such small environments without taking into account the opinion of the local population anyway.

Undoubtedly, an interesting phenomenon is the fact that the strategies which are cropping up are increasingly often not so much development strategies, but strategies related to the development of culture, through culture. They are often the result of pressure from local citizens who live in this culture. In Poland, there is a visible migration of people from big cities to small towns. We can observe the growing desire to live in a place where you can have some influence on what is going on around you. This phenomenon of depopulation in large cities is strongly related to several factors: the state policy, the communes creating favourable conditions for settlement and leading an easier life, and, finally, the development of civil society. One could probably risk the thesis that it is the small and medium-sized towns, in which policy and strategy are followed by tangible actions and where the local community has a real say in shaping such documents, which are the proof of sustainable regional development.

Summary

It is extremely difficult to give an unambiguous answer to the title of this text. Are the development strategies the result of a necessity, fad, or real needs? Any answer would be probably correct. On the one hand, we deal with the EU regulations and guidelines, which only seem to be the recommendations for the Member States to implement. They only seem that way because, in fact, obtaining the EU funds depends on the implementation of these recommendations. They are therefore a necessity.

Fashion is manifested by the fact that we are inundated with strategies, which are often a political manifestation and do not claim the right for implementation. They become yet another document to take out of a document file and wave with. It is also a sign of the misguided line of thought concerning a strategy, and of churning out documents that contribute very little to effective management.

This text deliberately omitted the topic of building a development strategy at the lowest level – in cultural institutions. It seems that this is the material for a separate paper, and particularly because it can be considered from all three angles.

Is it necessary? It appears so. More and more often, we can notice the fatigue caused by a development strategy which is not an executive tool, but just yet another document. It is especially visible in small communities and in institutions. It is here where we can understand that strategic thinking has a great

potential, at the same time returning to the source – the strategic management understood as an element of business management.

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