

EFFECTS OF INNOVATIONS WITH REGARD TO CULTURAL SERVICES ACROSS CULTURAL INSTITUTIONS

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Abstract

The changing environment in which cultural institutions operate prompts them not only to seek for new management methods but also to hone their existing services and implement new ones. Innovations in the services provided by cultural institutions are, thus, an important issue from the practical perspective, as well as tending to be a significant scientific problem. The paper attempts to recognize effects produced by innovations in cultural institutions' services. Drawn on the reference literature and empirical research, the key types of effects delivered by innovations in cultural services are identified. In essence, tremendous impact was reported in recipients' increased satisfaction, enhanced quality of the offer and the institution's image.

Key words: cultural institutions, cultural services, innovations

Introduction

The topic of innovations, though it is not new, continues to gain in prominence. Overall, this also refers to cultural institutions which operate in increasingly changing environment. Specifically social and technological shifts pose new challenges for them. In these circumstances it is necessary to introduce innovations, not only at the macro and mezzo level, but also at the micro level (Kieleszewski et al. 2009: 13-77, 105; Kwiatkowski 2009: 8-29; Michalski 2009: 147-153; Wojciechowski 2009: 19; Orzechowski 2009: 28-61; Hausner 2008: 41-49; Karna 2008: 107; Dobrzański 1995: 55; Looock 1995: 69). The focus is placed on the need to employ different types of innovations in cultural institutions (Chwedorowicz 2007: 7-101; Wojciechowski 1998: 40-41; Sójka et al. 2009; Barańska 2004: 101-102; Iwaszkiewicz 1995: 77-89).

Research conducted to date concerned, among others, the scope of managerial innovations in cultural facilities and the specifics underlying innovations in cultural services. The reference literature lacks studies devoted to effects of innovations, in particular with regard to cultural services. The purpose of this paper is to examine the effects yielded by the innovations in cultural institutions' services.

2. Types of innovations in the cultural sector

In the reference literature there is no general agreement about the definition of innovations (Białoń 2010: 12; Crossan, Apaydin 2010: 1154-1180; Baregheh et al. 2009: 1324-1334; Cooper 1998: 493-496). This engenders difficulties with defining the types of innovations. Principally, a commonly adopted classification of innovations, as product, process, marketing and organizational, offered in the Oslo Manual (Podręcznik Oslo, 2008) is used to analyse innovations and innovativeness across business organizations. Meanwhile, until recently the reference literature failed to address the issue of typology of innovations across cultural institutions. Thus, disclosure of benefits that arise from implementation of innovations in services within public cultural institutions requires some introduction, specifically with respect to typology of innovations in the culture sector.

Garrido and Camarero (2010: 219) identified three groups of innovations critical for contemporary management of museum:

- product innovations concerned with delivery of new services, activities and improvements or variations in works displayed,
- technical and technological innovations related to implementation of technologies in the realm of products, services and production processes,
- organizational and managerial innovations concerned with organizational structures and administrative processes. Importantly, innovations connected with marketing and dissemination of museums are also classified in this group.

Another division was proposed by Bakhshian and Throsby who identified (2010: 4-20):

- innovation in audience reach, including methods for expanding its audience and new ways of presenting cultural contents to current audience,
- innovation in art form development, including e.g. artistic experiments,
- innovation in value creation, including new ways of measuring economic and cultural value created for various groups of sta-

keholders, as well as new methods of harnessing these values by politicians, organizations funding cultural activity or private investors,

- business model innovation, in particular centred on financing cultural activities.

Whereas Varbanova (2013: 13-14) put forward the following categorization:

- programme innovations,
- process innovations,
- marketing innovations or innovations in distribution of cultural products and services,
- innovations in raising resources,
- organizational and managerial innovations,
- technical innovations.

These typologies seem to correspond to the specifics of the culture sector. However, the first is scarcely clear because it combines organizational, marketing innovations with those concerned with dissemination. The second break-down fails to integrate broadly understood managerial, marketing and process innovations, which probably results from the fact that it was rested on merely two case studies. The third typology is similar to the commonly embraced classification illustrated in the Oslo Manual, though identification of innovations in raising resources give rise to doubts.

The classifications of innovations in the culture sector outlined take into consideration the specifics behind cultural activities, yet they stir a terminology chaos and make it unlikely to define all types of innovations in a coherent manner. Therefore, it is more reasonable to utilize the classification detailed in the Oslo Manual given that:

- product innovations apply to products as well as cultural and artistic services resulting from production and creative processes,
- marketing innovations also cover the manner of distributing cultural products and services, so thus innovations in audience reach,
- organizational innovations encompass the use of diverse management tools, including implementation of business models related to financing cultural activities.

An additional problem is posed by the question about the rationality behind a separate typology for innovations in services (incorporating also cultural services). Broadly speaking, services are characterised by the following, among others (Innowacje w sektorze..., 2011: 7):

- they embrace all activities related directly as well as indirectly to meeting human needs, yet they fail to directly support the manufacture of products,
- they are created using knowledge,

- they are intangible and non-returnable,
- they cannot be stored or transferred,
- they only exist when being used.

These traits do not affect the essence of innovations in services so as to exclude the possibility of using the typology contained in the Oslo Manual (2008) for their classification. Nevertheless, there is no agreement as to the types of innovations in services. On the one hand, the typology depicted in the Oslo Manual (*Innowacje w sektorze...*, 2011: 9-10) is used to innovations in services which appears to be a reasonable move, but on the other hand, other typologies are employed, e.g. offering the division of innovations into the following (Hertog 2002):

- new concepts of service,
- new platforms for cooperation with a client,
- new systems for delivering services,
- application of new technologies.

The categorizations of innovations provided stem from distinctions between products and services, between business and cultural operations. Despite these differences the overall typology proposed in the Oslo Manual is likely to be adopted to both the sphere of cultural services as well as cultural activities.

3. Product (services) innovations across cultural institutions

Previous surveys in the field of product innovations across cultural institutions embraced diverse aspects. The following was revealed:

- impact of organizational innovations and orientation of museums towards knowledge and studies on product innovations (Garrido, Camarero 2010: 215-229; Lewandowski 2011: 105; Kieliszewski et al. 2009: 39);
- crucial role of the strategy, surveys and marketing activities in launching innovative cultural ventures (Jedlewska 2006: 102-104);
- various types of risk caused by innovations in services (Clair 2009: 6-7; Jedlewska 2009: 17-22; Wojciechowski 1998: 15-20);
- significant role of organizational collaboration in improving and creating new cultural events and services (Odorowicz 2002: 192-197; Kościuszko 2006: 25-38; Wejcman 2009: 180, 192-194; Polewski 2009: 80-88).

On top of that, the specifics inherent to innovations in cultural services across cultural institutions was determined. These innovations were largely (Lewandowski 2014):

- initiated from bottom up,
- having a supply nature,
- the outcome of development works by employees, partially designated to this aim;
- produced positive results,
- combined with other innovations,
- deliberate,
- implemented gradually and intentionally,
- having no impact on the environment,
- represented a novelty for cultural institutions.

Detailed compilation of more rarely occurred features was shown in Table 1.

Table 1. Specifics of innovations with regard to services in cultural institutions

Feature of innovation	Occurrence of the innovation feature surveyed	
	average	rare
Direction of the innovative initiative		top down
Cause behind creation	supply	
Source of type of incentive to undertake innovative actions	result of investigating the market and buyers' preferences	result of copying other units
Degree of novelty	novelty across the whole country or industry	novelty globally
Implications for an investor	strategic, tactical	
Assessment of the impact on an investor		negative, neutral
Degree of complexity		
Manner of implementation	radical	
Psycho-social requirements for persons executing innovations		unreflective and unintentional
Attitude to the natural environment		pro-ecological

Source: Adapted from: Lewandowski 2014.

The analysis of the reference literature suggests that minor surveys were dedicated to innovations in services across cultural institutions. Specifically there is little knowledge about the ramifications brought by such innovations.

4. Methodology

The objective of the paper is to examine the implications produced by innovations in services within cultural institutions. To do so, questionnaire surveys were carried out among employees of cultural institutions.

The survey covered 92 respondents, though ultimately, responses provided by 76 persons were subject to the analysis; these persons surveys represented:

- local government (72) and national cultural institutions (4);
- a variety of institutions, including artistic ones – theatres (8), philharmonics (1) and other types, including libraries (4), museums (25), culture cultures (34), galleries (1) and others (3);
- 14 out of 16 provinces, including dolnośląskie (4), kujawsko-pomorskie (6), lubelskie (4), łódzkie (7), małopolskie (10), mazowieckie (7), opolskie (1), podkarpackie (6), podlaskie (1), pomorskie (4) śląskie (12), świętokrzyskie (1), warmińsko-mazurskie (4), wielkopolskie (9);
- institutions located in: cities over 300,000 inhabitants (23); cities ranging from 100,000 and 300,000 inhabitants (10), towns ranging from 20,000 and 100,000 inhabitants (22), towns below 20,000 inhabitants (16) and countryside (5).
- These persons held a variety of positions, including:
 - senior management staff (37);
 - middle management (22);
 - specialist positions (17).

The empirical material was collected in the first quarter of 2014. The data was acquired by means of the questionnaire survey method. The question concerned the effects of new cultural services or substantial refinement of previous services put into operation over 2013-2013 in cultural institutions represented by the respondents.

Basically, the descriptive statistics fundamental tool were deployed to analyse the research material gathered, thereby the empirical structure of the innovation feature was surveyed. One person could indicate numerous responses so as to integrate potential diversity of effects brought by innovations. The surveys and analyses completed are limited due to the non-representativeness of the sample; though the data collected provided sufficient foundations for presenting a general picture of outcomes delivered by services innovations implemented in cultural institutions across Poland.

5. Effects of innovations in services across cultural institutions in light of empirical research

Regarding the effects of innovations brought to cultural institutions' services, the respondents surveyed provided diversified results (Figure 1). Those surveyed mostly indicated:

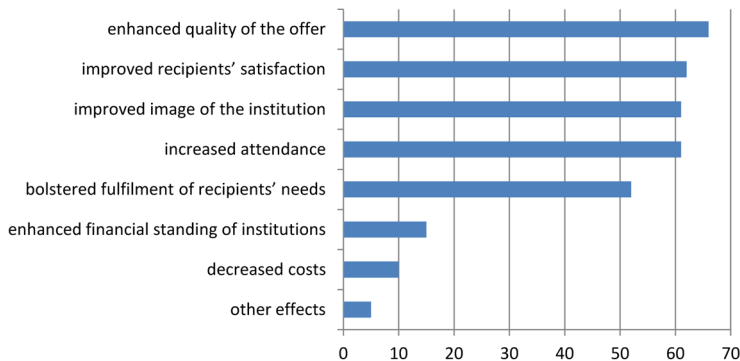
- enhanced quality of the offer (66),
- improved recipients' satisfaction (62),

- increased attendance (61),
- improved image of the institution (61).

Slightly fewer respondents reported on bolstered fulfilment of recipients’ needs (52). A minority of those surveyed indicated enhanced financial standing of institutions (15) and decreased costs (10) as a result of service innovations effected. Additionally, other effects came to surface to a marginal extent, such as:

- integration of a circle of artists (1),
- boosted management and communication (inside and outside) (1),
- extended recipients’ group (1),
- integration of local and intergenerational community (1),
- permanent contact with a wide range of groups and institutions (1).

Figure 1. Effects of implementation of new cultural services or significant refinement to services across cultural institutions over 2012-2013 in the respondents’ opinions



The surveys accomplished show that innovations in services had crucial implications for two areas where cultural institutions operate. Innovations primarily affected the institution’s offer which is natural, because cultural services offered we developed in an innovative manner. Though, what is important is that this impact was corroborated by the quality of the offer, attendance, recipients’ satisfaction and capability of fulfilling their cultural needs. The impact on these all four aspects is not obvious and does not need to simultaneously occur. For instance, increased attendance and enhanced recipients’ satisfaction does not necessarily imply boosted satisfaction of recipients’ needs or improved quality of the offer.

Furthermore, innovations also had positive implications for public relations across cultural institutions. The respondents reported extraordinary improvement of the image, yet single opinions articulated by those surveyed suggest better establishment of relations and communication with stakeholders (local community, artists, other organizations). These two aspects

reveal a substantial role of innovations in cultural services while bolstering performance of cultural institutions examined.

All in all, service innovations had distinctly minor significance for the financial standing and reduced costs for operations of facilities analysed. It may stem from the fact that these innovations required financial expenditures, yet restraints to the effect of scale resulting from the specifics behind cultural services e.g. from so-called Baumol's cost disease (Baumol 2006; Łysiński 2009: 133; Heilbrun 2003: 91-101) thwart heightened financial effectiveness.

Conclusions

Overall, innovations in services across cultural institutions are barely recognized. Nevertheless, based on empirical research conducted it may be argued that innovations in services provided by cultural institutions:

- contribute to better satisfaction of public needs with regard to culture,
- result in bolstered public relations across cultural facilities, specifically in terms of establishing the image,
- have a minor influence on enhanced financial performance of cultural institutions.

Innovations in services provided by cultural institutions should be viewed by local and state authorities as an instrument designed to increase the quality of inhabitants' life. Unleashing the creative potentials and bolstering service innovativeness across cultural institutions requires actions launched by both institutions themselves as well as organizers.

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