
11.1. How Dutch Municipalities currently evaluate Art Policy

In order to establish how Dutch cities currently evaluate their arts policies, the eight cities in the sample of the present research were investigated. First, their evaluation practices were researched through the city’s website. Then the cities’ cultural departments were contacted in order to verify the results from the website search and to ascertain whether or not further evaluation actions that do not appear on the city’s website had been undertaken. The investigation focused on the evaluation practices of the policies for the period 2005-2008, because this is the most current policy evaluation moment (the investigation took place in the period from November 2008 to March 2009).

The cities differ in the extent to which they formally evaluate arts policy. Typically the policy evaluation can consist of several actions:

1. Yearly budget and account cycle: the budgeting cycle of municipalities in the Netherlands is structured by law around programme budgets (programmabegroting) and programme accounts (programmarekening), as mentioned in the Introduction.
2. Arts policy can be evaluated by examining the cycles in cultural policy. Usually the introductory chapter of the new policy documents contains an evaluation of the previous period.
3. Arts policy can be evaluated through separate ‘mid-term reviews’ and/or ‘end term’ documents within the policy cycle.
4. Policy cycles usually include independent expert advice on the subsidies to institutions. These independent advisory boards can perform evaluations of past performance of the institutions that were subsidized in the city.
5. Some cities conduct surveys of their population which include questions relating to cultural and arts policy.
6. Some cities have conducted specific research on the effects of cultural policy, specifically within the economic domain.

These evaluation mechanisms are used in the following discussion on the arts-policy data that are collected and reported with the aim of establishing how these data dovetail with the framework presented in Chapter 10. The policy-evaluation practices of individual municipalities will not be described in detail. The documents on which the analysis is based are listed in the reference section.
11.1.1. Yearly Budgets and Accounts

The programme budgets (programmabegroting) reflect the policies deployed by a municipality, and contain figures on the goals to be attained. The city council decides on the programme budget each year on the basis of a concept drawn up by the board of mayor and aldermen. Each year, the board of mayor and alderman justify the implementation of the policies to the city council by means of the programme account (programmarekening). The results of this account are used to draw up the new programme budget. Cities in the Netherlands are at liberty to develop their own formats for the programme budgets and accounts. This leads to very different documents being drawn up. Cultural policy can be accounted for as a separate policy area. However, in some cases, it is subsumed under a broader city policy programme to enhance city attractiveness or liveliness in conjunction with sports policies for instance (e.g. Arnhem and Groningen) or within the social policy (sociale pijler, e.g. Zwolle). Furthermore, the level of detail differs widely. For instance, Breda formulates a very broad goal for the cultural policy (taakveld 10 in the annual report of 2007) which is split up into sub-goals which in turn are split up into no less than 104 objectives. For each of the objectives there is an indication whether or not it has been attained, whether attainment is still in progress, or whether it has not been realized at all. The sub-goal of ‘consolidating things that have proven themselves’ (Breda, 2008a, p. 138) is made operational by indicating that the current cultural infrastructure has been maintained and developed (goal has been attained) and that there is attention to reaching new audiences (goal has also been attained). The sub-goal of stimulating participation (ibid.) is made operational by indicating whether or not a new supply has been developed (attainment is not indicated) and whether activities in city boroughs have been developed (both objectives have been attained). Furthermore, the report contains mentions of numbers of visits to the largest cultural institutions (Chassétheater and pop venue Mezz, and the number of members of the public library). On the other hand, Apeldoorn only reports broadly on cultural policy in the city annual report, by indicating numbers of visits and by furthermore referring to the valuation of the cultural assortment by the general public (on a scale of 1 to 10) and some further rankings of the city in comparative studies such as that by Marlet and Van Woerkens (2007). Other cities, such as Groningen, only repeat the goals as they are stated in the four-year policy documents and use almost no indicators to assess goal attainment in the programme budgets and accounts. They report on the spending of subsidies rather than goal attainment. Maastricht assumes a middle position where the goal of the cultural policy – ‘a creative and dynamic city with an eye for the productive relationship between Arts and Culture, Economy and City development’ (Maastricht, 2008c, p. 79) – is related to developments in the economic, social and physical policies of the city. The cultural policy has three effects: maintaining and strengthening the production climate, enhancing the reach of cultural facilities, and maintaining and strengthening cultural heritage (ibid). The relationship between the other policy areas and these effects is not discussed in any way. The

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1 In some of the municipalities in the research the yearly program budget is not only the budget for the coming year but for the coming years. A meerjarenprogrammabegroting is drawn up annually. This is the case in Apeldoorn and Arnhem for instance.
accounts proceed by specifying, through the use of indicators, the policy actions that may or may not have been achieved. Furthermore it should be noted that the inclusion of specific figures in the budgets and reporting on them in the accounts does not mean that this has severe consequences when expectations are not met. Some officials reported that these are merely targets but that there are no consequences when they are not met. The indicators found in these documents are listed in Table 11.1. The indicators used can be grouped in five clusters.

The first cluster focuses on the number of visitors to performing arts institutions and the number of performances realized in these institutions. These output figures appear to be the most widely used. They are additions of the figures provided by subsidized institutions through annual reports they send to the city administration to account for spending of the subsidies. The provision of such reports is a common requirement for receiving the subsidy. Thus the yearly accounts drawn up by cultural institutions are a major source of information for policy evaluation purposes. However, this does not paint the whole picture of policy evaluation for these cities. The annual reports of the cultural institutions may comprise more information than is gathered for the programme account. These annual reports frequently comprise not only a financial statement but also a description of the productions realized. Such descriptions may be accompanied by copies of press reviews. Thus the cultural institutions report on the artistic quality as it is reported by professional reviewers. Sometimes the institutions also include data they have gathered from audience research. It should be remarked that, in the Dutch theatre system with its division between producing and distributing organizations, such elaborate annual reports are handed in by the producing companies. The distributing venues only provide figures on the shows programmed and their attendance. Their policy plans (if formally written) include statements about the programming decisions. Most of the cities in the research sample have so-called ‘A-theatres’ that programme 60% commercial productions and 40% more risky productions by the subsidized companies, their aim being to provide a complete overview of Dutch performing arts in their city. Therefore they usually programme all travelling productions of the major subsidized theatre, dance and (classical) music companies as well as the full programme of the regional orchestra (which is subsidized by the state). As demonstrated in Chapter 8, pop music venues usually have more specific programmes specializing in certain musical areas and sometimes allowing local musicians access to the stage. As the major theatres and concert halls in the Netherlands are locally funded organizations (or part of the municipal bureaucracy) that do not produce performing arts but only present these, and they receive the bulk of performing arts attendance, the largest part of performing-arts activities in a city is only reported in terms of number of performances

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2 In the case where cultural institutions are part of the city bureaucracy (such as the Theater aan het Vrijthof in Maastricht or the city theatre and concert hall of Groningen), these organizations are usually an independent unit with a director who decides autonomously on most issues concerning the theatre. This autonomy is gained in much the same way as private subsidized institutions; the director draws up a yearly budget and the deficit of this budget is approved by the board of mayor and aldermen.
### Indicators

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Sources</th>
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<tbody>
<tr>
<td>Number of visits to institutions</td>
<td>Arnhem (2009, p. 100), Apeldoorn (2008), Breda (2008c, pp. 94-5), Utrecht (2008b), Maastricht (2008b, p.4; and 2008c, p. 85), Zwolle (2007a, p. 35; 2008, p. 33; and 2009, p. 41)</td>
</tr>
<tr>
<td>Number of performances (in subsidized institutions)</td>
<td>Apeldoorn (2008)</td>
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<tr>
<td>Number of stage performances in the city</td>
<td>(Arnhem, 2008, p. 96)**</td>
</tr>
<tr>
<td>Number of festivals in programme of the city concert hall</td>
<td>Maastricht (2008c, p. 85)</td>
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<tr>
<td>Number of institutions subsidized</td>
<td>Utrecht (2006)</td>
</tr>
<tr>
<td>(Number of) positive evaluations by the Raad voor Cultuur or successful applications for national subsidy based in the city</td>
<td>Utrecht (2006)</td>
</tr>
<tr>
<td>(Positive) evaluation by the municipal advisory board on structurally funded institutions</td>
<td>Maastricht (2008b, p. 3)</td>
</tr>
<tr>
<td>International position as attractive city based upon the cultural offering</td>
<td>Utrecht (2008b). Note that the city admits that it does not know how to measure this indicator</td>
</tr>
<tr>
<td>Number of cultural projects with more than local image</td>
<td>Breda (2008c, p. 95)</td>
</tr>
<tr>
<td>Valuation by the population of cultural facilities in the inner city (as expressed in a number between 1 and 10)</td>
<td>Arnhem, 2008, p. 96 Apeldoorn, 2006a and 2008 (goal: from 5.8 in 2003 to 6.5, the figure currently is 6.4 (2008)**</td>
</tr>
<tr>
<td>Evaluation of quality of city cultural supply</td>
<td>Maastricht (2007, p. 93) researched biannually through a general-public survey</td>
</tr>
<tr>
<td>Percentage of citizens agreeing with the statement that the cultural facilities add to the living climate</td>
<td>Maastricht (2007, p. 93) researched biannually through a general-public survey</td>
</tr>
<tr>
<td>Number of visitors to city district venues</td>
<td>Rotterdam (2008a, p. 157; and 2008b, p. 97)</td>
</tr>
<tr>
<td>Realizing facilities for youth</td>
<td>Maastricht (2009, p. 7)**</td>
</tr>
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* Note that Groningen is the only city not reported in this table. This is because the city does not report on output figures in the programme budgets and accounts. These are included in the mid-term review documents, although the programme budgets and accounts do contain figures on library lending and visitors (see e.g. Groningen, 2009, p. 198).

** Arnhem reports being number 7 in the national ranking of municipalities, referring to research by Marlet and Van Woerkens (2007).

*** The figure is regularly researched in a general-public survey.

**** It has been concluded that this indicator has been reached because structural subsidies have been awarded to several youth festivals and rehearsal space for pop music.

Table 11.1 Indicators on cultural policy implementation relating to the performing arts, as found in the programme budgets and accounts
and attendance.\footnote{The VSCD (Association of Theatres and Concert Halls in the Netherlands) collects data on numbers of performances and visits to locally funded venues. They estimate that 60\% of all performances and 70\% of all visits to the performing arts in the Netherlands occur at venues funded by municipalities; see VSCD (2007, p. 6).} In addition to this, municipal governments may have information on the artistic quality of productions that are produced by local producers as reported by professional reviewers. Although this information is not aggregated in the programme accounts, it may play a further role in cultural policy evaluation (see the section on the advisory boards).

The second cluster of indicators concerns the evaluation of the cultural quality of the institutions by either the local advisory board or national advisory institutions. The number of institutions (when growing) is an indicator of the resilience of the cultural system in the city. The number of institutions receiving national subsidy is an indicator of the success of cultural policy, specifically in those cities that have growth ambitions in their cultural policy, most notably in Utrecht and Maastricht, not surprisingly the two cities in the sample that have voiced an ambition to become Cultural Capital of Europe. For Maastricht, there is an extra reason to focus on the advice of the national Raad voor Cultuur. As the financial contribution of the national government to these institutions is far higher than the city subsidies, it is logical that artistic quality is evaluated by the national rather than the city advisory board. Thus the city prevents doubling of independent policy advice. Breda regards institutions with more than local appeal as an indicator of the success of the policy. These indicators clearly regard the cultural standard of a city within the national (or even international) perspective.

The third cluster of indicators regards the evaluation of cultural institutions by the general public. Some cities include evaluations gathered from general-public surveys in their programme budgets and accounts. Rotterdam mentions a specific indicator of city policy. The new small-scale venues in the city districts (Locale Cultuur Centra) should encourage participation in culture for those with social-economic disadvantages. The public of these city district venues should grow by 3\% from 2006 to 2007 and by 10\% per year for 2009. However, there is no mention of whether or not lower social-economic groups indeed visit these centres and what they might gain by visiting these centres in terms of personal or societal value. A 10\% rise in audience numbers is what the city evaluates (see Rotterdam, 2008a, p. 157, and 2008b, p. 97). The number of visits here is certainly not an irrelevant indicator. However, the socio-economic background of these visitors seems more accurate.

Finally, for Maastricht, the number of facilities realized for youth culture serves as an indicator because the city has a policy focus on strengthening the assortment of youth culture. Again this indicator focuses on the supply side of the cultural sector.
Furthermore most cities mention investments in the cultural infrastructure in the annual reports and the accounts, such as building new facilities. For instance, Arnhem mentions the new National History Museum which will be built in this city (Arnhem, 2008, p. 9) and the realization of a new pop music venue (Arnhem, 2009, p. 99). Other examples include the renovation of the city theatre in Apeldoorn (Apeldoorn, 2008), renovation of the Vredenburg concert hall in Utrecht (Utrecht 2006), building a new library, museum and film facility (Groningen, 2009, p. 198), a pop music rehearsal facility, rehearsal space for the symphony orchestra and theatre venue (Maastricht, 2008b, p. 2), and a new library, a pop music venue and facilities for amateur artists (Zwolle, 2007a, p. 34). Furthermore, specific policy aims such as implementing a new subsidy scheme or research into the privatization of city theatres (Arnhem, 2009, p. 98) and the ambition to become Cultural Capital of Europe (Maastricht, 2008b, p. 2) are mentioned. These are not policy aims referring to the functioning of arts and culture in society, they relate to the facilities (which is a specific municipal responsibility in the Dutch system) and administrative procedures, not to the actual aesthetic activities and their effects in society. In the case of European Cultural Capital, this policy aim relates to the perceived quality and quantity of cultural facilities in the city as well as the city image.

Groningen makes an interesting remark in the annual budget for 2008. During this year, a new policy plan for the period 2009-2012 will be drawn up. ‘It is to be expected that a clear relationship will be established here between the policy aims and the measurable results, either in the form of figures or in the form of tangible qualitative developments’ (Groningen 2007b, p. 137). Here, the city acknowledges that both quantitative and qualitative data are needed to evaluate cultural policy. Furthermore, the quote expresses a concern that current evaluation practices lack a connection between policy goals and the data being collected.

11.1.2. Cultural Policy Plans and their Evaluation
As demonstrated in Chapter 3, all the cities in the research sample publish cultural policy plans in addition to the annual programme budget and account. The policy plans contain the vision on cultural policy for a prolonged period of time: Breda (2008b), Utrecht (2007a), Maastricht (2001) and Arnhem (2002) have published documents that span a decade or more. Other plans are produced every four years in accordance with the national government’s policy cycle. In the case of longer-term plans, these are translated into the annual budget. This means that the budget for cultural policy and the subsidies awarded to the cultural institutions may vary on a yearly basis. The four-year policy plans have the characteristic that they not only state the goals of the cultural policy but also fix the budget for the cultural institutions for this period (see Rotterdam, Utrecht, Groningen and Maastricht). It would seem logical that such policy plans are evaluated either in the course of writing a new one or

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4 Although Utrecht has a longer-term document, this is translated into four-year subsidy plans conforming to the national policy cycle. As of 2005, Groningen has conformed to the national four-year cycle but in the period prior to 2005 it also used a four year-cycle; however the city used to be one year ahead. Maastricht had conformed to the four-year cycle as of 2009.
on the basis of an evaluation method that is specified in the policy plans. However, only the policy plan of Groningen (2005-2008) specifies how it will be evaluated, namely, through a mid-term review document and the use of an independent advisory board to evaluate the performance of cultural institutions. The new cultural policy documents (for the period after 2009) of all cities have been read in order to establish whether or not these documents contain an evaluation of the previous period.

- As Groningen and Rotterdam both produce mid-term review documents (see section 11.1.3.) the new policy plans (Kunstraad Groningen, 2008 and Rotterdam, 2007b) do not comprise many evaluative remarks. The new document in Rotterdam lists attendance numbers (Rotterdam, 2007b, p.15). More importantly, the city administrators comment on the link between city policies and the indicators used to evaluate these. The desire to make this link more obvious is expressed (ibid, p. 4). An interview with city officials revealed that the city is still developing methods to do so more accurately.

- Breda produced a new policy document in 2008 (Breda 2008b). A draft version of the document had already been published in 2007. The new documents do not look at the policy with hindsight. The only evaluative effort consists of a series of deliberations with representatives of the cultural sector in the city. The consultations resulted in the continuation of the same policy goals, i.e., increasing reach, creating more chances for talented artists to work in the city, and creating a city image. This last point is particularly interesting because the document (Breda, 2007) comments that the image is still good, but it does not support this with research. Here, the sector has apparently been asked to evaluate itself. The new policy document (Breda 2008b) furthermore lists the existing and new cultural institutions in the city. In light of the focus Breda has put on visual culture, the advent of design institutions and an educational facility for game design are important milestones for policy evaluation in Breda. Apparently the size of the sector as represented by the number of institutions is an important figure. In drawing up the new document, Breda has not used an independent advisory board, although an independent expert has been hired to conduct the consultations and write the draft version of the new document on policy vision (Breda, 2007).

- Utrecht has published a vision document for the period 2008-2018 (Utrecht, 2007a). This document does not evaluate the past period other than referring to the (high) ranking of Utrecht as a creative city in the comparative study by Marlet and Van Woerkens (2007). Furthermore, the document refers to research into the image of the city for tourists.

- The new document of Maastricht (2008a) sketches the historical development of the city’s cultural policy and developments in the national cultural policy. The developments lead to an opportunity to formulate a new ambition for the city’s cultural policy: to become Cultural Capital of Europe in 2018. This will entail vast investments in the cultural sector in the city to allow for the quality and quantity of the cultural production needed for this type of endeavour. Therefore the document
should be characterized as forward-looking rather than evaluative. Although it does contain remarks on the societal functioning of culture (specifically for the economic domain), it does not review indicators which track such functioning. The document therefore focuses on the development of the cultural sector in the city and not on the values and functions these institutions should produce. A further remark should be made on evaluation practices in this city. Although the ambition to develop a more elaborate evaluation mechanism for cultural policy had been formulated in the cultural policy plan of 2005-2008, city officials reported this has not been done. Therefore cultural policy evaluation amounts to reporting on the spending of subsidies and the outputs in terms of the number of performances and visitors. There appears to be no reporting of the wider values and functions that the performing arts give rise to.

- Zwolle has not yet drawn up a new policy document after the document for 2005-2008. Arnhem and Apeldoorn have longer-term documents and thus were not (yet) evaluating cultural policy at the time of the research.

11.1.3. Mid-Term Review Documents
Groningen and Rotterdam produce a document that evaluates the first two years of the four-year policy cycles (Groningen, 2007a, and Rotterdam, 2007a). Furthermore, Zwolle has produced a mid-term document (Zwolle, 2007b), as some policy choices in the policy document for 2005-2008 were undecided. The documents will be discussed in this section.

In Rotterdam the Cultuurverslag 2005-2006 (Rotterdam, 2007a) sketches the developments in cultural policy. The report was submitted to the city council in May 2007. It consists of three parts. The first reports on the general conditions of the municipal cultural policy, such as the financial perspective, developments in national cultural policy, developments in the city’s cultural infrastructure (in this period Rotterdam reshuffled its cultural policy considerably: the library, city theatre, concert hall and two museums were privatised, a new advisory board has been created and the cultural department within the city administration was repositioned), developments in the subsidy process (mainly consisting of new regulations regarding monitoring) and developments in arts practices (growing interdisciplinarity of artists, influence of media and information technologies, changing attitudes towards the role of the artists in society). The second part of the report deals with specific policy efforts such as heritage, cultural education and relationships between cultural policy and other policy areas. Furthermore in this section, the city reports on progress on investments in infrastructure such as plans for a new theatre venue and the remodelling of the experimental Lantaren/Venster theatre venue. The third part contains a quantitative assessment of policy execution.

The last part is of specific interest for the present research as it contains an overview of the indices used to report on cultural policy. These are summarized in Table 11.2. In the interview, the city officials commented that these numbers were not taken as representing...
the policy goals of the administration. These are the indicators that are available on the basis of the annual reports of the institutions subsidized. The officials stated that they would prefer to link the annual reports more closely to policy objectives in the future. Developments in the subsidy process are relevant for the present research as well. The city administration is currently working on a new system in which outputs and outcomes of subsidized institutions will be monitored. It is important to note that reporting on this monitoring by the city administration is part of the improvements suggested (ibid., p. 10). The biennial document is a means to do so. Furthermore, the city administration realizes that not only the outputs (number of performances and attendance) and outcomes (the contribution to city policy objectives) are necessary data but assessment of the internal management of institutions is needed as well. The city feels it needs to demonstrate that subsidies are being spent efficiently, and the performance of institutions can be stimulated (ibid., pp. 10-11). Interestingly, the document also reports on the marketing and publicity of the cultural institutions and the role of audience research. The policy document for the period 2005-2008 (Rotterdam, 2003) mentions that the city stresses the marketing and publicity efforts of subsidized institutions in order to maximize reach in society. The annual reports are screened for marketing efforts. In general, the administrators report that smaller institutions usually exhibit fewer professional marketing techniques. The conventional marketing tools (such as websites, flyers and press releases) are used well by the institutions, the smaller institutions lack the means and personnel to use marketing techniques strategically. Pop music venues and museums in the city confer about marketing. It is not clear if this leads to collective marketing efforts, although the report mentions collective marketing activities directed at youngsters. Furthermore, the report mentions audience research which is conducted on an irregular basis by cultural institutions. The administrators express the desire to co-ordinate such actions in order to make research results comparable (Rotterdam, 2007a, p. 21).

In Groningen the mid-term review document was presented in August 2007 (Groningen, 2007a). It refers to the three general goals in the policy document for the period 2005-2008: strengthening the cultural infrastructure, advancing participation in culture, and room for new talent. The document contains a short description (6 pages) of efforts to attain these goals. Investments in facilities (renovation of the concert hall and building of a depot for the museum) are mentioned under ‘strengthening the cultural infrastructure’. Furthermore, the document mentions plans for a new building to accommodate the city library, historic museum and film house, and a new formula for the branches of the library in city districts. It also mentions an increase in subsidy for some institutions (including the experimental theatre production venue and a pop music venue). Under ‘advancing participation in culture’, the document refers to a new initiative for amateur theatre and a host of cultural institutions specifically aiming at youngsters, either in school or outside school. Under ‘room for new talent’, the document refers to a subsidy budget specifically aiming at new art producers. Furthermore, the document mentions the new advisory board, which has been active since 2005, as well as problems concerning developments in finances related to
Part IV: Policy Evaluation

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<tr>
<th>Indicators</th>
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<tbody>
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<td>Attendance figures</td>
<td>Rotterdam (2007a, p. 34), Groningen (2007a, pp. 10, 11, 14, 15)“</td>
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<tr>
<td>Number of performances</td>
<td>Rotterdam (2007a, p. 34), Groningen (2007a, pp. 10, 11)</td>
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<tr>
<td>Number of productions</td>
<td>Groningen (2007a, p. 11)</td>
</tr>
<tr>
<td>Number of institutions subsidized</td>
<td>Groningen (2007a, enclosure: the developments in all of the subsidized institutions are described)</td>
</tr>
<tr>
<td>Number of participants in cultural education activities</td>
<td>Rotterdam (2007a, p. 34), Groningen (2007a, p. 10)</td>
</tr>
<tr>
<td>Number of subsidies for outreach projects’</td>
<td>Rotterdam (2007a, p. 36)</td>
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<tr>
<td>Number of outreach projects’</td>
<td>Rotterdam (2007a, p. 36)</td>
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<tr>
<td>Attendance at outreach projects’</td>
<td>Rotterdam (2007a, p. 36)</td>
</tr>
<tr>
<td>Number of applications for project subsidies</td>
<td>Groningen (2007a, p. 21)</td>
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* within the ‘Cultural Reach Action Programme’ (*Actieprogramma Cultuurbereik*).
“ note that the document refers to the number of people who visit the performances, but in no way makes clear how the number of tickets sold has been broken down to the number of people.

Table 11.2 Indicators on cultural policy implementation relating to the performing arts, as found in the ‘mid-term’ review documents of the cities of Groningen and Rotterdam

changes in social security regulations (which impede use of cheap labour by institutions) and to changes in national cultural policy concerning the financing of the visual arts policy. The general part of the document closes with some remarks on the fiscal health of two institutions. All of this is described in very general terms. The document clearly demonstrates that the city feels that the development of cultural policy is reflected in the development of the institutions implementing the policy. It is not surprising that the enclosure to the document contains short descriptions of the development of each of the cultural institutions subsidized by the municipality. These short descriptions also report the number of performances and their attendances.

The document in Zwolle (2007b) is based on two debate sessions with representatives in the cultural field. The document stresses the need for more co-operation between institutions, good governance and personnel policies by the institutions (*ibid.*, p. 3). Furthermore, some of the ambitions in the policy plan for 2005-2008 are elaborated and the financial problems encountered by specific institutions are expressed. The development of a chamber opera festival (which is subsidized by the national government) and youth theatre production facility (*Gnaffel*, again working with national subsidy) is discussed. The city is interested in continuing such institutions, although no concrete decisions have been made in this respect. The growth of such production facilities is regarded as a success for the cultural policy. The document does not use specific indicators for evaluating the policy.
In conclusion, it can be said that the mid-term review documents contain information on the development of cultural institutions as a reflection of the implementation of cultural policy. Furthermore, some general trends in financial prospects and national cultural policy are reported to the city council through these documents. The indicators used to evaluate cultural policy relate to the attendance or the number of participants in specific projects, the number of performances, the number of productions realized (for producing institutions) and the number of institutions or outreach projects subsidized. An interesting indicator also is the number of applications for project subsidies which the city of Groningen regards as an indicator for the vitality of the cultural sector.

11.1.4. Independent Advisory Boards: Evaluation of Performance of Institutions

A common feature of cultural policy is the use of independent advisory boards. These boards consist of experts on arts and culture and have two roles: they advise on subsidy decisions and they can have a role in policy evaluation. The role of these boards differs from city to city. Although all cities have advisory boards for deciding on project subsidies, they are not always used to decide on the structural funding of cultural institutions. Typically, the larger cultural facilities, comprising the core of the cultural policy and usually the largest part of the cultural budget, are exempt from independent evaluation. This type of situation can be defended with regard to the Dutch performing arts, because the A-theatres and concert halls present the productions of the nationally subsidized theatre, dance and music producers. The national Raad voor Cultuur (and also the national Fund for the Stage Arts since 2008) provide independent advice on the artistic quality of these productions. Maastricht uses the advices of these national boards explicitly to evaluate city cultural policy (see Section 11.1.1). Some cities, such as Utrecht, have only temporary advisory boards to evaluate policy plans handed in by cultural institutions applying for structural funding from the municipality. Other cities have permanent advisory bodies with elaborate procedures. Up until July 2005, the Rotterdamse Kunststichting (Rotterdam Art Foundation) used to be a fund that not only advised the city administration but also developed and implemented policies and subsidized cultural institutions. The new Rotterdamse Raad voor Kunst en Cultuur (Rotterdam Council for Arts and Culture, hereafter RRKC) has a far more limited role, only advising the city administration and promoting debate on culture in the city. In Groningen the reverse has happened: in 2006 the city’s advisory boards merged into the Kunstraad Groningen (Arts Council Groningen), a fund that hands out project subsidies and advises the city administration on the structural funding of institutions.

There are two strategies employed by these advisory boards. One is where the advice is solely based on the application for subsidy and thus only has a prospective nature. This is the case in Utrecht for instance. The president of the performing-arts committee of the advisory board expressed her dismay that, when the committee was critical of the past performance of an applicant, they were not able to take this into account in judging the future plans of the institution. Retrospective judgement of the performance of institutions should be done by the municipal bureaucracy itself, but she expressed concerns that this was
not always the case. On the one hand, this leads to freedom for the cultural institutions in question when executing their plans. They need not fear that failure to deliver on the plans can lead to restrictions being imposed. On the other hand, the question should be raised as to whether or not the city administration can account for spending public money responsibly. In the end, this seems more a question of politics than of a rational debate about which evaluation measures should be implemented. If the city council agrees with this praxis, there is no need to expand it.

The second strategy is retrospective. Here, the past performance of the institutions is evaluated by the independent advisory board. This is the case in Groningen, where the larger cultural institutions are subject to visitation by experts in their discipline. This visitation is based upon a self-evaluation report drawn up by the institution. The city administration has decided that the self-evaluation report should be structured according to the Balanced Scorecard (Boorsma and Chiaravalloti, 2009) which will be discussed in the following section. Thus past performance is considered in the awarding of subsidies. Furthermore, these evaluations can lead to specific policy measures being recommended for specific institutions. The RRKC also uses retrospective strategies in drawing up their advice to the administration. The RRKC not only produces advice on individual institutions but also draws up sector analyses (for each discipline) and draws up a general advice that summarizes some of the common themes that are present in (almost) all of the sectors (RRKC, 2007). The document will be discussed below.

For the present research, it is of interest to investigate whether or not these types of evaluations relate to the values and functions of aesthetic experience that have been identified in this research. This has been investigated on the basis of the written advice provided by the advisory boards of Rotterdam and Groningen, as these are the most elaborate of the cities studied.

In Rotterdam, the advisory board (RRKC) has a specific role in the policy process. The RRKC publishes its own evaluation document at the same time as the city administration produces the mid-term review document (RRKC, 2007). The ‘sector analyses’ in this document describe developments in each art discipline. The analyses comprise remarks on (national and international) developments in the sector in general and on the situation in Rotterdam in particular. Attention is paid to venues, producers and the general public. The introduction to the sector analyses contains some general themes that are evident in most of the sectors. The document reads as an enumeration of problems that occur for cultural institutions. Thus the RRKC is a spokesperson for the general concerns in the cultural sector here, rather than an independent advisor to the city administration. For instance, the remark is made that the institutions no longer favour policies aimed at cultural diversity and finding specific indicators to measure ethnic participation (see RRKC, 2007, p. 20). The RRKC does not

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5 The document thus mirrors the national policy cycle in which the Raad voor Cultuur publishes such sector analyses.
analyse whether or not policies and measures aimed at increasing cultural diversity are still justified on the basis of representation of ethnic minority groups in museum programmes or boards of institutions for instance. It simply voices the criticism of the institutions, although it also states that in some sectors, such as youth theatre, including ethnic diverse groups has become second nature. The sector analyses for the stage arts (theatre, classical music, pop music, world music and jazz) focus on the development opportunities for cultural institutions and venues in the city. With regard to the venues, the development of the public also is discussed; the advent of small cultural venues in city districts is welcomed as an important tool to reach more citizens. However, the meaning or value of attendance for the public is not covered.

The Kunstraad Groningen published an advice consisting of an evaluation of the larger cultural institutions by a committee of national experts (which will be discussed in more detail in Section 11.2.3) and an evaluation of the policy plans of smaller institutions by local experts (Kunstraad Groningen, 2008). In the general introduction to the advice, the Kunstraad describes the importance of the cultural sector to the city of Groningen. The diversity of the cultural institutions has led to an international city reputation of fostering independent and innovative artists (ibid., p. 9). The Kunstraad is concerned about financial constraints (its assignment is to advise within the city’s cultural budget) and this leads to an attempt to limit the number of institutions subsidized. The Kunstraad favours subsidizing a smaller amount of institutions substantially rather than spreading the budget among the growing number of applicants (ibid., pp. 9-12). This type of strategy should be accompanied by clear accountability procedures (ibid., p. 12). Unfortunately the Kunstraad does not specify which types of procedures it favours. However, the artistic quality of the productions is the first and most important criterion.

Other considerations, such as the necessity for structural funding based upon the complex nature of the organization or the necessity to make long-term agreements with (inter)national partners, are secondary (ibid., p. 23). The evaluation of the performance of individual institutions comprises a statement of attendances and the number of performances realized. In some cases specific evaluations are made, such as the opportunities the organization offers to local art producers, see e.g. the evaluation of the Noorderslag pop festival (ibid., p. 30) and the contribution to the diversity of the audience for culture in the city, although artistic quality is the most important criterion (see e.g. the evaluation of Urban House, ibid., p. 33). Thus the Kunstraad includes the reach of cultural facilities in its evaluations, but it does not consider the values that are generated for audience members.

In some of the cities, independent advisory boards are not involved in policy evaluation at all. In Arnhem, for instance, the city officials stated that they themselves evaluate policy execution by the institutions by comparing the stated goals of the institutions to their actual realization. However, this implies that such goals are agreed upon before policy

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6 Note that for the largest institutions such as the concert hall and city theatre, the diversity of productions and audiences realized is a criterion as well.
implementation. City officials and the management of institutions both describe the relationship between city officials as ‘intimate’. Information gained from these personal contacts is used to draw up new policies and the city officials organize regular plenary meetings in which they discuss problems with representatives of the institutions. Because of these close relationships, managers of institutions indicate that it is easy to arrange things on the one hand, but they find it difficult to be critical of municipal policies on the other. This informal policy arrangement in 2008 turned out to be difficult, leading to political pressure to formally evaluate the visual arts policies of the city using independent experts (see De Gelderlander, 10 December 2008). This has not been the case for the performing-arts policies.

An interesting feature of the cultural policy practices in Zwolle is that the city aims at introducing new festivals in the city. The advisory board and the city administration work closely together to evaluate the festivals. As the festival – instigated by the city administration – is aimed at both strengthening the production of the performing arts in the city and promoting participation, both the audience diversity and artistic quality of the productions realized have been evaluated. In close consultation with the festival organization, the city administration has drawn up guidelines for future editions of the festival.

In conclusion, it should be remarked that the evaluations by independent advisory boards focus on the cultural institutions themselves and the values they create from a professional perspective. In some cases, the reach of the institutions is included in the evaluations. The values and functions of aesthetic experience are not evaluated in these documents. No new performance indicators can be enumerated.

11.1.5. General-Public Surveys
Several cities in the sample conduct general-public surveys that contain questions relating to the cultural policy (see e.g. Maastricht, 2006, and Arnhem, 2007). In Apeldoorn, a document has been drawn up that summarizes statistical data from various sources, including public surveys (Apeldoorn, 2006b). The indicators gathered from these surveys (see Table 11.3) investigate the reach of cultural facilities in the city and evaluations of the cultural facilities in the city by the general public. Furthermore, they also mention the ranking of the city in the national monitor survey.

11.1.6. Impact Assessment
No specific impact studies were conducted in the period researched. However, specific studies into the impact of the arts were occasionally commissioned by city administrations. Most notable are the economic impact studies conducted in Amsterdam (KPMG, 1996a, b and c) and Groningen (Julien, 1989, and Julien, Ohlsen and De Vries, 1997) that have been discussed in Chapter 8. In their programme budgets and programme accounts, Utrecht and Arnhem refer to general studies that rank cities with respect to culture, such as the Atlas van Gemeenten (Marlet and Van Woerkens, 2007).
### Indicators

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of population visiting cultural facilities in general</td>
<td>Arnhem (2007, p. X)</td>
</tr>
<tr>
<td>Percentage of population visiting specific facilities in the city</td>
<td>Arnhem (2007, p. X), Maastricht (2006, p. 9)</td>
</tr>
<tr>
<td>Involvement in amateur arts</td>
<td>Arnhem (2007, p. X)</td>
</tr>
<tr>
<td>Apeldoorn (2006b)</td>
<td></td>
</tr>
<tr>
<td>Differences in participation based upon age, ethnicity and gender</td>
<td>Arnhem (2007, p. XI)</td>
</tr>
<tr>
<td>Visitors to cultural quarter</td>
<td>Apeldoorn (2006b, p. 10)</td>
</tr>
<tr>
<td>Valuation of cultural quarter by inner-city entrepreneurs and inner-city dwellers</td>
<td>Apeldoorn (2006b, p. 10)</td>
</tr>
<tr>
<td>Valuation of quality of cultural facilities by the general population</td>
<td>Maastricht (2006, p. 7)</td>
</tr>
<tr>
<td>Ranking in national monitors</td>
<td>Apeldoorn (2006b, pp. 10, 91)*</td>
</tr>
</tbody>
</table>

* ranking in Marlet and Van Woerkens (2007)

**Table 11.3 Indicators relating to the performing arts on cultural policy implementation, as found in general-public surveys of Arnhem, Apeldoorn, and Maastricht**

### 11.1.7. Conclusions

From the description above, it can be concluded that evaluation of art policy differs among the cities in the research. Clearly Groningen and Rotterdam have the most elaborate evaluation practices, with mid-term review documents and formally written independent expert advice on both policy execution and future plans. There is extensive reporting on the number of visits to performing arts institutions and the number of productions and performances realized. This is logical for several reasons, the most obvious being that cultural policy is usually realized through subsidizing cultural institutions for whom distributing (and sometimes producing) performances is their core activity. This means that the number of performances and attendance is what the city administration ‘gets’ for its subsidy. The attendance figures can also be viewed as an effort to investigate the reach of cultural amenities. However, to evaluate reach, the number of visitors is more relevant than the number of visits, and information on the socio-economic background of visitors is needed as well. This information is not gathered and reported on a regular basis. When the cultural policy evaluation practices described above are compared to Figure 10.1, it can be concluded that the Dutch municipalities evaluate only a part of the functioning of performing arts in society:

- The aesthetic value of the productions realized is mainly assessed through the use of independent advisory boards. The advisory boards concentrate on evaluations of artistic quality, thus the autonomy of cultural institutions is safeguarded. However, some of the advisory boards do more than solely assessing artistic quality. They evaluate the diversity of the cultural supply in a city and the management of the
institutions is also occasionally evaluated. In these cases, the advisory boards evaluate cultural governance, marketing strategies, staff capabilities and the proposed budgets of the cultural institutions. It can be concluded that the aesthetic values of the productions and the organizational setting in which they are produced and presented to the audience is evaluated mainly through expert evaluations.

- There is no evidence of cities researching the realization of intrinsic values and the occurrence of intrinsic functions at personal level. Although this is the important first step in policy legitimization, these values are not investigated for policy evaluation. Only efforts to assess the reach of aesthetic values in urban society are present through general-public surveys and by the evaluations of independent experts.

- There is no evidence of research into the extrinsic values that are realized for audiences. This is hardly a surprising conclusion as the extrinsic values at personal level were not mentioned in the policy documents.\(^7\)

- In some cases, the functioning of the performing arts at societal level is evaluated through impact analysis. This has only been done irregularly for some cities and for the economic domain. The functioning in the social domain has never been investigated.

Municipal arts policy evaluation thus focuses entirely on the left side of Figure 10.1: the aesthetic value of the productions realized and the organizational setting in which these productions are presented to the audiences. The core of the policy evaluation consists of following the performance of cultural institutions and reporting on aggregate numbers of performances and attendance in the city. The way in which the performance of institutions is tracked differs widely. In some cases, the personal contacts between officials and the management of the institutions is key. The evaluation methods used by Dutch cities apparently leave substantial scope for the professional judgement of managers of subsidized institutions. This can be seen as one of the most important ways to safeguard the autonomy of the cultural sector.

### 11.2. Policy Evaluation in Theory

As cultural policy is mainly implemented through the allocation of subsidies to cultural institutions, this section reviews the literature on the effectiveness of non-profit and art organizations. There is abundant literature on the organisational effectiveness of non-profit and art organizations, and on the assessment of effectiveness through appropriate performance indicators. Since the 1980s, the subject has received much attention, although Schuster (1997) dates the use of performance indicators as far back as the early 1960s. A recent article in the *International Journal of Arts Management* reviews the literature of

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\(^7\) Note that for both the intrinsic and extrinsic values and functions at personal level, it could be that performing-arts institutions evaluate these themselves through audience surveys. Although the cities do not report on the results of such types of research in their policy evaluations, this does not mean that such researches have not been undertaken by the institutions themselves.
performance measurement in the arts sector (Turbide and Laurin, 2009). Because the article focuses on the performing-arts sector, it will be used as a starting point for the investigation. One of the most common statements about assessment of organization effectiveness is that it is a multidimensional concept. Turbide and Laurin advance two reasons for this. First, ‘since the mission of performing arts organizations is generally aimed at enriching the cultural environment through artistic achievement, the performance measurement system they use should put more emphasis on the quality of life performances or customer satisfaction than on financial metrics’ (Turbide and Laurin, 2009, p. 56). The authors researched whether this indeed is the case for performing-arts organizations in Quebec and have found that, although most managers in performing-arts organizations think artistic excellence is the most important success factor for their organization, they place as much emphasis on financial performance indicators as on non-financial ones. Second, the managers think that the funding agencies are the most important stakeholders in these organizations. The stakeholder’s assessment of performance will therefore depend on his or her specific objectives. Therefore performance measurement systems should include the objectives of various stakeholders. This also implies that funders should take an active interest in the performance measurement systems that its donor organizations use (Schuster, 1997). Other authors stress the need for the multidimensionality of performance evaluation in non-profits as well, encompassing measures that balance mission achievement, stakeholder relations, internal procedures and learning and growth (Quinn and Rohrbaugh, 1983); artistic merit, merit for the community and organizational effectiveness (Preece, 2005); mission achievement, artistic merits and financial measures (Krug and Weinburg, 2004); and including both objective and subjective measures (Sowa et al., 2004).

This section will discuss models for the assessment of organization effectiveness. They have a number of characteristics:

- The model has been developed for and/or applied to non-profit arts organizations (or leaves room for artistic dimensions).
- The model accommodates the focus on the benefits of aesthetic experience rather than focusing on an autonomous conception of art.
- The model allows for a focus on outcomes rather than outputs.
- The model allows for different stakeholder perspectives. For the present research, the perspectives of clients, sponsors, the subsidizing government or society (which it represents) and artists should be included (or the model should allow for their inclusion).
- The model should incorporate dimensions that are relevant to external accountability, although they need not be specifically designed for it.8

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8 This means that quality assessment models that incorporate solely internal dimensions are not suitable. It should be noted that the implementation of such models can be a form of accountability to sponsors and subsidizing bodies in itself, because these models can be considered as a form of good governance. Benchmarking systems – the Theater Analyse Systeem (Theatre Analysis System) is used for Dutch theatres – give insight into the functioning of institutions as compared to similar institutions,
The aim of the discussion is to identify which metrics or indicators are used to assess the effectiveness of the organization within which perspectives. The next step in this research is to ascertain whether these metrics can be used for policy evaluation purposes. This involves relating the measures to the framework presented in Chapter 10 and the current evaluation practices of municipalities presented above. It should be stressed that the following discussion of performance evaluation models cannot be regarded as an investigation into which model is the best for performing-arts institutions. This would entail a different research setup.

The discussion in this section starts with the use of performance indicators for policy evaluation purposes, as suggested by Evans (2000), Towse (2001) and Gilhespy (1999 and 2001). Although their contribution to the research on performance evaluation does not provide a model for evaluation, it does point to some indicators that can be useful for the present research. Their work is specifically on (performing) arts organizations and is aimed at the accountability to the subsidizing bodies, which in itself warrants inclusion in this research. Subsequently three multidimensional models of organization effectiveness will be discussed: components of organization effectiveness as suggested by Kushner and Poole (1996), the Balanced Scorecard (BSC) and Public Value Approach (PV). Kushner and Poole’s model has been specifically developed for performing-arts organizations. The BSC was developed by Kaplan and Norton (1992) for for-profit organizations but has also been applied to non-profit settings, specifically for opera (Weinstein and Bukovinsky, 2009) and for policy evaluation in Berlin (Birnkraut, 2008). The basic layout of the BSC has been extended to the Threefold Balanced Scorecard (Boorsma and Chiaravalloti, 2009) which was applied for policy evaluation in Groningen. Public Value (Moore, 1995) is a general theory on the management and accountability of publicly financed organizations which has been applied in the US to Arts Supporting Agencies (Moore and Moore, 2005) and by the Arts Council England (Holden, 2004).

### 11.2.1. Performance Indicators

Performance indicators are basically quantitative measures for the performance of institutions in certain respects. For instance, Schuster mentions some financial indicators, such as cost per audience member, fees paid to performers, cost per number of events, cost per service delivered. In his view, these quantitative indicators are especially useful for comparisons between organizations. But, as mentioned in the introduction, Schuster is wary of the use of quantitative indicators as they solicit strategic behaviour by institutions (Schuster, 1997). Performance indicators are not sophisticated enough to capture outcomes (see also Van der Knaap, 2000, p. 340). Others support the use of performance indicators. Towse points to the relationship between the goals a subsidised performing-arts institution tries to achieve and the generation of data which can be used to evaluate arts policy. Using the Royal Opera House Covent Garden as a case study, she observes that there is tension and they are frequently used for external accountability (see [http://www.vscd.nl/dossiers/16/Theater_Analyse_Systeem_TAS_](http://www.vscd.nl/dossiers/16/Theater_Analyse_Systeem_TAS_)).
<table>
<thead>
<tr>
<th>Goal</th>
<th>Performance Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>To encourage excellence at every level.</td>
<td>Assessment of artistic quality</td>
</tr>
<tr>
<td>To encourage innovation at every level.</td>
<td>Number of commissions of new works by funded organizations (target 2000/01 is 2,375)</td>
</tr>
<tr>
<td>To promote a thriving arts sector and support the creative economy.</td>
<td>Statement of progress: quantitative indicators to be developed</td>
</tr>
<tr>
<td></td>
<td>Amount of commercial sponsorship (target for 2000/01 is £127m)</td>
</tr>
<tr>
<td></td>
<td>Statement of partnership funding.</td>
</tr>
<tr>
<td>To facilitate more participation in the arts by more of the people.</td>
<td>PI for participation to be developed</td>
</tr>
<tr>
<td>To encourage more relevant training for the arts sector.</td>
<td>Arts Council/DCMS support for the National Training Organization of the arts as an entertainment industry</td>
</tr>
<tr>
<td>To encourage better use of the arts in education.</td>
<td>Development of quality assurance scheme for arts organization education policies</td>
</tr>
<tr>
<td></td>
<td>Number of organizations with written strategy for education provision</td>
</tr>
<tr>
<td></td>
<td>Number of education sessions by funded organizations (target for 2000/01 is 2,134)</td>
</tr>
<tr>
<td>To combat social exclusion</td>
<td>Impact of New Audiences fund.</td>
</tr>
<tr>
<td>To improve public perception of the arts.</td>
<td>Those agreeing with the statements:</td>
</tr>
<tr>
<td></td>
<td>‘The arts play a valuable role in my life’</td>
</tr>
<tr>
<td></td>
<td>‘The arts play a valuable role in the life of the country’</td>
</tr>
<tr>
<td>To promote British culture overseas</td>
<td>Statement of progress of international role/co-operation with the British Council.</td>
</tr>
</tbody>
</table>

* It seems odd that the DCMS does not elaborate where this quality should be assessed when excellence at every level is the aim. The formulation ‘at every level’ suggests different social strata rather than different cultural sectors.

**Table 11.4 Performance indicators for evaluating cultural policy**
source: DCMS/Arts Council England as reprinted in Towse (2001, p. 45)

between the proper roles of management of the organization and administration of the subsidy it receives’ (Towse, 2001, p. 38). These tensions can erupt periodically and this does not only result in questions on the management of the institution but also on the managing of this management by the subsidizing governmental body. She describes performance indicators as instruments to evaluate the performance of institutions and gives an overview of the indicators that have been put forward by the Arts Council England and the
Department of Culture, Media and Sports in the UK. The performance indicators are related to policy goals (see Table 11.4).

Apart from the fact that several quantitative performance indicators still need to be developed, this overview makes immediately clear that the policy objectives pursued determine the indicators that need to be used for policy evaluation. It is a matter for discussion whether or not DCMS and the Arts Council England have chosen the right goals to evaluate in this overview. However, it is more important to note that, although some of the goals can be related to the values and functions of aesthetic experience as they have been identified in the present research, others – such as ‘to facilitate more consumption of the arts by more of the people’ – cannot. In addition, some of these performance indicators can be linked to individual arts organizations, others clearly refer to the collective of arts producers. Towse is very much in favour of developing quantitative performance indicators as a tool for use by policy-makers (ibid., p. 48). She may be right in favouring such indicators above inquiries into the management of cultural institutions once a problem has arisen. They may even have the advantage of allowing comparisons between institutions (benchmarking) and thus showing the general public that tax money is being spent prudently, which seems to be her main contention. However, because for public policy purposes she limits her evaluation of performance indicators to the cultural economics domain, her approach is limited. For instance, she equates questions of access to cultural facilities to price policy, ignoring the ‘cultural’ barriers (e.g., the division of cultural capital) entirely. Therefore her analysis overlooks the fact that the key question concerns how to relate variables that can be measured in quantitative terms to the goals that a government actually wants to achieve through cultural policy.

Gilhespy (1999 and 2001) has a wider approach to performance indicators. His articles are aimed at evaluating ‘the appropriateness and sensitivity of performance indicators designed to measure the achievement of certain social objectives’ (Gilhespy, 2001, p. 49). His main argument is that management objectives of cultural organizations should be related to the policy aims of the government or subsidizing body. He identifies ten policy objectives for managers:

- Access Maximization
- Attendance maximization
- Diversity/multiculturalism
- Economy maximization
- Education
- Excellence
- Innovation
- Revenue maximization
- Service Quality maximization
- Social Cohesion
He goes on to develop quantitative indicators to measure the social objectives of access maximization and attendance maximization; e.g., total attendance divided by the total population of a region. Gilhespy is not particularly explicit about this because he is cautious about using this type of quantitative approach. First, it presupposes that cultural organizations are rational, goals-seeking and future-oriented and behave in a strategic manner. This – among other things – implies that they have explicit objectives and policy priorities, which is not always the case. In his view companies that are unclear about their objectives are not worthy of receiving public money (Gilhespy, 2001, p. 55). A significant drawback is that performance indicators do not tell the whole story. ‘An indication of attendance is no indication of the experience gained during that attendance. This raises a significant problem for the indicators developed and tested’ (Gilhespy, 2001, p. 55). Although such quantitative measures may achieve a level of usefulness in that they provide sensitive and useful information if the access to be maximized is defined in relation to certain social groups, Gilhespy is very wary of this approach.

Perhaps we should not attempt to prejudge or determine what the outcomes of attending the arts ought to be. If so, the important matter is to ensure that people have the opportunity to experience the arts and to let them make what they will of their experience. Accepting such an argument means that access maximization is the only social objective that matters. Access in this sense is about attracting and educating new users, to empower people to make choices as to whether the arts are for them (Gilhespy, 2001, p. 57).

The fact that the attendance figures may not reflect the nature of the experience of those attendees is a specific drawback of using quantitative performance indicators for policy evaluation. However, the method has a specific advantage. By closing the gap between policy aims and management objectives, it offers a possibility to evaluate cultural policy respecting the autonomy of cultural organizations. If cultural organizations define their management objectives autonomously, they also define the standards by which their performance should be measured. The second step is up to governmental officials: they need to determine which cultural institutions fit the policy aims of the city.10

In conclusion it can be said that quantitative performance indicators pose some problems when taken as instruments for policy evaluation. First, they require a standard against which the performance should be measured, and this inevitably leads to questions about how high a score should be to lead to a positive evaluation and to questions about who is in a position to determine these cut-off rates.11 Furthermore questions of power arise involving the

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9 Note that the reverse may be true as well: governments that are unclear about their objectives can be considered unworthy of spending public money.

10 Note that Gilhespy’s argument is presented in limited fashion here. He does provide a model for a sophisticated use of performance indicators on three different levels: for management evaluation, for advocacy purposes towards external stakeholders, and as a control mechanism to make strategic choices (Gilhespy, 1999, p. 46). However, his limited list of indicators is the main drawback of his proposals, as he himself is aware.

11 Schuster proposes the use of indicators to establish whether operations are carried out within an acceptable range rather than the use of cut-off rates. He proposes indicators such as cost per audience member (Schuster, 1997, p. 260). However, this does not solve the problem, as someone has to determine an acceptable range for each indicator.
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determination of which performance indicators are relevant and which are not. It is frequently stated that indicators that can be easily measured will take precedence over indicators that are more labour-intensive but capture the values created better. A solution to these problems that respects the autonomy of cultural institutions is to allow cultural institutions determine which items should be measured to evaluate their performance. It follows that it is up to the city administration to draw up general performance evaluations concerning the effectiveness of the whole policy. Second, it turns out that performance indicators are only relevant for policy evaluation when they can be based upon different stakeholder relationships. Each stakeholder relation requires its own indicators to be measured. Third, it appears that quantitative performance indicators in themselves are useful for benchmarking purposes and thus aid in evaluation the efficiency of policies rather than their effectiveness. This is why performance indicators need to be integrated in a more sophisticated system of policy evaluation. Such systems are discussed in the following sections. Last, it can be concluded that relevant measurement points concerning the functioning of the performing arts in urban society cannot be found without audience research on how the public values the arts. In addition, indicators for evaluating access to the performing arts are also useful. Rather than reporting absolute audience numbers, these numbers should be related to the specific groups in society that are targeted by the policies.

11.2.2. Components of Organizational Effectiveness by Kushner and Poole

Kushner and Poole have researched the relationship between organizational success and organization structure with regard to American non-profit performing-arts organizations. In their research, they introduce a simple model to assess organizational effectiveness based upon multiple performance indicators. They hypothesize that the expertise with which an organization is ‘put together’ influences its effectiveness, and they indeed prove that this is the case. They found the best performance in those organizations where managers had created and maintained structures to which the varied partners operating in the organization (be they paid workers or artists or volunteers) felt committed (Kushner and Poole, 1996, p. 132). This suggests that organizational effectiveness cannot be measured only in terms of its external outputs and outcomes. Although these are the most relevant characteristics from a policy evaluation point of view, turning attention to internal measures – such as organizational set-up – can provide information on both the success of the organization, as Kushner and Poole predict, and also on the ability of the organization to be successful in the long run.

Kushner and Poole ‘deconstruct’ organizational effectiveness based upon four components, each of which in itself influences organizational effectiveness and, in a chain, jointly lead to this effectiveness. Each component should be measured using multiple indicators. The components and measures used are:

- Constituent satisfaction, which can be regarded as a first cause and as a result of effectiveness. It is based ‘on utility received in exchange for resources offered’ (ibid., p. 120) indicated by the following measures:

- Breadth of reputation of the organization (from local to international)
- Adherence to aesthetic standards and process innovation and collaboration

- **Resource Acquisition Effectiveness**, which is the ability of the organization to identify the resources needed and to supply acceptable returns (i.e., to those in possession of these resources) indicated by:
  - Success in obtaining artists, volunteers and donations.

- **Internal Process Effectiveness**, which is ‘technical efficiency and internal social and technological systems’ *(ibid., p. 120)* indicated by:
  - Conformance to national standard of governance of non-profit organizations
  - Administrative competence

- **Goal Attainment**, which measures ‘how well the organization reaches stated objectives’ *(ibid., p. 120)*, indicated by:
  - Meeting audiences objectives
  - Meeting budget objectives

These measures were all collected on the basis of an ordinal scale (from 1 to 7). Furthermore, Kushner and Poole measured the financial strength of organizations with a purely quantitative measure which indicated the amount of activities the organization is able to carry out without receiving income. This measure is calculated by dividing the liquid assets of the organization by the total budget. A few criticisms can be levelled at these measures. First, the categories of ‘constituent satisfaction’ and ‘resource acquisition’ seem to overlap. The measure of success in obtaining artists, volunteers and donations is not very specific. Second, goal attainment is measured as reaching pre-specified quantitative targets (attendance numbers and realizing the projected deficit). Although these figures can be regarded as outputs of the organizations, they do not relate to outcomes. For instance, they may specify how many audience members were reached, but they do not specify the nature of the experience that was offered to them. None the less, their assessment of the performance of performing-arts organizations is interesting because it includes both internal and external measures. The categories described above all can be subsumed under the perspectives of the BSC discussed below and the emphasis the BSC places on mission achievement.

### 11.2.3. Balanced Score Card

The Balanced Scorecard (BSC) is a management tool developed by Kaplan and Norton in the *Harvard Business Review* *(Kaplan and Norton, 1992)* and subsequently elaborated in a book based upon their experiences with implementing the BSC in a number of American corporations *(Kaplan and Norton, 1996)* and further elaborated in later years *(see Kaplan and Norton, 2001a and b)*. The concept of the BSC started as an accounting instrument but it developed into a management tool which focuses an organization on achieving its mission.\(^{12}\)

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\(^{12}\) Weinstein and Bukovinsky describe this as organizational alignment: ‘the process of linking the organization’s corporate mission, values, vision and strategy with its plans, processes and actions. It
A BSC is ‘balanced’ because it complements financial variables on the firm’s performance, which, in Kaplan and Norton’s view, are the key variables to monitor organizational success, with measures that express how a company relates to its clients and which process developments have taken place, and that relate how the capacities of the organization have been developed. These perspectives indicate how an organization can remain effective in the long run, but they are not expressed within the financial results of the organization. Financial results are only indicators of the success (or failure) of a company in the past (Weinstein and Bukovinsky, 2009, p. 47) and do not reflect the intangible assets of a company such as employee skills, motivation and customer loyalty (Kaplan and Norton, 1996, p. 7).

Kaplan and Norton propose monitoring a company’s performance by means of indicators chosen along four perspectives:

- **Financial perspective** measuring the financial performance.
- **Customer perspective** measuring a company’s performance with targeted customers and market segments, using outcomes such as market share, customer retention, and new customer acquisition.
- **Internal business processes perspective**, including measures of operational performance with regard to critical processes that deliver value to customers and reduce operational expenses.
- **Learning and growth perspective**, including measures such as employee motivation, retention, capabilities and alignment as well as information system abilities (Kaplan, 2001, p. 357).

A company should choose objectives that relate to the company’s vision and strategy. It is surprising how often companies monitor their performance with measures that are not related to their mission. Targets should be determined for each measure, as well as initiatives to reach these targets. It is important to determine who or which department in the organization is responsible for reaching the target (see Kaplan and Norton, 1996, p. 9). They argue that 20 to 25 well-chosen measures are enough to monitor a company’s performance (see *ibid.*, p. ix). With wisely chosen indicators, the BSC can focus a company on mission achievement. Through its application, a BSC can help a company to

clarify and gain consensus on its strategy, communicate the strategy throughout the organization, align departments and personal goals to the strategy, link strategic objectives to long-term targets and annual budgets, identify and align strategic initiatives, perform periodic and systematic strategic reviews and obtain feedback to learn about and improve strategy. (Kaplan and Norton, 1996, p. 299)

Linking the monitoring of the performance of a company to its strategy is the key to the BSC’s success, which can explain its widespread use in corporations (Weinstein and Bukovinsky, 2009).

allows for current operations and initiatives to be viewed in the context of whether they advance the organization towards its strategic goals’. (Weinstein and Bukovinsky, 2009, p. 48)
Although developed for the profit sector, the BSC has also been applied in the non-profit sector and to arts organizations. Kaplan and Norton argue that its application is even more useful for non-profit organizations because they should be evaluated on the basis of how effectively they meet the needs of their constituents – which, in most cases, involves intangible outcomes that can be reflected in the BSC – and they are especially accountable because they spend public funds (Kaplan and Norton, 1996, pp.179-81). Financial considerations present themselves to non-profit organizations as constraints rather than an objective. This means that the financial perspective should not be at the top of the BSC for non-profit organizations (ibid., p. 179, Kaplan, 2001, p. 353). Kaplan suggests two modifications to the original BSC set-up:

- The overarching mission of the organization should be at the top of the BSC rather than the financial perspective. This type of mission may only be achieved over longer periods of time. This is why the BSC for non-profit organizations needs long-term measures to indicate this. The measures in the other four perspectives of the BSC provide short and intermediate-term targets and feedback.

- In the customer perspective, one should include not only the customers who receive the benefits the non-profit organization provides but also the sponsors who provide the funds to do so (Kaplan, 2001, pp. 360-361).

Kaplan also observes that non-profit organizations have difficulty in clearly defining their strategy and thus have difficulty in focusing the efforts of their organizations. Typically strategy statements include a list of activities undertaken by the organization rather than a short description of the outcomes it wishes to realize. Furthermore, people working in non-profit organizations tend to be focused on the product and the process of creating it and not on the outcomes it produces. Without a clear mission statement, the efforts to implement a BSC will focus on local operational improvements rather than on whether or not the strategy is being achieved (ibid., p. 360). To Kaplan, a BSC helps a non-profit organization to achieve greater accountability based upon its mission, to align all personal and efforts to mission accomplishment and to avoid the trap of ‘attempting to be everything to everyone’ (ibid., p. 369).

Weinstein and Bukovinsky see the challenge of policy evaluation as the task to demonstrate how the satisfaction of the consumers’ needs contributes to the goals of a public policy. In demonstrating the impact of their organizations, the managers of publicly funded arts organizations must balance the specifics of cultural activities, the values their activities create for customers, and an efficient and effective operation of their organizations (Weinstein and Bukovinsky, 2009, p. 43). They cite researchers who argue that key managers in arts organizations lack the necessary skills for implementing proper accounting techniques because they are primarily trained in artistic rather than administrative capabilities. Weinstein and Bukovinsky regard the BSC as a means to address such challenges (ibid., p. 47) and report that the Boston Lyric Opera regards the BSC as a valuable tool for demonstrating
Part IV: Policy Evaluation

its efficiency to possible sponsors and donors (ibid., p. 54). Weinstein and Bukovinsky regard the BSC as an instrument for effective relations between funder and funded, which warrants its discussion here.

The development of an effective BSC begins with the organization having a clear mission. The opera’s mission statement reads:

The mission of Boston Lyric Opera is to produce artistically excellent productions of a diverse repertoire that entertain and inspire audiences, to feature emerging operatic talent, and to engage and educate the community of all ages about opera. By achieving its mission, Boston Lyric Opera ensures the future of opera in Boston and New England for generations to come. (Weinstein and Bukovinsky, 2009, p. 48)

Note that this mission describes how the institution adds value for the audiences (to entertain and inspire audiences), for the operatic profession (to produce artistically excellent and diverse productions, to feature emerging operatic talent and to engage and entertain the community about opera) and the community at large (ensuring the operatic future of the city of Boston and the New England region). This division will be taken up by Boorsma and Chiaravalloti as well. The next step is that the organization should specify short and long-term action plans that will lead to mission accomplishment and measures to monitor each of these action plans. The list of measures should be limited. A common mistake is to assume that everything is important and thus should be monitored. Developing such measures may prove to be relatively easy; e.g., the artistic reputation can be monitored through the mentioning of the Boston Lyric Opera in specific opera journals or on feature pages of newspapers. Other performance areas are harder to measure; e.g., how to evaluate whether or not one has indeed recruited the best talent available? Weinstein and Bukovinsky’s conclusion that implementation of a BSC requires considerable effort seems justified.

Policy Evaluation using the BSC in Berlin

Birnkraut describes the use of the BSC for the evaluation of performance of cultural institutions in Berlin. It is essential to realize that, in Berlin, the BSC has only been used to evaluate the performance of the institutions, and has not been part of an effort to evaluate the cultural policy of the city. Birnkraut argues that there should not be a direct link between the results of the evaluation and funding decisions at all, because the prospect of sharp budget cuts will reduce the readiness of institutions to co-operate with the evaluation. Furthermore, she states that evaluation approaches should not try to evaluate the art itself but should rather ‘assess an institution’s position within its own artistic reference system’ (Birnkraut, 2008, p. 4). This means developing an approach which takes seriously institution’s responsibility for autonomy and, at the same time, supports the public authority’s expectations that the funding will have the desired effect. This procedure is intended to allow a continuous dialogue concerning effectiveness both internally, within the institution, and externally, with the sponsor, thereby establishing the preconditions needed for a continuous quality-management process in terms of a ‘constantly learning organization’. (Birnkraut, 2008, p. 4)

They use the example of the Boston Lyric Opera as described by Kaplan and Campbell (2001).
Thus the BSC-based policy evaluation instrument is a means to have the administration and the management of cultural institutions ‘talk’ to each other. The BSC here provides a common system of thinking to evaluate the performance of institutions rather than a common language. This is a valuable contribution towards the goals of the present research. The evaluation instrument is not aimed at deciding on the goal of the institution, but rather at assessing whether or not it pursues its chosen goal effectively.\textsuperscript{14} To Birnkraut, this is reason enough to omit the intrinsic values entirely. She constructs the BSC based upon four building blocks:

1. Performance and effect; comprising measures dealing with the services the institutions offer and their effects. This includes the knowledge the organization has of its visitors and how this knowledge is gathered and used. Furthermore, in this building block, she looks at the co-operation of the institution with other institutions and the national profile of the institution based upon artistic ‘ratings’ such as prizes and reviews.\textsuperscript{15}
2. Internal potential; comprising measures on staff development and training and the equipment available to the institution.
3. Financial control; comprising measures indicating whether the organization systematically applies financial monitoring and marketing management.
4. Strategic control and targets; comprising measures for the use of business models for strategic target setting, structured internal communications, and the sustainability of artistic programme planning.

For each of these building blocks, questions are formulated with the goal of evaluating whether or not particular processes are implemented in general and, if so, whether this is done systematically in order to assess the quality of these processes and to establish how well the processes have been integrated universally into the organization, and whether or not they are sustainable, thus providing as broad a picture as possible of their effectiveness \textit{(ibid., p 9)}. These questions are distributed among the management of the institutions. By eliminating all issues concerning the values that have been created for the public, Birnkraut reduces her efforts to designing an internal consistency check on the operations of the institution.\textsuperscript{16} Her use of the BSC seems to focus on researching whether or not appropriate

\textsuperscript{14} This seems perfectly suitable for evaluation cultural policy because this is a means to guarantee the autonomy of the institutions themselves: they formulate the standards according to which they want to be evaluated. Thus the dialogue between funder and funded is improved. However, this type of strategy presupposes that politics is aware of the values that \textit{can} be attained through cultural and artistic interventions in society, as they decide which values warrant government support. The discussion of the Dutch policy documents in Part II of this research suggests that these have been written with ample knowledge of the intrinsic values of aesthetic experience. Part II also demonstrated that this knowledge was less extensive with regard to the extrinsic values and that such knowledge is not sophisticated enough for the purpose of policy evaluation.

\textsuperscript{15} It is odd that Birnkraut here speaks of performance and effect but in no way makes clear how ‘effect’ should be incorporated in the evaluations.

\textsuperscript{16} A further criticism is that her division of items within the four building blocks is questionable. She includes ‘marketing items’ under ‘financial management’ rather than under ‘customer satisfaction’.
management procedures are in place rather than focusing on output or outcomes of activities.

Policy evaluation using a modified BSC in Groningen

Boorsma and Chiaravalloti (2009) distinguish three different types of values for art organizations that correspond to three stakeholder groups:

1. **Customer value** by providing customers with artistic experiences.\(^{17}\)
2. **Societal value** by adding to the ongoing (re)construction of culture.\(^{18}\)
3. **Professional value** by adding to the development of the professional field of the artistic discipline concerned. (Boorsma and Chiaravalloti, 2009, p. 7)

This strategic triangle concurs with earlier investigations by Boorsma into the notion of artistic quality where she identified these three ‘fields’ in which quality judgements should be made, whereas quality judgements in the arts policy usually focus on professional value (see Boorsma, 1994 and 1998). The triangle also corresponds to the three ‘fields’ that the Boston Lyric Opera included in its mission, and to the emphasis other authors place on assessing constituent relationships for non-profit (performing) arts organizations. Voss and Voss (2000) propose that a theatre company’s mission should articulate those values to which the organization adheres which are relevant for customers, funders, artists and peer organizations and with the community at large.\(^{19}\) The distinction of these three perspectives on value also corresponds to the second adaptation of the BSC suggested by Kaplan (2001). He proposed including both sponsors and clients in the customer perspective. Boorsma and Chiaravalloti’s study concurs with this, where ‘customer value’ refers to the values created for clients, and ‘societal value’ can be regarded as the reasons why sponsors or governmental bodies provide subsidies. Furthermore, they add the ‘professional value’ which relates the art works produced to the art discipline and the professional values that are present within the arts community.

It is important to recognize that these groups are interrelated. Customers and professionals are part of the society (or community) and thus these three kinds of values are interrelated. At micro-level, these three groups should be translated into audience, government and professional field (Boorsma and Chiaravalloti, 2009, p. 9). It is important to realize that arts organizations do not only fulfil artistic functions. They also fulfil social and entertainment functions for the audience and can satisfy their educational interests although, with the

\(^{17}\) Note that Boorsma and Chiaravalloti do not specify what they mean by ‘artistic experience’, but because they refer to the pragmatist view in arts philosophy their approach concurs with the approach taken in the present research. Where they write ‘artistic experience’, aesthetic experience should be read.

\(^{18}\) Note that in the present research the societal value is defined in a different way, namely, as the values and functions of aesthetic experiences that occur at collective level. However, one can assume that it is through these societal values and functions that the culture within which the experiences originate is reconstructed. The framework presented in Part III of the research seems to be a more sophisticated analysis of these processes than that provided by Boorsma and Chiaravalloti.

\(^{19}\) Furthermore, the three perspectives on value correspond with the perspectives underlying the public value approach discussed in the next section.
emphasis on personal development taken in this research, the question should be raised as to whether or not this is part of the artistic functions as Boorsma and Chiaravalloti define them. For the community, they produce values such as social harmony, quality of life, national identity and prestige, although here again the distinction between artistic and non-artistic functions could have become more clear on the basis of the pragmatist view of arts in society.

While thus expanding his second adaptation of the BSC for non-profit organizations in order to make it useful for arts organizations, Boorsma and Chiaravalloti strictly follow Kaplan’s first adaptation, which involves putting the organization’s mission on top of the BSC. They distinguish between primary objectives for the organization – which should be present in its mission statement – and secondary objectives which involve the ‘regular’ perspectives of the BSC. The only adaptation here is to add external processes to the internal processes perspective. These secondary objectives have a cause-and-effect relationship to the achievement of the mission. Thus the BSC becomes ‘threefold’ as the three perspectives on value are taken into consideration for each ‘chain’ of primary and secondary objectives. Accordingly, a matrix of 15 boxes can be constructed (see Table 11.5) in which the performance of the organization can be scored. Boorsma and Chiaravalloti argue that performance indicators and operational targets should be established for each cell. Some of these indicators can be easily found (e.g., attendance figures) but may not provide the best managerial information as attendance figures do not reflect the values created for the customers. These can better be evaluated on the basis of customer surveys, interviews, or the number and nature of complaints. For management purposes, the use of surrogate measures is not problematic as long management is aware of this and does not confuse objectives with measures.

From a public policy point of view, this table seems very extensive. Note, however, that it is questionable whether all data reported in the secondary-objective cells are relevant. It seems that only the primary objectives are relevant as they relate to the particular value that is being produced for clients, artists and society, whereas the secondary objectives refer to the way in which such values are produced. One can argue that only when these secondary objectives place constraints upon the ability of the organization to produce the primary objectives on a continuous basis is this information relevant to a subsidizing governmental agency, in cases when, for instance, aesthetic values cannot be realized without specific training of staff members and the costs for this training are high compared to the usual budget for staff training. However, this does not imply that the secondary objectives are not relevant to the management of the organization. On the contrary, this information is extremely relevant.

As mentioned in Section 11.1, the table was used as a basis for the evaluation of the performance of the largest cultural institutions in the city of Groningen in 2008 as part of the cultural policy evaluation. The institutions were asked to fill in the entire table using both

20 Furthermore attendance figures are imprecise as they do not reflect the total number of attendees.
### PERFORMANCE DIMENSIONS | KEY STAKEHOLDER GROUPS
---|---|---|---

#### Primary

**Arts organization’s mission**  
How to fulfil the artistic functions expressed in the mission by creating the highest artistic value for key stakeholder groups, and how to support their co-creative role.

<table>
<thead>
<tr>
<th>Customers</th>
<th>Community</th>
<th>Professional Field</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary customer value:</strong> Nature and intensity of artistic experiences’ per artwork per audience segment, and the influence of supportive services.</td>
<td><strong>Primary societal value:</strong> Total number of artistic experiences, distributed amongst social groups, and the dissemination within general culture.</td>
<td><strong>Professional value:</strong> Nature and number of artworks and role within the professional art field.</td>
</tr>
<tr>
<td>Revenues from customers.</td>
<td>Subsidies and funds, from governments, philanthropists, and sponsors.</td>
<td>Prize money and scholarships.</td>
</tr>
<tr>
<td>Development of innovative services to acquire, support, educate and bind customers. Satisfaction and career development of responsible staff.</td>
<td>Development of innovative activities to increase total reach and support dissemination. Improve public relations and fundraising efforts. Satisfaction and career development of responsible staff.</td>
<td>Development of innovative contributions to the professional field. Satisfaction and career development of artistic staff.</td>
</tr>
</tbody>
</table>

#### Stakeholder relationships

How to build a strong reputation and durable relationships with stakeholder groups, and how to beat the competition.

#### Financial Assets

How to manage the contribution of stakeholder groups to the financial assets that are needed to continue to create artistic values.

#### Internal and external processes

How to optimize internal processes and the co-operation with external partners, in order to support mission accomplishment and to optimize the tangible and intangible contributions of stakeholder groups.

#### Innovation and learning

How to learn and improve in order to support mission accomplishment and to optimize the role of stakeholder groups.

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* Note that in this table the term ‘artistic experience’ is used where ‘aesthetic experience’ is favoured in the present research.

**Table 11.5 The threefold Balanced Scorecard for evaluating the effectiveness of arts organizations, as suggested by Boorsma and Chiaravalloti (2009, p. 11)**

quantitative and qualitative performance indicators in each cell. An important feature of this procedure was the fact that the performance indicators in each cell were not selected by the city administration but by the management of the cultural institutions themselves. This allowed them to specify what they saw as the key factors determining the success of the organization. But, to the city administration, the threefold BSC as a whole guaranteed that the performance was presented in a systematic way, enabling comparisons between institutions. The evaluation of the performance of these institutions was part of the larger evaluation of the city’s cultural policy. The larger cultural institutions were subject to this type of retrospect performance evaluation, which was conducted by the independent advisory council of the city. This council used a method where the institutions drew up a self-evaluation report based upon the BSC. This report was the basis for discussion with experts on the arts discipline concerned. The experts drew up a final advice, which consisted of policy recommendations for both the city administration and the institutions. Furthermore, the smaller cultural institutions applying for a four-year subsidy were subject to prospective evaluation by the advisory board. The total of these evaluations was presented to the board of mayor and aldermen who decided on the subsidies for the next four years on the basis of this advice. This means that, for the largest institutions, there is a link between the subsidy level of the institutions and the evaluation of their performance, although most of these largest institutions are funded on a continuous basis in the policy system of the city. In 2008, no budget cuts were implemented on the basis of this type of evaluation. Therefore this method should be viewed as a way for politics to influence the implementation of the cultural policy by the independent institutions rather than as a means to decide whether or not to subsidize the institutions at all.

For the present research, it is of interest to examine the indicators used by the performing-arts institutions to document their performance. Unfortunately, the city administration did not coach or supervise the way in which the institutions used the threefold BSC. As the instrument is fairly complex, involving at least 30 performance indicators (two for each cell), some institutions refrained from using it altogether. Only two performing arts institutions filled out the TBSC as it is presented here. The performance indicators used are presented in Table 11.6.

**Conclusion: BSC and policy evaluation**

A major advantage of using policy evaluation methods based upon the BSC above mere performance evaluation is that the BSC presents performance indicators not as single measurement points, but in relation to each other and to the organization’s mission. A well-constructed BSC identifies the action within which an organization needs to excel in order to achieve its mission, and reports on progress towards mission accomplishment through indicators that reflect both the long-term (primary) and short and medium-term (secondary) perspective. For the intangible parameters that are concerned in cultural policy, BSC methods allow qualitative assessments to be combined with quantitative measures. Therefore, conceptually, BSC is superior to mere performance evaluation. However, the
### Part IV: Policy Evaluation

<table>
<thead>
<tr>
<th></th>
<th>Customer perspective</th>
<th>Community Perspective</th>
<th>Professional Field Perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary Objectives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Arts organization’s mission</strong></td>
<td>Value of experiences realized (measured through audience surveys, although not explained how)</td>
<td>Uniqueness of the productions/acts programmed*</td>
<td>Expert assessments of the quality of productions programmed</td>
</tr>
<tr>
<td></td>
<td>Media attention for acts programmed (pop music venue)*</td>
<td>Support of local/ regional artists.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Percentage of local vs. international artists supported</td>
<td>Social composition of audience (estimation of number of coloured audience members)</td>
<td></td>
</tr>
<tr>
<td><strong>Secondary Objectives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Stakeholder relationships</strong></td>
<td>Frequent visitors (ration of subscribers to general attendance)</td>
<td>Levels of volunteering</td>
<td>Co-operation with other cultural institutions in the city</td>
</tr>
<tr>
<td></td>
<td>Image of institutions for its clients</td>
<td>Work-experience projects realized</td>
<td>Reputation amongst peers and competitors</td>
</tr>
<tr>
<td></td>
<td>Client satisfaction with performances and educational services</td>
<td>Subsidies to the institution**</td>
<td></td>
</tr>
<tr>
<td><strong>Financial Assets</strong></td>
<td>Numbers of paying visitors</td>
<td>Prize money won</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Income from catering and rent</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Internal and External Processes</strong></td>
<td>Support services</td>
<td>Social reach of publicity material</td>
<td>Staff capabilities in programming and coaching of artists</td>
</tr>
<tr>
<td></td>
<td>Specific design of publications</td>
<td>Co-operation between paid and volunteer staff</td>
<td>Staff capabilities in assessing potential of artists</td>
</tr>
<tr>
<td><strong>Innovation and Learning</strong></td>
<td>***</td>
<td>***</td>
<td>***</td>
</tr>
</tbody>
</table>

* Note that this refers to evaluations by critics, i.e. professional judgements.

** As a proxy for the financial relations with the community.

*** No viable operationalizations found.

Table 11.6 Operationalizations of the threefold Balanced Scorecard by two performing arts institutions in Groningen (see Kunstraad Groningen, 2008).
evaluation effort required by the cultural institutions is substantial, although such efforts combine perfectly well with management procedures and internal accounting principles. For instance, the management of the institution can use the BSC method to account for their actions to the board of their foundation. This entails that these methods are only applicable to large cultural institutions where the board of the foundations have no executive responsibilities. However, for most smaller cultural institutions, board members combine executive and controlling responsibilities. Furthermore, constructing a BSC is time-consuming. It is important to limit the number of measures and to realize that not everything is important. The threefold BSC suggested by Boorsma and Chiaravalloti certainly seems too extensive for practical use.

In essence, the BSC is a management instrument which has been applied to the cultural sector and subsequently to policy evaluation on two occasions. In the Berlin case, it appears that the core of what cultural policy is about has been left out of the evaluation entirely. None the less, the model can provide city administrators with valuable information about the functioning of cultural institutions. The application of BSC in the city of Groningen met these issues head on. Here, the solution to the autonomy question has been to ask the cultural institutions themselves to specify the values they aim to produce for the professional field, for their audiences, and for the city as a whole. However, the city administrators do not appear to have been very critical of the way in which the institutions have specified these values. In most cases, the managers of the institutions have resorted to their own estimations of the values they have produced for the audiences and the cities without specifying how they make such estimations. It also appears that the definition of the values created for society in the model presented by Boorsma and Chiaravalloti (2009) is somewhat narrow. They suggest that the societal value can be assessed by specifying the value created for audience members and then multiplying this value by the total attendance figure. However, this overlooks values that can be created through the existence of the cultural institutions themselves, e.g., direct employment effects, volunteer work and experience-building capacities, and does not account for the way in which culture and art have functions in society that accrue to those who do not attend.

11.2.4. Public Value Approach
The Public Value approach to policy evaluation has been developed on the basis of the book entitled Creating Public Value by Mark H. Moore. He introduces a normative theory of how managers in de public sector should behave to create public value (Moore, 1995, p. 1). He presents a well-grounded theory based on literature and a vast knowledge of case studies in the American public sector in the last quarter of the 20th century. To Moore, managerial success in the public sector should be equated with ‘initiating and reshaping public sector enterprises in ways that increase their value to the public in both the short and the long run’ (ibid., p. 10). For the present research, the way in which he defines and measures public value is of primary interest. His theory is important because his views have become influential in cultural policy, specifically in the United Kingdom. The Arts Council England has applied the
Public Value concept (see Bunting 2006 and 2007 as discussed in the Introduction). There are applications for American Arts Supporting Agencies as well (see Moore and Moore, 2005, and see e.g. http://www.cac.ca.gov/programs/cpv200809.php, for the Californian Arts Agency’s policy on public value, accessed 18 Feb. 2009).

Moore distinguishes between politics and administration. In the classical doctrine of public management, public administrators faithfully carry out what politics determines as the goals of the government. This classical doctrine is based on the writings of Woodrow Wilson (see Moore, 1995, pp. 320-2, note 10). Moore discerns two problems with this classical doctrine. First, it assumes that policy goals are always stated clearly and that they are translated into mission statements for public organizations, a problem that has already been discussed in Section 1.5. Second, Moore observes that, where policy requires expert knowledge, public administrators who have this knowledge should be deeply involved in the process of politics rather than waiting for the results to be faithfully implemented (ibid., p. 17; see also Radin, 2006, pp. 236-9). Classical doctrine does not encourage such behaviour and restricts the entrepreneurship of public managers (Moore, 1995, p. 20). In fact, classical doctrine exhibits the same straightforward approach to public policy as NPM. Although Moore has his misgivings about the classical doctrine of public management, he does resort to its basics. In his view, public managers have no choice but to trust in the normative power of the preferences that emerge from politics; they should abide by the stated policies. In this respect, the Public Value approach fits well with the approach taken in the present research while still exhibiting the ambiguities of NPM doctrines. However, Moore does take an important step because he states that when public managers act as ‘explorers for public value’ (ibid., p. 300) this increases the importance of after-the-fact evaluation of the value their explorations have generated. Thus he leaves room for the judgement of professional in implementing public policies.

Perhaps the best that can be said (...) about the moral of obligations of public executives is that they owe a conscientious publicly accountable, effort to search for public value. In that search, they are duty bound to have and articulate a vision. But that vision has to accommodate the aspirations of those in their authorizing environments, as well as what they know or think is important based on their professional or administrative expertise, or what techniques of policy analysis and programme evaluation can tell them. They are also responsible for accurate reporting on what they are doing and what is being produced. The articulation of their purposes and reporting of activities and accomplishments become the crucial signposts that allow them to be held accountable to – and through their accountability, learn from – their overseers. (Moore, 1995, p. 305)

21 The indicators presented in Moore and Moore, 2005, and by the Californian Arts Agency will not be discussed in this chapter because they have been developed specifically for arts financing agencies and not for subsidized organizations. The indicators mainly refer to the subsidy-allocation process itself, such as the administrative costs relative to the budget of subsidies granted.

22 Note that things are usually the other way around in cultural policy: cultural institutions formulate their goals in policy plans which they submit for subsidy to the government, not necessarily incorporating the goals of the government.
In 2003 Moore presented a paper in which he tries to develop a Public Value Scorecard.\textsuperscript{23} With this type of card, he provides ‘measurement points’ for evaluating performance of non-profit organizations. In his view, boards and managers of non-profit organizations should balance their strategies between three – occasionally conflicting – fields:

1. \textit{Values}: the key question here is: ‘Which values does the organization ultimately produce (or contribute to through its operations)?’ These values constitute the legitimacy for the support of the non-profit organization through either volunteering or prices paid for products and services delivered to the public.

2. \textit{Legitimacy and support}: here the board and management should concern themselves with another type of ‘customers’, namely, the authorities that grant the organization the means to carry out their operations. These involve governments (that either grant money to the organization through subsidies and/or specific authorities) and private donors.

3. \textit{Operational capabilities}: here the question is whether or not the organization has the ability to achieve the desired goals. Note that the organization does not need to limit its attention to its own operations. It can improve on its operational capabilities through co-operation with other organizations that share its aims.

Therefore, board and managers in the public sectors should direct their attention \textit{outwards} (towards the values they bring about for clients), \textit{upwards} (towards their authorizing environment) and \textit{downwards} (towards their internal operations) to put it in the terms of \textit{Creating Public Value} (1995). Moore argues that performance measurement should include all three sides of this triangle. Figure 11.1 represents the measurement points that should be included in a Public Value Scorecard, although without specifying the way in which these items should be measured.

Keaney (2006) voices criticism of Moore as he does not allow the public a role in the public value concept. In his conception, the wishes of the public are refracted through the choices of elected politicians. In Keaney’s view, the public preferences should be actively sought and this search is part of the ongoing process of creation of public value by non-profit organizations (Keaney, 2006, p. 13). In fact, this is what Moore himself argues when he sees public managers as ‘explorers of public value’. The value of the Public Value concept for the present research is, therefore, that it draws attention to the ‘unsought’ and ‘unexpected’ element of cultural enterprise which should be taken into account in policy evaluation. This means two things: (1) values reported by the cultural institutions that are not part of the stated policy goals should not be disregarded easily – although they have a different status than values that correspond with public policy goals – and (2) it should be recognized that aesthetic experience does not always have positive effects in all domains of life. These points concur with Holden’s rendition of Public Value, which may not always be the value that was originally intended. He gives the example of an educational space in a gallery that is

\textsuperscript{23} In this paper, he compares BSC-based evaluation methods for non-profit organizations to the Public Value approach. However, because he uses the standard BSC model which is applied to profit
supported by a funder whose aim is to encourage children to visit the art gallery. However, when the school teachers of these children do not find the time to visit the gallery, the space is used by adult amateur artists. In this case, public value has certainly been created, but not the intended value (Holden, 2004, p. 52).

In 2004, Holden wrote a pamphlet on the adoption of the Public Value approach into the cultural sector as an answer to the challenge put forward by the British Secretary of State for

\[\text{Figure 11.1 Public Value Framework for Accountability and Performance Measurement} \]
(reprinted from Moore, 2003)
culture to develop a new language in order to discuss the value of culture. He agrees with those who argue that a broader method of thinking about the goals and performance or public policy is needed than is conventionally used within the NPM literature. Public Value encompasses more values than can be reported in numbers, and it also addresses broader values such as equity and accountability (see Holden, 2004, p. 41).

At its most basic, Public Value is the value added by government and the public sector in its widest sense (…) in other words, it is the difference between what citizens give to and what they receive from public bodies. Citizens recognize value when they give up something in return for it, rather than merely saying that they are prepared to give something up. In the case of culture, on the input side of this equation there would appear direct financial contributions, including buying tickets and making donations, as well as a willingness to see tax revenues spent on supporting the sector. But on top of that, and of particular importance in relation to culture, is the commitment of time and energy by the public. Hours spent visiting, using, enjoying and travelling to and from cultural activities demonstrate that the public values them. A higher degree of commitment is shown in volunteering (…). Volunteering does not have Public Value as an outcome or benefit; rather in itself it creates and embodies Public Value through the development of social relationships and affective attachments to culture. (Holden, 2004, p. 42)

This quote clearly shows that Public Value as a notion is related to business studies. The concept of added value reflects Michael Porter’s notion of value chains for instance. It is surprising that someone who so adamantly wants to develop a language that differs from economics or business management (which also is the language of NPM) uses concepts that come straight from the same source. The above quote also is problematic due to the fact that, although it claims to be specifically about the arts, it is not in actual fact. Counting volunteering as part of the public value generated by artistic activities may be a correct way to demonstrate this value, but the same holds for volunteering in other domains of society, even in the world of business where volunteering may occur as part of company’s training people who are trying out a new career or who have been unemployed for a long time. Furthermore, counting the investment in terms of both time and money spent by the attendees at the performing arts may seem a viable way to demonstrate their public value. However, such investments also occur in the non-subsidized performing-arts sector, such as people travelling considerable distances to see their favourite performer live on stage for instance, as is the case with most pop concerts. This would imply that the public value of the non-subsidized arts is greater than the subsidized arts sector almost by definition.

Despite such criticisms, the Public Value approach does point to the fact that the value created by cultural or artistic activities is not only reflected in the value that is generated for its audience, though this value forms an important part of public value. Therefore, it is worthwhile to look at the elements Holden suggests that should be included in demonstrating public value and the way in which he tries to measure these elements. Throughout the text of his pamphlet, he mentions several elements that should be included in determining public value:

Part IV: Policy Evaluation

- The value created for the public. This value is reflected in time spent in volunteering and money allocated to the arts through taxation.
- The value created for the attendants of performing arts. This is reflected in the money spent on tickets, and time and money spent on transportation and attendance.
- A professional judgement of the value created by the producing and/or financing organization. Public administrators should not adopt a stance of professional neutrality, but should explicitly articulate the values that they in fact promote. Typically NPM offers a vocabulary that appears to be value-free, but actually mystifies the values that are really at stake. Moore and Holden obviously agree here.
- The legitimacy of the political process that leads to the policy that is being implemented. This point relates to the emphasis Moore puts on the ‘assignment’ that public sector managers receive from the administration as a basis for determining Public Value. Note that Moore adds that public sector managers should be critical of such assignments on the basis of their professional standards and expertise knowledge, which relates to the preceding point.
- The adherence to general values (such as equity and sustainability) by the organization that produces the public goods in question.

Here, Holden clearly adheres to the underlying logic of the BSC methods that rely on a diverse definition of values to be created for different stakeholders. Holden’s argument is ‘that an essential part of the process of creating [public] value flows directly from the actions and existence of the provider organization itself, as well as from the experience and satisfaction of the citizen’ (Holden, 2004, p. 44). Therefore the mission of the providing organizations should be considered as integral to the creation of public value, as well as ‘the categories, criteria or public legitimacy of the policy processes that award the funding’ (Holden, 2004, p. 44).

Holden elaborates his argument by presenting a table in which he gives an example of how cultural value might be captured from a funder’s point of view (see Table 11.7). The values mentioned under cultural value have been derived from literature on anthropology and ‘material cultural studies’ (ibid., p. 35) where these different aspects of cultural values are often mentioned. Historical value refers to ‘a special relationship with the past; a concept resting on particular viewpoints of history’. Social value refers to ‘Places and things that tend to make connections between people and to reinforce a sense of unity and identity’. Spiritual value addresses ‘aspects of the religious, the numinous and the sublime’ (ibid., p. 35). Holden

25 Holden himself does not distinguish between the (general) public and attendees at the performing arts. If he had done so, his argument would have been more precise.
26 Given that his pamphlet has been published in the British arts sector, he does not clearly distinguish between the financing organizations (the Arts Councils for England, Scotland and Wales) and organizations that receive grants from these councils and actually produce cultural events. In the British system, grants are not supplied by the government itself but by the arts councils who in turn have an accountability towards the government. In the Dutch case, the state and city governments themselves hand out subsidies, although the use of private funds in Dutch cultural politics is growing. The arguments put forward by Holden can be applied to independent financing organizations and governmental bodies alike.
concedes that aesthetic value is a highly problematic category ‘involving dispute about what is beautiful but also about who has the power and authority to take decisions on what is beautiful’ (ibid., p. 35). Here his argument obviously lacks precision.

The table may seem complete and demonstrates that the public value created by cultural activities is multi-layered and in fact consists of various types of values. However, the relationship between these values and the specific nature of cultural or artistic activities is not considered at all. In other words, the fact that the aesthetic nature of the activities does or does not contribute to the other values being produced is deemed irrelevant by Holden. He does distinguish between instrumental and intrinsic values, but is reluctant to include the relationship between the two in his analysis. The intrinsic values are represented by the cultural values he includes in the table, but the measuring instruments he lists are vague. The same applies to the values he mentions under ‘well-being’. Here, he refers to social capital without really researching how this should be measured (see Chapter 9). Given his misgivings about the NPM’s number fetishism, it can be assumed that he favours qualitative descriptions of intangible values of this kind. However, such descriptions are useless for policy evaluation purposes when the causal link between the values produced and the specific nature of the activities subsidized is not clear. When all these values can be attained through other activities, such as sports for instance, there is no argument why public funds should be directed towards art. In that case, the choice should be to invest in activities which have most reach among the population. Holden would reply to this criticism that his scheme clearly includes specific cultural values that can only be attained by cultural activities. Excluding them would mean that one only values cultural policy instrumentally. But at this point, his argument is most vague because he does not make clear what these cultural values are – most strikingly the aesthetic values – and how they should be measured. Furthermore, he ignores the question as to whether and how the values mentioned under ‘well-being’ depend on the realizations of these cultural values for instance.

To summarize, the idea of public value as a rich concept is attractive to evaluating cultural policy. It focuses attention on the values realized for individuals in society and also on values which are realized in the course of producing the performances as a consequence of the existence of performing-arts organizations and which relate to the whole of the cultural sector in a city, such as the values under systemic resilience for instance. However, such a rich notion needs elaboration at several points:

- It should be explained how the various values are dependent upon another.
- It should be explained which values are dependent on the aesthetic nature of performing arts.

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27 Holden also distinguishes ‘symbolic value’, which he defines as ‘repositories of meaning’. However, for reasons unknown, he does not include symbolic value in his assessment of public value.

28 The values mentioned under ‘cultural systemic resilience’ clearly refer to the tasks identified in cell A of Table 4.6. These tasks even provide more precise measuring points than Holden’s account. However, the fact that Holden introduces professional judgements for the purpose of policy evaluations is valuable.
<table>
<thead>
<tr>
<th>Value (defined by mission; generating legitimacy; and manifested in organizational process)</th>
<th>Value recognition (strategy implementation)</th>
<th>Value recorded (accountability)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhanced trust in public bodies</td>
<td>% satisfaction among successful and unsuccessful funding applicants, and % intention to reapply</td>
<td>Quarterly customer care surveys</td>
</tr>
<tr>
<td></td>
<td>Propensity of opinion leaders to assess organization favourably</td>
<td>Opinion leaders survey</td>
</tr>
<tr>
<td></td>
<td>Match between funder’s aims and public perception of funder’s achievements</td>
<td>Strategic objectives, surveys and opinion sampling</td>
</tr>
<tr>
<td></td>
<td>Public awareness and perceptions of funder</td>
<td>Opinion sampling</td>
</tr>
<tr>
<td>Equity and fairness</td>
<td>Per capita distribution of funds</td>
<td>Funder’s database</td>
</tr>
<tr>
<td></td>
<td>% funding to deprived communities</td>
<td>Evaluations</td>
</tr>
<tr>
<td></td>
<td>% project delivering access benefits (intellectual and physical)</td>
<td>Evaluations</td>
</tr>
<tr>
<td>Cultural systemic resilience</td>
<td>Diversity of size and type of organizations funded</td>
<td>Funding database</td>
</tr>
<tr>
<td></td>
<td>Assessment of cultural value generated (see below)</td>
<td>Critical reviews, peer reviews, professional opinion</td>
</tr>
<tr>
<td></td>
<td>Adequacy of risk-taking</td>
<td>% financial and critical failures and relationship of the two</td>
</tr>
<tr>
<td>Cultural Value</td>
<td>Aesthetic value</td>
<td>Critical and peer reviews, press comment, opinion sampling</td>
</tr>
<tr>
<td></td>
<td>Historical value</td>
<td>Academic commentary</td>
</tr>
<tr>
<td></td>
<td>Social value</td>
<td>Opinion sampling</td>
</tr>
<tr>
<td></td>
<td>Spiritual value</td>
<td>Critical and peer reviews, press comment, opinion sampling</td>
</tr>
<tr>
<td>Well-being</td>
<td>Number of communities showing positive relationship between funding and social cohesion</td>
<td>Data on participation rates and diversity of participants</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Case studies measuring social capital before and after funding</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Secondary evidence showing links between social capital and further well-being benefits, e.g. crime reduction and health</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Well-being (continued)</th>
<th>Number of communities showing positive relationship between funding and health</th>
<th>See above for evidence of social capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prosperity and employment</td>
<td>Direct income revenue from tourism</td>
<td>Local and regional data</td>
</tr>
<tr>
<td></td>
<td>Change in employment</td>
<td>Employment data</td>
</tr>
<tr>
<td></td>
<td>Evidence of local economic regeneration</td>
<td>Evaluations, opinion sampling, press reports</td>
</tr>
<tr>
<td>Learning</td>
<td>Increase in engagements with educational sector and with out-of-school activities; quality assessments</td>
<td>Feedback from schools and partners</td>
</tr>
<tr>
<td></td>
<td>Delivery of generic learning outcomes</td>
<td>Evaluations; link with secondary evidence regarding role of enjoyment in effective education</td>
</tr>
<tr>
<td>Value for money</td>
<td>Money going towards administrative costs as % of overall revenue</td>
<td>Management accounts</td>
</tr>
<tr>
<td></td>
<td>Cost of processing funding applications</td>
<td>Management accounts</td>
</tr>
<tr>
<td>Recognition of value within the community</td>
<td>Media coverage</td>
<td>Media monitoring</td>
</tr>
<tr>
<td></td>
<td>Community feedback</td>
<td>Opinion polls, focus groups, unsolicited communications</td>
</tr>
</tbody>
</table>

**Table 11.7 Public Value evaluation**
(reprinted from Holden, 2004, pp. 52-5)

- It should be researched how the various values can be measured or assessed quantitatively and/or qualitatively.

Without such knowledge, the notion of public value remains empty and open to debate, and consequently does not help evaluate cultural policy very convincingly. One may doubt whether or not such a broad concept as ‘public value’ actually helps in evaluating cultural policy, for critics of such policies will not be convinced by values that are not related to the specifics of cultural activity. They will argue that the cultural activities can simply be supplanted by other types of activity. Therefore, a more sophisticated concept of the values to be considered in policy evaluation is necessary. However, the framework discussed in Parts II and III of this research complements the public value approach on this crucial weakness.

With *cultural value*, Holden introduces the most elusive value of all. Here, the judgement is relayed to professionals, although he also mentions opinion sampling (but neglects to mention from whom). The emphasis on expert judgements is surprising given the premise of Public Value that it resides – among other things – in the value created for the audiences attending the performing arts. However, by pointing to the various ways in which cultural
value should be assessed (aesthetic, historic, social and spiritual), he clearly has a broad concept in mind that involves many different perspectives for assessment. But in no way does he make it clear how this assessment should take place. Furthermore, it appears that social value is an elusive category which theoretically coincides with the value of recognition or value within the community. Although the indicators mentioned here (media coverage and community feedback) are relevant, it seems that they do not entirely reflect the social value. As stated above, Holden in no way clarifies how the wider societal benefits of the arts in society are realized. Under ‘well-being’ and ‘prosperity and employment’, he introduces the concepts that have been discussed in Chapters 8 and 9. With regard to ‘social value’ he suggests indicators that simply cannot be directly related to aesthetic experience.

In short, the concept of public value is useful because it broadens up the evaluation of cultural policy by encompassing different values and not focusing on single performance indicators. However, the crucial cultural values are not defined and are left to professional judgement. Therefore, the Public Value approach should be complemented by a narrative of the way in which intrinsic values for individual spectators are translated into wider societal benefits. Furthermore, Public Value points to several indicators that might be included in a model to evaluate performing-arts policies by cities, and consequently taken as a context to describe the functioning of the performing arts in urban society.

11.2.5. The Use of Management Instruments for Evaluation of Public Policy

The methods described in this section have the distinct disadvantage that they are management tools in the first place rather than policy evaluation tools. Public Value comes closest to a policy evaluation method because it not only includes information on the performance of (private) institutions that execute cultural policy, it also contextualizes this information by focusing attention on the cultural sector as a whole. However, the approach still leaves it up to the city administration to aggregate the results from the public value of each institution. This does not seem unfair, because one can argue that the responsibility of the management of cultural institutions is to their own institution and not to the city as a whole. The advantage of both the Balanced Scorecard and Public Value approaches is that they allow managers to present their performance systematically within a context that may allow the city administration to aggregate the results. The following chapter discusses how this can be done. Furthermore, the application of the Public Value approach has yielded insights into variables such as the resilience of the cultural sector, which allow for a broader approach to policy evaluation than performance evaluation.

However, the concept of public value in no way provides accurate measuring points for evaluating the functioning of the performing arts in society, which is a criticism that can also be levelled at the (Threefold) Balanced Scorecard. In a sense, it seems accurate to base policy evaluation on the implementation of the policy by (private) institutions, because it allows institutions to specify their own mission, which should be framed within the municipality’s total policy objectives for public policy evaluation. This freedom for the institutions is an
important aspect in safeguarding the autonomy of artists and arts organizations. However, the scorecard does not specify how the values and functions that a cultural institution claims to be realizing for the audience or for the city as a whole should be reported. The experiment in the city of Groningen has not yielded convincing methods of establishing whether or not the values that can be associated with aesthetic experience have actually taken place. None the less, the method is useful because it distinguishes between:

(a) values created for the professionals,
(b) values created for the audience,
(c) values created for the city as a whole.

Moore would certainly agree with these distinctions. His Public Value Scorecard is structured according to the direction of the energies of subsidized institutions. His outward orientation (‘creating public value’) regards the products and outcomes of organizations, and here he should have distinguished between the different stakeholders. His upward orientation (‘expanding support and authorization’) is reflected in some of Boorsma and Chiaravalloti’s categories, most notably reputation among funders. His downward orientation (‘building organizational capacity’) clearly mirrors Boorsma and Chiaravalloti’s secondary objective of internal processes.

None of the methods provides instruments to measure whether or not the values and functions of the performing arts as they have been identified in this research have indeed occurred. In the Balanced Scorecard and Public Value approach, this is left to the discretion of the cultural institutions themselves: they should specify the values they produce for their audiences. The shortcoming of both approaches is that they should not only specify these values but also have to make clear how they evaluate their realization. As discussed with regard to the adoption of BSC in Groningen, this leads to very different arguments. Theoretically, these arguments should be based upon some sort of audience survey. The types of surveys needed will be discussed in the next chapter.

A last issue that should be discussed is the use of quantitative measures to evaluate performance. Towse (2001) greatly favours quantitative approaches of this type because they allow comparisons between cultural institutions (benchmarking). Although benchmarking may yield important management information – only under the condition that the institutions against which the benchmark is carried out are indeed comparable – the question of efficiency is a moot point. Policy evaluation should focus primarily on goal attainment rather than on efficiency. None the less, the use of quantitative data is important in policy evaluation. First, just as it is important to know the number of clients or patients reached in health and welfare policies, it is important to know the number of visitors and the social composition of audiences when dealing with cultural policy. Second, quantitative methods (such as public or audience surveys) can be used to shed light on the values realized through aesthetic activities.
### Table 11.8 Evaluation of values produced from the perspective of the audience

<table>
<thead>
<tr>
<th>Value assessed</th>
<th>Short explanation</th>
<th>How to assess (as suggested by the authors discussed in this section)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluation of primary objectives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nature of aesthetic experience</td>
<td>Assessing the occurrence of the personal values aesthetic experiences can give rise to</td>
<td>Survey of the audience</td>
</tr>
<tr>
<td>Influence of supportive services on the aesthetic experience</td>
<td>Assessing how supportive services influence aesthetic experience and the values they give rise to in themselves</td>
<td>Survey of the audience</td>
</tr>
<tr>
<td>Evaluation of secondary objectives</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Cultural education and other ancillary services | Assessing the efforts of cultural institutions to enlarge reach in society | Data that can be gathered from annual accounts of subsidized organizations:  
  - Percentage of funds devoted to ancillary services  
  - Number of engagements with educational sector  

Data to be collected by the administration:  
  - Number of organizations with written strategy for education provision  
  - Number of education sessions |
| Internal procedures                  | Assessing management capabilities of the arts organizations to enhance and retain public | Data that can be gathered from annual accounts of subsidized organisations:  
  - Percentage of funds devoted to marketing  
  - Use of customer information  
  - Staff marketing skills |
| External relationships               | Assessing the ability of the organizations to engage with their environment in creating their offerings | Data that can be gathered from annual accounts of subsidized organisations:  
  - Co-operation with other cultural institutions  
  - Connected funds |
Evaluating values from the perspective of the audience

The primary objective of arts organizations is to produce artworks that enable aesthetic experiences. The nature and intensity of the experience and the influence of supportive services are the most important evaluation points from the audiences’ perspective, according to Boorsma and Chiaravalloti. Holden uses the term ‘aesthetic value’ here, and his ‘spiritual value’ can also be linked to the nature of the aesthetic experience. Boorsma and Chiaravalloti suggest that arts organizations should decide how to evaluate these; nevertheless, some sort of survey of the audience is needed to gain insight into the values that have actually been created. Holden points to the importance of opinion sampling, but does not elaborate how this should be done. Holden’s conception of social value and historical value refer to issues of identity in relation to different groups in society or to heritage. These can be related to the total customer value that Boorsma and Chiaravalloti describe, because they not only refer to the – in their definition – artistic values but other values of the experience as well. Neither Holden nor Boorsma and Chiaravalloti are specific about the source and nature of these values. However, it is necessary to distinguish between intrinsic values, which relate to the communicative frame during the performance, and extrinsic values, which relate to the organizational setting. Again Holden advises opinion-sampling as a method to describe this value. Furthermore, he mentions the value of learning whereas personal development is used in this research. He suggests evaluating this value by means of the delivery of generic learning outcomes through evaluations, but he does not make clear who should be evaluating and how. He also mentions that a link should be made with secondary evidence. This may be true, but it is hard to imagine how this secondary evidence (presumably he refers to academic achievement in the population) can be directly linked to the aesthetic experiences of this population.

Boorsma and Chiaravalloti turn attention to the fact that value also can arise from ancillary services. They see these services as ways to enhance customer satisfaction, attract new customers and retain existing customers. Holden’s values of equity and fairness and learning can be related to these educational and ancillary services because the accessibility of the arts and thus aesthetic experiences is enlarged through these services. From the point of view of this research, these categories relate to the tasks mentioned in cell A of Table 10.1, the tasks that exist for cultural organizations. Particularly when cultural education is part of the goals of the city government, it is important to register the projects that enhance access to cultural facilities (psychological and physical) and to register increases and decreases in engagements with the educational sector by cultural institutions, which are measuring points suggested by Holden. Such information should be available from the annual reports of cultural institutions. It is not clear why Holden also refers to quality assessments here. Note that evaluation through these means is of a different order than the evaluation of the occurrence of non-artistically and artistically aesthetic values and functions. This concerns an evaluation of the efforts to improve the reach of these values and functions in society. Therefore, an assessment method that indicates the nature of the experiences of audience members would seem to be appropriate.
Furthermore, Boorsma and Chiaravalloti mention a host of measuring points for assessing the financial and internal processes and external relationships of cultural institutions. They group these under ‘secondary objectives’. None the less, these can give rise to public value and therefore should not be excluded entirely from policy evaluation. Boorsma and Chiaravalloti point to the capability of the staff to retain and enhance their public. Moore (2003) also points to staff capacity as an important part of creating public value. Moore and Boorsma and Chiaravalloti refer to the external relationships of the arts organizations as important ways to create public value. Not only do these external relationships increase efficiency by pooling resources (Holden’s value for money), they also indicate that the organizations recognize that the other is creating something of value. The annual reports of subsidized institutions can provide information on these issues. The above is summarized in Table 11.8.

Evaluating values from the professional perspective

Boorsma and Chiaravalloti here focus on the nature and number of artworks produced and the role these artworks play in the professional field. Moore points to organizational output, and it can be assumed that Holden’s aesthetic value as a concept also includes the artistic merits of the works produced. These are usually reported in the annual reports of performing-arts institutions. The reports list the productions realized (along with the attendance figures) and they are usually accompanied by an assessment of their artistic value (as a property of the production), as can be seen from critical reviews of the work. Copies of such reviews are sometimes included in the annual reports. Boorsma and Chiaravalloti mention the reputation and position of the artists working in the institution and prize money and scholarships they have won as criteria for assessing the artistic quality of the productions realized. For cultural policy evaluation, these issues are important because they contribute to the ability of artworks to provide aesthetic experiences, and boost the image of the arts organization and, through this, the image of the city.

Besides the artworks themselves, the professional reputation of the artists producing them is also important. Usually such reputations are used as proxies for the quality of the artworks they produce. Therefore, Boorsma and Chiaravalloti mention the reputation of the artistic staff members as measuring points for performance evaluation. They and Moore point to artistic co-operation as important evaluation criteria. Holden here refers to the value of cultural systemic resilience. He also mentions the adequacy of risk-taking, which Boorsma and Chiaravalloti describe as ‘development of innovative contributions to the professional field’. However it is strange that they distinguish between this item and the position of the artworks produced in the field. It seems that the innovative contribution of a work is what determines its position within the professional field. Therefore this should not be regarded as a separate item for policy evaluation purposes. These are all qualitative indices of the values produced.

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29 As discussed above, most reception venues in the Netherlands do not report so elaborately but merely state their programming policies.
With the value of cultural systemic resilience Holden has pointed out the importance that cultural institutions have for one another, a theme already encountered in the national policy documents (see Chapter 2). For cities aiming at fostering the production climate in the city (such as Utrecht in the past and Breda currently), this is an important variable to measure. However, with regard to the legitimization of cultural policy in the Netherlands, which focuses on the values that the experience of the artworks produce for audiences and society, these issues should all be regarded as secondary objectives. This means that, from the professional perspective of cultural policy evaluation, the only indicator for primary objectives is the artistic quality of the productions realized and distributed.

<table>
<thead>
<tr>
<th>Value assessed</th>
<th>Short explanation</th>
<th>How to assess (as suggested by the authors discussed in this section)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluation of primary objectives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The artworks</td>
<td>Assessment of the artistic quality of the works (as property of the productions)</td>
<td>Expert evaluations through independent advisory boards and critical reviews</td>
</tr>
<tr>
<td>themselves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation of secondary objectives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Position of the artworks in the field</td>
<td>Assessing the contribution of the works produced to the development of the expressive possibilities</td>
<td>Expert evaluations through independent advisory boards and critical reviews. Jury report on prizes won.</td>
</tr>
<tr>
<td>of the discipline</td>
<td>of the discipline</td>
<td></td>
</tr>
</tbody>
</table>
| Cultural systemic resilience          | Assessment of the contribution of the arts organization or the artists to the development of the cultural system as a whole. | Data that can be gathered from annual accounts of subsidized organizations:  
• Co-operation with other artists  
• Peer reviews  
• Critical reviews  
• Prize money awarded to the artist/organization  
• Percentage of funds devoted to experiments or risk full productions  
• Number of commissions of new work |
| Reputation                             | Assessing reputation of the organizations (rather than the artists working in it)                     | • Expert evaluations  
• Mention of the organization in professional journals and media |

Table 11.9 Evaluation of values produced from the professional perspective
Evaluating values from the community or society perspective

From this perspective, the theories of Boorsma and Chiaravalloti and Holden are least helpful in providing measurement points for the evaluation of cultural policy. Boorsma and Chiaravalloti do mention the community perspective but, as stated above, they resort to a very simple definition of recording this value: multiplying the individual experiences by the attendance figures. This does not shed light on the societal functioning of performing arts. However, their emphasis on evaluating the distribution among social groups does help. This presupposes that the cultural policy stipulates which groups should be targeted at. Once this is the case, the success of the policy can be assessed by recording the spread among these groups. Holden’s value of equity and fairness come into play here. He suggests recording the percentage of funds devoted to deprived communities and the percentage of funds devoted to projects that deliver access to cultural amenities (physical and psychological). These may be proxies for the efforts put in by cultural institutions – and this alone may warrant the reporting of such figures by the institutions in the absence of better figures – but these figures do not record the societal functioning of the performing arts, as described in the framework in Part III. Holden mentions the values of well-being and prosperity and employment, which mirror the functioning of the performing arts in the social and economic domains, as described in the framework in Part III. He proposes assessing well-being through the number of communities that show positive relationships between funding on the one hand and health and social cohesion on the other. However, he does not make clear how this should be done.

Boorsma and Chiaravalloti and Moore refer to staff capabilities in the area of fund-raising, public relations, and supporting the dissemination into the general culture. However, because they do not make clear exactly what they mean by ‘dissemination’, their argument lacks the precision of the framework presented in Part III. These all are secondary objectives in the BSC framework. The values and measuring points mentioned here provide no direct information for evaluating the societal functioning of the performing arts. However, from a policy-evaluation point of view it can be deemed relevant to measure these capabilities because they provide information on the ability of cultural institutions to disseminate cultural products within society on a continuous basis. Therefore, it seems that, although the internal procedures of cultural institutions do not provide information on the functioning of the performing arts in society itself, they are nevertheless relevant to securing the continuity of cultural policy. Moore refers to capabilities of the management to build relationships with the government and sponsors and the diversity of sponsors. This last issue, the diversity of sponsors, can be considered as a proxy for estimating the societal worth of what a cultural institution is accomplishing. In a similar vein, the reputation of the organization in the media can be considered a proxy for its societal worth, as can be evidenced from the coverage on the organization in question and/or its productions. Its credibility with other civil society actors can also be a proxy. This type of credibility can be seen in organizations in fields other than the cultural one, which co-operate with the cultural institutions. All these proxies can be
measured through the annual accounts obtained from the cultural institutions, when these accounts contain full documentation of these links with society.

<table>
<thead>
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<th>Value assessed</th>
<th>Short explanation</th>
<th>How to assess (as suggested by the authors discussed in this section)</th>
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<tr>
<td>Economic impact</td>
<td>Assessing impact on economic functioning of performing arts</td>
<td>Not provided</td>
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<tr>
<td>Social impact</td>
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| Societal worth         | Assessing the number of institutions and individuals that deem the operations of the cultural institutions valuable | Data that can be gathered from annual accounts of subsidized organizations:  
• Diversity of revenues of the cultural institution (other subsidies, sponsors, philanthropists)  
• Reputation in the media as evidenced in coverage on the institution and/or its products  
• Co-operation with institutions outside the cultural field  
• Number of volunteers |
| Cultural systemic resilience | Assessing the diversity of the cultural sector in a city as a proxy of the ability of its productions to function in different settings | The diversity of size and type of cultural institutions in the city (subsidized and commercial) in terms of the types of audiences aimed at |
| Public Value recognition | Assessing the extent to which professionals and the general public appreciate (the products of) the institutions. | Data that can be gathered from annual accounts of subsidized organizations:  
• Media coverage  
• Community feedback to cultural institutions |
| External relations      | Assessing the capability of the staff of cultural institutions to provide services on a continuous basis | Data that can be gathered from annual accounts of subsidized organizations:  
• Staff credentials  
• Staff training |

Table 11.10  Evaluation of values produced from the perspective of the community or society
Holden’s value of cultural systemic resilience is relevant as well, as he suggests measuring the diversity in the size and types of organizations funded. This is aggregate information which the city administration can provide. The diversity should be determined not only in terms of size but most specifically in terms of the diversity of the types of audiences aimed at. The more diverse these audience groups, the more reach the aesthetic experiences can have in society, and the greater the chance the city has of attracting the creative class because of the diversity of amenities offered. However, there is no reason why assessing the diversity of cultural amenities in the city should be limited to the subsidized cultural institutions, because the commercial amenities in the city also have a role here, as it cannot be excluded that they provide aesthetic experiences that yield the same values and functions, only for different groups in society.

A last measuring point concerns the recognition of value within the community (Holden), visibility and legitimacy among the general public (Moore), and reputation among the general public (Boorsma and Chiaravalloti). This can be assessed through general public surveys, focus groups and opinion polls. Also media coverage and forms of community feedback to cultural institutions, e.g., comments on the website of cultural institutions by visitors or the general public are evaluation points here. Again these are proxies and not measurements of the social functioning of performing arts. These proxies can be aggregated by the city administration when such information is reported by the cultural institutions.

One final remark should be made. The Public Value approach attaches value to the operations of the cultural institutions themselves when they comply with general views on equity and fairness and value for money. This means that they run efficient operations and adhere to the norms of conduct in society, by abiding by environmental regulations and laws and regulations on employment (minimum wages, work safety, fair employment strategies). Although the employment circumstances in the cultural sector do not always compare favourably to other sectors, and the fact that budget restraints mean that volunteers are an important source of labour for cultural institutions, this type of production of public value will be ignored because this research focuses on the specifics of the functioning of the performing arts in society. This in no way implies that municipalities should never report on labour conditions or environmental sustainability. However, the question can be raised as to whether such issues should be the focus of arts policy evaluation or whether they belong to more generic policy areas. The latter view is supported here.

11.3. Conclusions: Art Policy Evaluation in Theory and Praxis

At present, arts-policy evaluation comes down to recording the performance of the cultural institutions that implement public policy. The autonomy of the arts sector prescribes that policy evaluation should support a continuous dialogue between the funder and the funded to ensure that the funding will have the desired effects rather than being a means for the city administration to decide on budget limits (and possibly budget cuts). It is important that the
evaluation addresses the position that cultural institutions themselves choose within the cultural policy of the city, even when these policies are only described in vague terms. This involves evaluating their performances on the basis of the mission the institutions choose for themselves. Therefore, it also involves checking whether or not the performance indicators the institutions choose to report on are coherent with their mission.

Both the BSC evaluation approach and the Public Value approach advocate a broad perspective on artistic quality that comprises the professional, audience and societal perspectives. Currently the professional perspective is dominant in cultural policy evaluation. This approach is not wrong but it needs to be complemented. For policy evaluation to become more effective, two steps need to be taken. First, the recording of the performance of institutions needs to be both systematic and comprehensive in order to record all of the values that have been created in society as a result of the policy. Tables 11.8, 11.9 and 11.10 provide a systematic overview of the information that can be gathered in evaluating cultural policy, although they make clear that, for evaluation of the primary objectives, specific methods need to be devised to measure the functioning of the performing arts in society (see below). Second, it should be realized that evaluating cultural policy also involves aggregating the information gathered from single institutions and assessing the values that can only be contributed to the total of the cultural institutions in a city because both the BSC and the Public Value approaches have their limitations for policy evaluation purposes. They rely on the premise that the policies of cultural institutions align with the public policy. This arguably is not always the case. Nevertheless, both approaches have yielded some important insights that should be included in a cultural policy evaluation method. Furthermore, they point at some indicators that can be included in cultural policy evaluation. They are listed in Tables 11.8, 11.9 and 11.10.

The most important general conclusion to be drawn from this chapter is that cultural policy evaluation is a multi-layered process involving a lot of effort from both the management of cultural institutions and city officials. Many data have been reported and evaluated in current policy evaluation practices, specifically in what has been denoted here as ‘evaluation of secondary objectives’. The cultural institutions – if they draw up correct and comprehensive annual reports that comprise not only financial data but also management information on customer developments and staff development – already supply this information. It is a challenge for the public officials to aggregate this information and present it in a way that conforms to public policy.

However, the evaluation of primary objectives, i.e., the evaluation of the values that are being generated for the audiences and the city as a whole, presents a totally different picture. The focus of current evaluation practices is on assessment of the values realized from the professional perspective. When relating these findings to the framework presented in Chapter 10, it becomes clear that this presents a very limited picture of the functioning of the performing arts in urban society. Moreover, current evaluation methods do not provide information on the main reasons why governments support the performing arts in the city,
namely the intrinsic part of Table 10.1. For policy evaluation purposes, the currently used methods need to be complemented with measurements of the values and subsequent functions realized for the audience and subsequently for society. The way in which this ought to be measured will be investigated in the next chapter, by means of the framework presented in Chapter 10.