The dynamics of inter-organisational collaboration and their role in demand stimulation in the performing arts

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Abstract

This study investigates the dynamics of inter-organisational collaboration and their role in demand stimulation in the performing arts. While the literature suggested methods and outcomes of collaboration and its role in demand stimulation, recent media reports indicated very few South African Performing Arts Organisations (PAOs) were involved in any form of collaboration. Therefore before the theories on could be tested the reasons behind the limited collaboration in South Africa had to be investigated.

An exploratory investigation was conducted in two phases. The first phase focused on collecting the opinions on all aspects of collaboration from strategic decision makers in PAOs to form a set of guidelines for collaboration. In phase two these guidelines were validated by the same strategic makers through a self-administered questionnaire.

From the results emerged a set of barriers to and enablers of collaboration. In addition, several contextual factors emerged that greatly impact collaboration and its effectiveness as a marketing tool. The political history of South Africa in particular has created a divide, not only in the performing arts industry but in the audience as well, that makes collaboration extremely difficult. PAOs need to be able to use collaboration to mobilise support from other economic sectors in order to bridge this divide.

Keywords

Inter-organisational collaboration
Performing arts
Performing arts organisations
Primary demand stimulation
Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Masters of Business Administration at the Gordon Institute of business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

________________________________
Marise Mishan
7 November 2012
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Chapter 1: Problem Definition

1.1 Introduction

South Africa's rich cultural and artistic heritage is primarily protected by the Department of Arts and Culture or the DAC (Department of Arts & Culture, 2012). Although many initiatives have been implemented by the DAC to support the creative industries in South Africa, the industry as a whole is still shrinking (Joffe & Newton, 2008). The main reason suggested is the growth in competing substitute products in leisure and entertainment such as restaurants, cinema and sports events (d'Astous, 2007). The Creative Industries in South Africa, of which the performing arts form a part, contribute to above average growth, job creation, human development and social inclusion (UN, 2008; UNESCO, 2008). Despite this, the budget for the promotion of the performing arts has been cut by R1.8 million in 2012/13 (National Treasury, 2012). In addition, the annual BASA Artstrack Research Report (2011) conducted by BMI revealed that as much as 54% of adults never visited the theatre in 2011 (BASA, 2011). The combined effect of increasing competition from other sectors, decreasing government funding and an apathetic audience has led to a shrinking performing arts market with few on-going arts organisations (Joffe & Newton, 2008). The remaining companies are left fighting for their share of the dwindling market, an unsustainable solution.

While most organisations would consider these conditions threatening, Kotler and Scheff (1997) argue that they in fact create an opportunity to stimulate demand and increase the size of the total market. An over-supply of performing arts organisations causes the many producers to focus more on the customer and increase their marketing efforts, attracting new customers in the process. Kotler and Scheff (1997) go on to distinguish between two types of demand: primary and selective. Primary demand is the demand for the entire range of products or services offered by an industry as a whole, such as opera, dance, drama and musical theatre offered by the performing arts industry. Selective demand is the demand for a particular product or service within an industry, such as opera. Selective demand is stimulated when gaining a larger share of the market or audience in a particular category, usually by stealing customers from a competitor.

According to the law of diminishing marginal returns (Colander, 2010), the shrinking performing arts market means that those organisations whose marketing strategy is to stimulate selective demand will continue to gain market share at a decreasing rate until their share of market gained produces less revenue than the marketing costs of
attracting those customers. This is why this type of marketing strategy is unsustainable. A better approach would be working towards increasing primary demand for the performing arts as a whole. Kotler & Scheff (1997) advocate inter-organisational collaboration as a key method of primary demand stimulation.

1.2 Research Scope

According to the Creative Economy Report (2008) the creative industries can be categorised into four major groups: Heritage, Arts, Media and Functional Creations (new media, creative services and design). Joffe and Newton (2008) categorises the first two groups as basic or upstream arts and the latter groups as distribution or downstream arts. For the purposes of this study, only upstream arts were covered. The Heritage group of upstream arts include traditional and cultural expressions such as festivals and crafts as well as cultural sites such as museums and libraries. The Arts group of upstream arts includes visual arts such as paintings and sculptures and the performing arts. For the purposes of this study the focus was limited to the performing arts. These include theatre, dance, orchestra, opera, choir, musical theatre and any other live theatre. It was important to include such a broad range of performing arts organisations because one cannot claim, for example, that the dynamics of collaboration amongst dance organisations and their role in demand stimulation for dance are the same as the dynamics of collaboration across all types of performing arts organisations and their role in stimulating demand for the performing arts. It is collaboration across genres as opposed to within genres that was investigated.

A distinction is made between performing arts organisations whose products or services are consumed “live” by visiting a theatre (for instance a Ballet) versus entertainment organisations whose products or services are usually “recorded” and can be consumed repeatedly at any location (for instance a CD or DVD). The study did not include any entertainment organisations which produce movies, radio programmes, CDs, DVDs, games et cetera. Individual artists and bands such as Jonny Clegg and Freshly Ground were also excluded from the study as they are individuals or groups and not organisations. Therefore the study focused exclusively on performing arts organisations (PAOs).

The classification of performing arts organisations (PAOs) given in the 2008 creative industries report by the department of labour was used in determining the range of entities to be included in the study. These include:
• **Commercial producers** that stage local and international shows to generate maximum income for the promoters.

• **Theatres** that have varying amounts of public and private sector support that are able to produce or commission work, but which are generally regarded as “receiving houses” that act as venues for productions.

• **Festivals** that provide opportunities for the production of new work.

• **Independent companies** of theatre, dance, orchestra, opera and choir that apply for funding to the lottery, the National Arts Council, provincial funding bodies and the private sector for support for their work (Joffe & Newton, 2008, p. 54).

A peripheral layer of PAOs were included in the research scope. **Performing arts promoters** such as performing arts media, unions and associations were included as they can provide an outsider’s perspective on inter-organisational collaboration amongst PAOs. They are outsiders because they are in the unique position of being able to see, hear, experience and influence what PAOs do without actually producing any artistic products themselves. They may benefit from growing the performing arts market but their core business is not dependant on it, this makes their perspective invaluable.

Therefore the scope of this study was limited to the above-mentioned performing arts organisations (PAOs) in South Africa.

### 1.3 Research Motivation

The motivation for the research was predominantly born out of the researcher’s years of experience in the performing arts. The researcher has been a member of and a witness to a number of companies closing down due to lack of both government and audience support.

In addition to personal reasons, many governments, especially in the developed world, are starting to take note of the fact that expansion of the arts has a number of positive outcomes such as job creation, human development, social inclusion and cultural diversity (United Nations, 2008). Therefore from a national or government perspective more research is being committed toward understanding the macro benefits of growing the arts industry (UNESCO, 2008). Further, from a business perspective, BASA has done much work on the benefits to business of growing and supporting the arts through sponsorships and partnerships (BASA, 2011). While more research from both these perspectives is needed, the declining government support, an indifferent audience and
increasing competition from the leisure and entertainment sector call for more research on methods for growing the sector from a PAO’s perspective. The benefits of growing the performing arts sector as well as the role of inter-organisational collaboration in primary demand stimulation will now be discussed as motivation for the research.

1.3.1 Job creation

The growth of the performing arts sector could contribute to government’s objective of creating five million jobs by 2020 (Patel, 2010). The Department of Arts and Culture’s Investing in Culture Programme has, since 2005, funded and supported 394 projects to the value of R200 million. The programme created 7 374 jobs and training opportunities, of which 45% of the beneficiaries were women, 39% youth and 4% were people with disabilities (Department of Arts & Culture, 2012). Initiatives like these have the dual function of creating jobs and addressing the inequality South Africa faces.

In addition, the 2012 National Treasury Budget has indicated job creation as one of the key aims for the performing arts and has set a measurable objective of 2 300 jobs created through the public art and touring venture programmes in 2012/13 (National Treasury, 2012, p. 9). The treasury also allocated R300 million over the 2012-2015 period to the Mzansi Gold Economy strategy which was established “to create jobs and stimulate the economy using arts and culture” (National Treasury, 2012, p. 11). The Mzansi Golden Economy was born out of the Department of Arts and Culture’s (DAC) belief “that the South African arts, culture and heritage sector is [South Africa’s] "new gold" [and] that the sector has the potential to lead economic growth and job creation” (South African Government Information, 2012, para. 5). The DAC held a summit in 2011 in Johannesburg with delegates from government, business, labour and civil society and practitioners from the arts, culture and heritage sectors of South Africa. The outcome was a commitment to work together to create initiatives that would develop the sectors and bolster the economy.

Delegates from the summit stated that:

- The creative economy in South Africa has the potential to be a leading sector in generating economic growth, employment and trade as is the case in many advanced economies.
- The arts, culture and heritage sector is of immeasurable value, both tangible and intangible.
1. Government, together with society at large, has a responsibility to conserve, protect, transmit and present our culture and heritage.

2. [South Africa's] culture and heritage are key to nation building and social cohesion, and these are the ingredients for creating a climate of social stability and economic growth (South African Government Information, 2012, para. 7).

These points indicate that growing the arts is not only important for job creation and economic growth but also for the preservation of culture, social development and national pride.

1.3.2 Social cohesion and development

The performing arts as a part of the creative industries are increasingly being viewed as a tool for breeding cultural diversity among a nation's people (UNESCO, 2008). With globalisation reshaping production, consumption and trade patterns around the world, “creativity and knowledge are fast becoming powerful means of fostering development gains” (UN, 2008, p. iii). The creative industries provide a platform for developing economies to generate intellectual capital, create jobs and at the same time promote social inclusion and human development (UN, 2008). The National Treasury has responded by allocating R639 996 million to the performing arts in 2012/13 (National Treasury, 2012, p. 1) and developing a set of social objectives for the sector which include:

- Promote social enrichment, social cohesion and nation building through the arts, culture and heritage by improving the allocation of resources
- Ensure that productions promoting social inclusion and nation building reach identified areas by using data collection tools that accurately capture the number of people accessing cultural facilities in 2012/13 (National Treasury, 2012, p. 9).

1.3.3 Strategic brand alignment

The BASA Artstrack Research Report (2011) conducted by BMI revealed that R394 million was spent on arts and culture sponsorships in 2011, of which 54% went towards music. This leaves a major gap for sponsorships of the other art forms. The report also revealed that companies who sponsor the arts are seen by the public as good corporate citizens which boosts their reputation. The diverse array of art forms creates “enormous potential for unique associations and brand engagement” (BASA, 2011, p. 1).
1.3.4 Stimulating demand through inter-organisational collaboration

In a biting article on the Artslink.co.za website about the Joburg Theatre’s golden anniversary, the line-up of fifteen productions over 2012 are criticised as being “unimaginative, uninspiring, lacking in support for the local industry and falling far short of what is to be expected in such an important anniversary year” (Swardt, 2012). The Joburg Theatre is an example of a PAO whose core business of staging various productions by other PAOs revolves around collaboration – if each show does well, the theatre does well. If a PAO such as this cannot correctly read and develop its target audience and does not support local PAOs, what hope is there of increasing demand for the performing arts?

The growing research on developing the arts from a business perspective (BASA, 2011; Berger, Cunningham, & Drumwright, 2004; Weinstein & Cook, 2011) and government perspective (Kirchner, Markowski, & Ford, 2007; UN, 2008; UNESCO, 2008) indicate two gaps. Firstly, much research is being committed to growing the supply of the arts without an accompanying commitment to research on growing demand for the arts. Secondly, research from a PAO’s perspective, on how they can proactively grow demand as an industry, through collaboration, without relying on government funding and private sponsorship is insufficient.

Research in the arts has considered many angles, for instance audience development (Kawashima, 2000; Kushner, 2003), arts marketing (Bennett, 2005; Colbert, 2009; d’Astous, 2007; Fillis, 2006; Huntington, 2007; Izquierdo & Samaniego, 2007; Kang, 2010), competitor analysis (Bennett, 2005), customer satisfaction (Jobst & Boerner, 2011), performance measurement (Boorsma & Chiaravalloti, 2010; Radbournea, Glowb, & Johansona, 2010) and repurchase intent (Hume, Sullivan Mort, & Winzar, 2007; Scheff, 1999). Few studies have focused on inter-organisational collaboration in the performing arts industry, especially in South Africa. Ostrower (2003) comes close with an examination of the effectiveness of partnerships between African-American PAOs in the United States and Sedita (2008) looks at the impact of arts networks on PAOs’ economic performance. McCarthy (2006) investigates the role of trust in performing arts networks and Kotler and Scheff (1997) detail inter-organisational collaboration as a strategy for increasing primary demand for the arts. In South Africa, it is not clear how PAOs feel about collaboration, in general and as a method of demand stimulation nor why they are not collaborating more. There is yet to be a study in South Africa on the dynamics of collaboration in the performing arts industry. This was the focus of the study.
1.4 Research Objective

The objective of the research was to explore the dynamics of inter-organisational collaboration among PAOs in South Africa and their role in stimulating demand for the performing arts.
2 Chapter 2: Theory and Literature Review

2.1 Introduction

Kotler & Scheff’s 1997 book Standing Room Only: Strategies for Marketing the Performing Arts provides the foundation for this study and brings together the three concepts of demand stimulation, arts marketing and inter-organisational collaboration. The unfavourable industry trends and PAOs’ seeming inability to attract new or sufficient customers indicate a need to educate PAOs on how to take control over the performing arts industry and their own sustainability (Boorsma & Chiaravalloti, 2010; Thomas, Pervan, & Nuttall, 2009). Stimulating demand for the performing arts is essential to PAOs’ survival. A PAO’s continual focus on marketing just one’s own art form is insufficient as existing ticket sales cover only one third of production costs (BASA, 2009). Demand for the performing arts needs to grow if this is to change. This is the essence of primary demand stimulation.

Arts marketing and inter-organisational collaboration are discussed by Kotler & Scheff (1997) under primary demand stimulation. For this reason further and more recent literature on arts marketing and inter-organisational collaboration was sought but Kotler & Scheff’s (1997) book remains the primary inspiration for this study. The literature review looks at the link between demand stimulation, arts marketing and inter-organisational collaboration. Different types of demand and how various marketing strategies can be used to stimulate each type will be discussed. The effectiveness of traditional arts marketing as an approach to stimulate primary demand will be reviewed as well as other approaches that include inter-organisational collaboration. Finally the literature on collaboration will be reviewed.

2.2 Demand

Understanding demand is all about being able to describe the business you are in in broad terms and according to the need your product or service satisfies (Kotler & Scheff, 1997). This is especially important in the performing arts industry as, according to the general consumer, most performing arts organisations (PAOs) are essentially providing entertainment first and art second (Colbert, 2009). This means that PAOs are not only competing with each other for audience support but also with other entertainment providers such as restaurants, movie theatres, live concerts, DVD rental stores, sports events, night clubs and much more. Therefore a more inclusive description of the performing arts industry and audience is necessary as well as a marketing approach that develops both the performing arts and its audience (Huntington, 2007). A more
inclusive audience description will alert PAOs to all the different types of competition it faces. Kotler & Scheff (1997) describe in detail several types of competition facing a PAO. Competition between two PAOs offering the same form of art, for instance the American Ballet Theatre (ABT) and New York City Ballet (NYCB), is called intratype competition. Someone choosing between going to see the ballet or a musical would represent intertype competition. If this same person were to decide between going to watch Mama Mia on stage or rent the movie version, this would represent substitute competition and lastly, a PAO faces indirect competition from sports events, restaurants et cetera.

PAOs who fail to see competitive threats from all these angles are said to be suffering from competitive myopia (Bennett, 2005). Competitive threats from outside the performing arts domain need to be assessed in order to create tailored marketing strategies for counter acting each type of threat or reaching each type of audience (Lange, 2010). While certain threats (especially substitute and indirect competition) do erode the performing arts market, PAOs could also see these threats as opportunities. Just as theatre-goers may forgo a performance for the cinema, movie-lovers could be converted into theatre-goers with appropriate and persuasive marketing communications. One just needs to know how predisposed these movie-lovers are to attending theatre in order to create messages that are compatible with that predisposition (Kang, 2010).

Consumers who have some type of experience with the arts are more predisposed to attend theatre and are likely to find the arts meaningful or relevant to their lives. As such they are more likely to be receptive to arts communication messages (Kang, 2010). According to Curran (1990) in Kang (2010), a PAO should regard its audience members as active producers of meaning who seek out content that reinforces their values and beliefs but avoid content that challenges them. This means that a standardised message will not have the same effect on non-attenders as it does on attenders of theatre.

Lange (2010) recommends using the visibility involvement model as a means of discerning ones audience. The model looks at the way consumers create meaning from art. Involvement is a prerequisite for meaning creation; one has to be involved in an activity before meaning can be created from it (Lange, 2010). Involvement is described by Zaichkowski (1985) in Lange (2010) as “perceived personal relevance” (Lange, 2010, p. 654). A product becomes personally relevant in three ways. First it offers utilitarian value in that it serves a practical purpose (Sheth, 1974 in Lange, 2010). Second, it offers a sign value which allows the consumer to signal something about the self to others through the use of the product (Gordon et al, 1998 in Lange, 2010). Finally, it offers
hedonic value or sensory pleasure (Lange, 2010). Together these values create personal relevance to the user and lead to involvement either in the product or the brand.

2.2.1 The role of arts education

Kang (2010) investigated what causes consumers to become involved in the arts. She found that while age and gender do influence individuals’ attitudes toward and consumption of the arts, exposure to the arts and arts education in childhood were the main drivers of arts involvement and receptivity. Activities such as arts education (in childhood) and taking art classes offer tangible output and thus result in personal relevance and long-term commitment. This same result was found some years ago by Bergonzi and Smith (1996). In addition, individuals are more likely to commit to the arts if they have physical proof of their experience such as photos from trips to museums and historical sites. Thus, highly involved consumers, according to Kang (2010), are those that have had early childhood exposure to the arts, have taken an art class in the last twelve months and the outcome of the class is something tangible (a painting, drawing or picture that can be taken home). The performing arts suffer the most in terms of audience commitment and on-going support because of this phenomenon. Attendance of performing arts productions offer only temporary enjoyment and intangible output and as such individuals are reluctant to commit their time and resources to the performing arts. Thus arts communication messages aimed at increasing demand for the performing arts may need to focus on the personal relevance and meaningfulness of attending rather than on the quality of the production in order to reach a wider audience (Scollen, 2008).

For the arts to engage a wider audience they need to be placed at the centre of people’s lives but this is only possible through mass exposure, over a long period of time, in non-conventional spaces and contexts (Kawashima, 2000). Kotler and Scheff (1997) recommend free outdoor concerts in public spaces to create awareness and increase exposure to non-attenders. Kotler and Scheff (1997) also refer to this as reaching outwards and specifically mention education in the arts as a means of creating understanding of, appreciation for and accessibility to the arts among the youth and non-attending adults.

The value of arts education to build appreciation for the arts cannot be underestimated. A quote by Kotler and Scheff explains why.
In the absence of a real love and appreciation for the arts, continued patronage cannot be guaranteed, for the attenders’ needs can be met, and probably better satisfied, elsewhere (Kotler & Scheff, 1997, p. 517).

In other words, individuals will look outside of the arts to satisfy their entertainment needs especially when faced with a plethora of attractive options from the media, entertainment and leisure sectors, the arts’ indirect competitors.

2.2.2 The role of technology

Indirect competition especially, requires extra attention in today’s fast-paced, technological context. Technology is constantly changing the way we consume products and this is no different in the arts. The youth in particular may want to experience art but would rather consume it electronically in the comfort of their home. Once again, this need not be perceived as a threat by PAOs. The internet can be used to reach new and distant audiences and can help PAOs develop a community of online supporters (K. McCarthy, Brooks, Lowell, & Zakaras, 2001). The National Arts Marketing Project (NAMP) conducted research on how technology and social media can be used to reach new audiences and help PAOs create and maintain a more personal connection with their current audience. Online streaming video for mobile devices can be used effectively for targeting younger, Generation Y audience members who have come to expect brands to infiltrate their lifestyle (NAMP, 2012). Similarly, becoming a part of your existing audience’s personal network on Facebook, Twitter or LinkedIn allows PAOs to converse with and listen to their audience members on a more personal level (NAMP, 2012). Powerful trends like social networks and the proliferation of mobile devices have the ability to change consumer needs, preferences and behaviour (Carr & Paul, 2011). PAOs who fail to keep up with technological trends could miss out on innovative opportunities to reach and entertain their customers and grow their market. Worse still, they won’t see the competition coming until it’s too late.

2.2.3 Market orientation or product orientation?

A strong market or customer orientation enables PAOs to continually think about all the ways their customers could be entertained and then find ways to meet those needs (Kotler & Scheff, 1997). However, Fillis (2006) argues that a product orientation, which focuses on creating superior products and services, would take businesses from a customer-serving mentality to a customer-creating mentality, thereby growing the market for a company’s or industry’s products. Izquierdo and Samaniego (2007) found that both a market and product orientation work well for organisations who focus on achieving
social as opposed to economic effectiveness and that economic effectiveness, while reinforced by social effectiveness, is achieved through sales, market and competitor orientations. One could argue that PAOs do not operate for purely economic effectiveness but have social goals as well, such as telling a story, sending a message and championing a cause. McCarthy (2001, p.115) argues that the arts should serve three essential functions: to provide “entertainment, enrichment and fulfilment for individuals, [to] serve as a vehicle for the preservation and transmission of culture [and to] provide a variety of instrumental benefits for society”. A combination of a product and market orientation could ensure that PAOs fulfil all these functions and maintain their artistic integrity while still creating shows that meet their current and potential audience’s entertainment needs. In so doing they will stay ahead of all types of competitors.

2.2.4 Primary or selective demand?

Once a PAO understands all sources of competition, marketing decisions can be made to stimulate either primary or selective demand or both. Kotler & Scheff (1997) describe three ways to stimulate demand. The first involves strengthening the relationship between the PAO and its existing audience by enticing current patrons to attend shows more frequently through special offers, promotions and subscriptions. This would represent selective demand stimulation (Kotler & Scheff, 1997) or increasing per capita consumption (Colbert, 2009). The second type of demand stimulation involves cross selling of different types of performing arts products through collaboration and joint marketing between PAOs to introduce patrons of one type of art to another. Finally, PAOs can stimulate demand by attracting the attention of non-attenders and converting them to regular customers. This requires an understanding of the entertainment needs of a wider audience than what most PAOs are used to. The latter two strategies represent primary demand stimulation and are more difficult to achieve because of the inter-organisational collaboration required and the difficult task of understanding and influencing consumer’s tastes and behaviour (Kotler & Scheff, 1997; Scollen, 2008).

Attempts at primary demand stimulation have, however, been made by various PAOs in the form of audience development which is about increasing access to and participation in the performing arts by all members of a country’s society and not just the elite (Kawashima, 2000). The reason why art is perceived as a luxury item that is only accessible to the elite in society is because of the way the arts have historically been funded by rich patrons, either prominent businessmen, politicians or noblemen (Garber, 2008). This type of patronage focused on the development of artists, products and
organisations but not on the audience who pay to see them (McCarthy et al., 2001). Over the years this has led to an imbalance between supply of the arts and demand for them or market saturation.

2.2.5 The role of market saturation

According to Colbert (2009) the fundamental problem facing all arts organisations is market saturation whereby the supply of arts organisations and products continues to grow while demand for them remains constant (Colbert, 2009; Zakaras & Lowell, 2008). This situation is exacerbated by the influence of technology as well as entertainment and leisure products that continue to draw audiences away from live theatre and toward the more popular, more accessible recorded and digital arts. No matter how many new PAOs and productions are created, audiences will continue to choose entertainment over art unless they have developed, over many years, a deep appreciation for the arts. This means the arts will need to lobby government for an arts policy that focuses on arts education (demand stimulation) from a young age. The focus on innovation and knowledge-generation in most modern economies means that industries vying for government support will need to show that they are able to contribute to both production in the new economy and consumption in the new economy. According to Hearn, Roodhouse, and Blakey (2007) production in the new economy includes gains in innovation, creativity and research and development while consumption in the new economy includes development of cultural identity and social empowerment. While it has become clear to government that the arts do contribute to consumption in the new economy (National Treasury, 2012; UN, 2008; UNESCO, 2008), there are still arguments over the evidence that shows the arts contribute to production in the new economy (Potts, 2006 in Hearn et al., 2007). This could impact government allocation of funding to grow supply in the arts in favour of demand stimulation in the arts. If these increases in supply are not accompanied by increases in demand (audience development and arts education), the theatre-going audience will continue to dwindle.

2.2.6 The role of South Africa’s political history

The decrease in arts education spending in South African schools can be traced back to 1994 when the country become a democracy and the ANC government took reign (Fredericks, 2012). Decreasing inequality between black and white South Africans was a top priority and was addressed by increasing access to basic education for previously disadvantaged black children by offering free education in the poorest sectors. This meant money that was spent on arts education was re-routed to more pressing social concerns (Fredericks, 2012). The knock-on effect, 18 years later, is a large and growing
black middle class that, while educated, still lacks an appreciation for and interest in the arts. In South Africa especially, where almost 80% of the 50 million population is black, and 10% of those are middle class (Statistics South Africa, 2011), PAOs need to reach this new audience in order to thrive. This audience can only be reached by first understanding the reasons why they don’t come to theatre and then trying to change that reasoning.

2.2.7 Understanding non-attenders

Internally, it is pertinent for PAOs to build a profile of non-attenders and learn why they do not regularly attend theatre. While most PAOs thought that non-attendance was related to the artistic quality of the production, a thorough investigation in Queensland, Australia revealed that the two most common reasons for non-attendance were limited awareness of the performing arts' relevance to the participants' lives and a lack of positive peer influence to attend (Scollen, 2008). This reinforces three points made earlier. First it reinforces the point by Kawashima (2000) about making the arts a central part of people’s lives. Something can only become relevant to one’s life if it is a central part of it. Second it speaks to the point by Kotler and Scheff (1997) about understanding the business you are in and the deep-seated needs your product or service satisfies. People seek entertainment in order to relax, escape and socialise; if individuals and their peers feel they are not able to satisfy these needs through the arts, they will not attend. Finally, it talks to the points made by Kange (2010) and Lange (2010) about ensuring the arts are able to create meaning in the lives of the consumers; without meaning the arts become irrelevant to the individual. Thus arts communication messages or arts marketing aimed at increasing demand for the performing arts may need to focus on the relevance or meaningfulness of the arts to peoples’ lives rather than on the quality of the production (Scollen, 2008).

2.3 Arts marketing

Arts marketing as an academic field and industry practice has grown out of increased pressure on non-profit arts organisations to be more accountable for their behaviour, better utilise and become less dependent on their grant funding, stimulate audience participation and compete with the entertainment industry (Boorsma & Chiaravalloti, 2010). These trends have led to non-profit arts organisations’ progression toward a for-profit marketing orientation (Lee, 2005b in Boorsma & Chiaravalloti, 2010; Izquierdo & Samaniego, 2007). Small budgets and large production costs mean marketing is often side-lined (Thomas et al., 2009). In addition, many PAOs fear that a marketing orientation, which focuses on satisfying customer needs as opposed to producing
products of artistic value, will impact artistic integrity (Fillis, 2006; Izquierdo & Samaniego, 2007). Therefore a complete solution for PAOs would be cost-effective marketing strategies that help them attract and retain audience members without negatively impacting their artistic values. A thorough investigation of the market and how to segment it is the first step in achieving this solution.

2.3.1 Traditional segmentation

Arts marketing, like traditional marketing, makes use of market segmentation (Huntington, 2007). The potential market is often segmented according to what has been referred to as the art continuum with the “popular” art lovers on one end and the “high” art lovers on the other (Colbert, 2009). Socio-demographic characteristics such as level of education often dictate where on the continuum a customer will be situated (Colbert, 2009). Andreasen (1992) views the continuum as more of a hierarchy, where “readiness” to receive performing arts marketing communications determines consumption of the arts. Readiness is determined by childhood and adulthood arts exposure as well as barriers to participation such as income, education and ethnicity. He posits that those individuals on the lower levels of the hierarchy are not ready to patronise the arts because their lifestyle and education do not allow it and therefore they should not be targeted as potential customers.

Huntington (2007, p. 128) questions whether segmenting the continuum and focusing marketing efforts on one portion thereof is “unintentionally exclusionary and discriminatory”. In South Africa where almost two thirds of the population has not completed high school (Department of Education, 2007; Kotze & Steenekamp, 2009) a PAO producing any level of high art excludes half the population. As an appreciation of the arts is something instilled by one’s family during childhood (Gainer, 1997 in Colbert, 2009), an unintentional exclusion of large portions of the population has a knock-on effect that is passed down from one generation to another. Even as a country becomes more developed and educated, a love of or appreciation for art of any kind may never manifest in certain portions of the population who continue to shy away from art for reasons other than cost (Huntington, 2007).

2.3.2 Exposure-based segmentation

Segmenting the performing arts audience according to socio-demographic characteristics and targeting the minority and elite in society may be to the disadvantage of arts practitioners in South Africa given the large portion of the population who are uneducated. Huntington (2007) suggests looking at consumption of the arts as a
diffusion process rather than a hierarchy whereby the adoption of various artistic products occurs over time. This implies that 100% of the population could potentially consume art products of some kind and could come to patronise certain art products given enough time and exposure (Colbert, 2009). This requires an arts marketing strategy that segments consumers according to level of arts exposure whereby those identified as being less exposed are not ignored and deemed unattractive as Andreasen (1992) suggests.

2.3.3 Engagement-based segmentation

For the proportion of the population that already consumes art, Kang (2010) talks about a consumer’s engagement level, which is an identifiable pattern of behaviour in relation to arts consumption that can help arts marketers segment the audience according to level of engagement. The reason behind the level of engagement will determine the types of marketing communications used to attract a particular segment. For instance, if a certain customer is highly engaged in Spanish dance performances and the reason behind this is because she attends Spanish dance classes, then the best way to reach this customer would be through a poster at a Spanish dance school. This mentality requires a marketing strategy that segments customers according to tastes, interests or hobbies and not socio-economic status (Huntington, 2007).

2.3.4 Cross-marketing

In order to continually grow the market a PAO could look at all the aspects of a customer’s engagement. While it may be the dance style that originally drew her to patronise Spanish dance, she may also have developed an appreciation of Spanish music and could be persuaded, through tailored marketing communications, to attend Spanish music concerts by another PAO. Danny Newman, father and promoter of subscription series believes that exposure to related art forms leads to a heightened awareness of and involvement in everything connected to the patron’s chosen art form, reinforcing their patronage and increasing their “repertoire-acceptance threshold” (Kotler & Scheff, 1997, p. 170). Therefore, collaborating with other PAOs to “cross-cultivate” audiences not only reinforces the customer’s engagement with the original art form, it whets their appetite for consumption of other arts, creating a desire to further broaden their cultural activity (Kotler & Scheff, 1997, p. 171). Another benefit of cross-marketing is that the PAOs involved can share the marketing costs because they both benefit from attracting this customer. Both companies gain an extra patron without sacrificing their individual artistic focus. This is the essence of inter-organisational collaboration, a marketing tool that seems to offer a complete solution for PAOs who seek cost-effective
marketing strategies that help them attract and retain audience members without negatively impacting their artistic values.

2.4 Inter-organisational collaboration

Inter-organisational collaboration is defined as the combined effort of multiple firms to create value through their combination of skills and resources (Ricco, 2009). Kotler & Scheff (1997) distinguish between a relationship and a collaboration stating that a collaboration is a strategic alliance, more durable and pervasive than a regular relationship. Researchers have suggested that a shrinking market calls for strategic alliances and collaboration (Dababu, 2002; Darby, 2006; Porter, 1985 in Ricco, 2009). Kotler & Scheff (1997) advocate collaboration between all organisations in the performing arts industry as a key method of stimulating primary demand.

2.4.1 Advantages of inter-organisational collaboration

The benefits of collaboration are numerous and include competitive advantage and increased innovative capacity, transfer of knowledge, shared learning and resource exchange (Jaskyte & Lee, 2006). Transfer of knowledge or shared learning as a benefit of collaboration is consistent with the learning literature which argues that “collaboration not only transfers knowledge between existing organisations but also facilitates the creation of new knowledge and produces synergistic solutions” (Hardy, Phillips, & Lawrence, 2003, p. 321). Other advantages include increased ticket sales (Kotler & Scheff, 1997), administrative expertise, fundraising and financial proficiencies, increased work opportunities for artists (Ostrower, 2003), “minimization of service replication, reduced costs, expansion of professional networks, and enhanced accountability” (Barnett, Hall, Berg, & Camarena, 1999 in Jaskyte & Lee, 2006, p. 44), pooling of funds, larger selection of artistic talent and access to facilities, equipment and other components of a production (Kushner, 2003). Furthermore, inter-organisational collaboration can help PAOs access a wider audience, as one member of the collaborative network might have a better understanding of the target audience and how to appeal to them than the other members as well as a better reputation and more influence in the target community (Ostrower, 2003).

Kotler & Scheff (1997) also refer to cost-cutting collaborations. These types of collaborations involve consolidating marketing and administrative functions across two or more organisations, each retaining their own artistic director, to lower costs without impacting quality and individuality. PAOs often overlook the fact that they are all
involved in the same activities of fundraising, stakeholder management, marketing and production of performances. Instead of each PAO employing its own executive director, bookkeeper, marketing director et cetera it would make business sense to have one of each that takes care of the needs of a number of smaller PAOs, thereby reducing administrative and operational costs and allowing PAOs to spend more of their grant money on artistic programmes (Kotler & Scheff, 1997).

PAOs may be concerned about losing a patron to another arts form through joint promotions and box office collaborations but Kotler & Scheff (1997) argue that the economies of scale PAOs achieve through these joint efforts more than offset the loss of the odd patron, especially for the smaller PAOs. Kotler & Scheff (1997) advocate primary demand stimulation by the leading organisations in the industry. They maintain that smaller organisations do not have the budget or capabilities to engage in the level of marketing required to stimulate primary demand. This view is supported by Ostrower (2003) who suggests that partnerships with industry heavy-weights might give small organisations greater visibility and better success with funders.

2.4.2 Disadvantages of inter-organisational collaboration

Well-designed strategic collaborations have many benefits but they require comprehensive planning and well-designed communication channels (Kotler & Scheff, 1997). Weinstein and Cook (2011) refer to alliance failure when one or more of the partners in a strategic collaboration fail to fulfil negotiated terms. Failure can include disagreement on the level of commitment to the collaboration, unmet expectations, misaligned goals (Weinstein & Cook, 2011), opportunism whereby one partner tries to cheat the other so as to maximise its own profitability (Das & Teng, 2000), cultural differences and clashes in management styles and operating approaches (Berger et al., 2004). In addition Ostrower (2003) cautions against partnerships that are pursued solely for the grant money. As grant money seldom supports multi-year projects, the nature of these partnerships are short term so the partnership fades when the funds end. The danger in this is that one or more partners do not view participation-building as central to their core mission and priorities and would rather put their money and efforts into developing their separate artistic programmes. Failures of these kinds result in suspicion and a breakdown of trust in the relationship which further erodes necessary communication (Child & Faulkner, 1998; Child, 2001 in Weinstein & Cook, 2011).

As a final point, (Graf & Rothlauf, 2011) proposes that inter-organisational collaboration will not work unless there is management commitment, prior experience with
collaboration, trust between partners and on-going performance evaluation. Management commitment is important because an alliance requires managers to take time out of their usual day-to-day business to manage the collaboration. Prior collaboration experience helps organisations analyse and choose the right partners to collaborate with, thereby reducing relational risk. This is a skill that takes time to develop (Das & Teng, 2000). Trust in collaborations helps to create “relational capital” (Parkhe, 1993; Dyer & Singh, 1998 in Graf & Rothlauf, 2011, p. 13). Trust is built up by gradually increasing collaboration (Percy, 2010). This speaks to a long term commitment to the alliance by all members. Finally, it is necessary to gauge the effectiveness of the collaboration through constant performance evaluation (Graf & Rothlauf, 2011). This is more difficult in PAOs as their goals are not purely financial. Therefore, sales, ratios and returns are not always effective indicators of success. Boorsma and Chiaravalloti (2010, p. 313) propose “a performance management model that is based on the Balanced Scorecard by Kaplan and Norton (1992) that puts the artistic mission at the centre by explicitly addressing the different sorts of artistic value created by the arts organisation for the key stakeholder groups: arts consumers, the community, and the professional arts field”.

2.4.3 Industry structure and inter-organisational collaboration

Performing arts organisations generally operate as not-for-profit enterprises (Kirchner et al., 2007). They often cannot operate on earned income or ticket sales alone and as such rely on funding from numerous parties including government, private sponsors, donors as well as paying audience members (Hume et al., 2007). The performing arts sector in South Africa, as with many other emerging economies, does not yet have a strong union presence to formally structure the industry and protect artists’ rights (Lebethe, 2003, in Joffe & Newton, 2008). With declining government support, an indifferent audience, no union support and increasing competition from the leisure and entertainment sector only a handful of on-going organisations exist and collaboration between them is unlikely given that survival is the main priority (Colbert, 2009; Joffe & Newton, 2008; Kang, 2010). This is disappointing considering the potential scalability of the industry. Table 1 below shows an adapted version of the core and related industries according to The Department of Labour’s Creative Industries Report in 2008.
Table 1: A qualitative map of the performing arts sector

<table>
<thead>
<tr>
<th>Core Activities</th>
<th>Related Industries</th>
<th>Related Activities</th>
<th>Peripheral Activities</th>
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</thead>
<tbody>
<tr>
<td>Content Origination TV</td>
<td>Radio</td>
<td>Tourism</td>
<td>Merchandising</td>
</tr>
<tr>
<td>Performance production</td>
<td>Design</td>
<td>Pubs and restaurants</td>
<td>Catering</td>
</tr>
<tr>
<td>Music, dance, drama</td>
<td>Education, Wellness, Fitness</td>
<td>Music, Teaching</td>
<td>Soundtracks, DVD</td>
</tr>
<tr>
<td>Touring</td>
<td>Film</td>
<td></td>
<td>Programme publishing</td>
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<tr>
<td>Costume design</td>
<td>Publishing, Film</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lighting</td>
<td>Special effects, Events management</td>
<td></td>
<td></td>
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These industries represent a network and often PAOs draw on the resources found in this network when staging or advertising a production (McCarthy, 2006). Collaboration between these actors could have a powerful effect on stimulating primary demand for the performing arts.

The performing arts are characterised by project-based work (McCarthy, 2006). Apart from theatre houses and a few independent companies, the majority of PAOs work toward an event, season or production within a broader organisational setting (Joffe & Newton, 2008; B. McCarthy, 2006; Sedita, 2008). Because of this transient setup, most PAOs outsource many aspects of a production, including the artists, and may not always use the same individuals and contractors. It has, however, been found that maintaining consistency in the network by leveraging inter-personal relationships, produces artistic products of a higher quality because a common language and complimentary expertise are built up over time when the same constituents work together often (Sawyer, 2006, in Sedita, 2008). Sedita (2008, p. 494) refers to this as a latent network which is “a pool of artistic resources whose linkages are shaped by recurrent collaborations”. Miles and Snow (1992) in McCarthy (2006) refer to such a network as a dynamic network because of its transient nature in which members come together for a short while only to facilitate the completion of projects and have a short- or medium-term focus.

2.4.3.1 The role of trust

In the network literature a network is defined as “an enduring relationship between two or more organisations” (Thorelli, 1986 in McCarthy, 2006). According to Miles and Snow (1992) in McCarthy (2006) trust is a key component in all networks including the networks found in the performing arts but trust is difficult to achieve in dynamic networks
because of their brief lifespan (McCarthy, 2006). However, because the performing arts industry is both a dynamic (temporary) and latent (reoccurring) network, the same participants will tend to meet again and again, even if only for specific, short-term projects. Therefore “information on reputation can be easily spread and trust is driven by both the threat of punishment and the rewards derived from maintaining a good reputation” (Shapiro, Sheppard & Cheraskin, 1992 in McCarthy, 2006, p. 47). Therefore trust, reputation and inter-personal relationships are especially important within a performing arts network to attract the best talent time and again and also to get the best out of them while on the job.

2.4.3.2 Co-opetition

What happens when resources are scarce and end up being shared by a number of different players in the industry? In South Africa, the project-based nature of the performing arts industry and the low number of small and micro enterprises forces artists to diversify and take up work in a variety of performing arts organisations (Joffe & Newton, 2008). When this happens an industrial cluster is formed. The geography of creativity interim report defines an industrial cluster as “a geographical agglomeration of firms from the same sector that collaborate and compete with each other and have links with other actors in the location, such as universities” (De Propris, 2009, p. 2).

The phenomenon of firms that both collaborate and compete is referred to in the literature as co-opetition. Businesses collaborate when it comes to creating a pie and compete when it comes to dividing it up, therefore they have to compete and collaborate at the same time which creates a more dynamic relationship (Brandenburger & Nalebuff, 1996). This phenomenon is similar to Kotler and Scheff’s (1997) views on using inter-organisational collaboration to stimulate primary demand instead of just competing and focussing on selective demand. PAOs must pool their resources and capabilities to increase their offering to consumers so that “not only a product is being sold but a web of products that creates an experience. This suggests mutual interdependence in the interest of all those involved to maintain and generate business and sell more” (Hearn et al., 2007, p. 15).

The geography of creativity interim report also refers to externalities or agglomeration economies that result from the complementarities that exist between these firms from sharing the same labour pool and creative knowledge generated (De Propris, 2009). In fact, one study found that some firms choose to “gravitate towards resource rich clusters to benefit from the sharing of knowledge, skills, know-how, personnel, capital and even
markets, of other cluster members” (Ninan, 2004 in Hearn et al., 2007, p. 18). PAOs in Johannesburg are one example of an industrial cluster that is involved in co-opetition and has produced an agglomeration economy.

2.4.3.3 Cross-sector collaboration

The formation of an agglomeration economy illuminates the fact that PAOs are part of a larger system with many interrelationships. The literature on systems theory recognises the interdependencies that exist between an organisation and its environment and the fact that the boundaries that distinguish what is in an organisation’s control versus what is outside of its control are not fixed (Senge, 1990a). This implies PAOs can simultaneously influence and be influenced by their environment and the various factors that exist in the environment. Contrarily, Cook and Hunsaker (2001) speak about environmental factors as being outside the control of the organisation and specifically refer to eco-political factors, technology, societal norms and legislation. A further view exists, that individual organisations can influence their environment but only if they collaborate with other actors in the environment or sectors in the economy. This is referred to as cross-sector collaboration (Bryson, Crosby, & Middleton-Stone, 2006).

Cross-sector collaboration involves the sharing of resources, activities and capabilities between government, business, labour, civil society, non-profit organisations, communities and the media in order to achieve large-scale outcomes that could not be achieved by single organisations (Bryson et al., 2006). Bryson et al. (2006) maintain that cross-sector collaboration is both necessary and desirable when it comes to tackling issues of national importance. One could argue that the creative industries, which include the performing arts, are in fact an issue of national importance because of their above average growth rates and “value adding and employment producing multipliers” (Hearn et al., 2007, p. 3). In addition the creative sector “is highly integrated with other sectors of the economy– producing intermediate inputs and outputs in just about all sectors” (Hearn et al., 2007, p. 3).

The spill-over effects from the creative sectors into other sectors implies that collaboration between sectors could produce social, cultural and economic gains for all. For instance, Shoales, (2007, p.175) in Hearn et al. (2007, p. 23) suggests that “creative industries [that] cluster in large [urban] centres, such as New York, maintain a high degree of product innovation and this tends to keep the region ‘forever young’”. However, urban planning is required to provide the transport, infrastructure, services, amenities, mobility of and access to human capital that are needed to leverage and encourage this
innovation (Hearn et al., 2007). Therefore, the creative industries can produce positive externalities for other sectors of the economy but they also rely on support and investment from those sectors. This indicates a symbiotic relationship between the creative sector and other sectors of the economy, a relationship that should be appraised in government arts policy (Hearn et al., 2007).

Similarly, individual PAOs have a synergistic relationship with the broader creative sector. The idea that individual organisations cannot, by themselves, accomplish large scale or macro-objectives, such as stimulating primary demand in the arts sector, is supported by Kotler and Scheff (1997) who maintain that smaller PAOs, especially those with smaller market share do not have the budgets to build overall demand. The most cost-effective method is through collaborations with organisations that have a broader reach, such as schools, foundations, community associations and larger PAOs. Collaborations of this kind are also cross-sectorial in nature and require the ability to bring diverse groups together in semi-permanent ways or “collaborative leadership” as referred to by Crosby and Bryson (2005, p. 177).

2.4.3.4 Collaborative leadership

Cross-sector collaboration involves situations where power is shared between two or more constituents in an economy and decisions are made using forums, arenas and courts, especially when such decisions include policy change and the outcomes can impact many sectors (Crosby & Bryson, 2005). Leadership of this kind was born out of the understanding that government alone cannot fix all the problems a country faces and that sustainable solutions are those that draw on the strengths and minimise the weaknesses of government, business and civil society (Crosby & Bryson, 2010). Collaborative leadership has also been referred to as “integrative leadership” by Crosby and Bryson (2010, p. 211). Integrative leadership requires an ability to inspire, mobilise and sustain not only one’s own organisation but also an ability to engage the numerous other partners in one’s environment to collectively problem-solve and create common good (Crosby & Bryson, 2010). PAOs that believe in the benefits of the arts to society and believe that they know best how to deliver those benefits should work together to do so. In other words, there needs to be both an individual vision and a collective vision shared by the industry (Senge, 1990b). The impact for PAOs is that their collective actions, especially collaborative actions, have the power to affect industry-wide change that could benefit them at an individual, industry and even national level because they are a part of the creative sector which in turn is a part of the national economy. “In other
words, the power to adopt and actively deliver effective solutions is shared among sectors and organisations within the sectors” (Crosby & Bryson, 2010, p. 211).

2.5 Conclusion

PAOs face many obstacles, they compete with the entertainment and leisure sectors for audience support, they also face competition for government support from other sectors of the economy. Further, technology and its impact on the way art is produced and consumed is another factor facing PAOs. Therefore PAOs need to display a wide variety of skills if they are to remain afloat. They need to ensure they are relevant and meaningful to their current audience, build capabilities that attract new audiences and offer artistic products that provide both individual entertainment and societal enrichment. A combination of a product and market orientation was found to be most effective in helping PAOs achieve both social and economic goals while the literature review looked at demand in the arts and arts marketing and spoke of personal relevance and meaningfulness as critical factors in audience attraction and retention. Arts education and technological innovation were highlighted as tools for reaching the younger audience but the literature showed that this is difficult for PAOs to achieve on their own given the expense involved and government priorities in spending.

The literature review then highlighted the advantages, disadvantages and the role of trust in collaboration. Well-designed, strategic collaborations can help PAOs become more innovative, expand their customer base, cut costs and improve their capabilities while a lack of commitment and misaligned goals can cause alliance failure and relationship breakdown.

Next the structure of the performing arts industry was discussed and how industrial clusters are formed between PAOs that both compete and collaborate with each other. Inter-organisational collaboration within this cluster was highlighted as a tool for increasing demand, reducing costs and leveraging creative knowledge.

Finally the role of leadership in collaboration was addressed and suggested that collaboration is not just a marketing tool but also a tool that can be used in the formation of arts policy and industry growth. PAOs are also a part of the creative economy which is mutually dependant on other sectors of the economy. Cross-sector collaboration is the final step in leveraging the broader eco-political environment to ensure more strategic arts policy that focuses on both the supply and demand of the arts.
The literature review shows that arts marketing alone is not sufficient for stimulating demand for the performing arts. This is because the industry has to compete with so many different factors. Developing marketing tools that address all of these factors would be expensive and probably outside of the minimal marketing budgets most PAOs receive. In order to maintain their existing audience, captivate the youth market and attract non-attenders PAOs need more than just marketing tools. They need innovation, new ways to reach and excite the audience and help from government and educational institutions in stimulating demand from a young age. One method of achieving all of these things without breaking the bank is collaboration. Inter-organisational collaboration would enable each member in a collaborative network to lean on the others for support in weak areas and take the lead in strong areas thereby giving all members a better chance of survival.

The above analysis indicates collaboration provides a complete solution; therefore it was interesting that recent media reports indicated very few PAOs in South Africa were in fact collaborating. The issues involved in employing collaboration needed to be uncovered in order to learn why collaboration amongst South African PAOs was lacking. Questions came to the fore around how PAOs feel about inter-organisational collaboration and what they feel are the major challenges with it. The lack of answers to these questions in the literature indicated further research was required. This study aimed to answer these questions.
3 Chapter 3: Research Questions

While both government and the private sector have realised the benefits of supporting and growing supply in the performing arts market, PAOs have not been proactive in trying to grow demand for the sector themselves (Sichel, 2012). They continue to rely on funding from government departments and sponsorships from private business but when these lines of funding dry up or are cut, the PAOs are left destitute and have to close their doors (BASA, 2009). Further, traditional marketing strategies have proved insufficient in helping PAOs to maintain their current audience while staying ahead of all types of competition and attracting new audiences (Colbert, 2009). Performing arts organisations can no longer rely on inefficient marketing tools and hand-outs from government and the private sector. A more proactive approach that propagates collaboration, especially between PAOs, is necessary to stimulate demand and ensure sustainability (Kotler & Scheff, 1997).

A review of the literature suggested that the role of collaboration in arts demand stimulation needed to be investigated; however, a review of recent media reports indicated that few South African PAOs were working together and looking seriously at inter-organisational collaboration. Therefore before collaboration as a method of demand stimulation could be tested, the dynamics involved in collaboration and reasons behind the limited collaboration in South Africa had to be investigated.

3.1 Restatement of research questions

The objective of the research was to explore the dynamics of inter-organisational collaboration among PAOs in South Africa and their role in stimulating demand for the performing arts. This objective was broken down into three research questions:

**Research question 1:** How do PAOs feel about inter-organisational collaboration?

The particular wording of this research question was chosen because the researcher sought a gentle introduction to the research and wished to begin the investigation with a question that would elicit a broadness of experience and emotion.

**Research question 2:** What effect has inter-organisational collaboration had on PAOs?

This research question was about learning how PAOs were positively and negatively affected by their collaborative experiences and whether those experiences had affected demand for the performing arts.

**Research question 3:** What are the barriers to inter-organisational collaboration?
The limited collaboration between South African PAOs indicated challenges with collaboration that needed investigating. The aim of this research question was to uncover the main obstacles to collaboration from the PAOs’ perspective.

The three research questions are simplified below in figure 1.

Figure 1: Research problem and related questions
4  Chapter 4: Research methodology

4.1  Introduction

The main objective of the research was to explore the dynamics of inter-organisational collaboration among PAOs in South Africa and their role in stimulating demand for the performing arts. This objective was approached in two phases, using the Delphi technique. The aim of phase one was to gather a variety of opinions on collaboration from different types of performing arts organisations (PAOs) and combine them into a set of guidelines or principles on collaboration that could be useful in the performing arts industry. The second phase focused on building consensus among the same organisations around the relevance, validity and accuracy of these principles. This chapter will explain the research methodology used to achieve this objective.

4.2  Research method

The study was qualitative and exploratory in nature. Saunders and Lewis (2012) state that exploratory research is used when the researcher has a limited understanding of the topic and therefore seeks to uncover general information. The research aimed to discover the opinions about, effects of and barriers to inter-organisational collaboration amongst PAOs. The focus on inter-organisational collaboration as a means of stimulating primary demand suggested a deductive approach whereby the researcher, in this study, chose to disregard other methods of primary demand stimulation, such as promotions, discounts and free concerts. There was, however, an inductive component. The researcher was uncertain of how PAOs felt about inter-organisational collaboration, in general and as a method of primary demand stimulation and as such could not deduce any specific propositions to be tested, such as, for instance, inter-organisational collaboration leads to increased ticket sales. In addition, the researcher did not want to presuppose any factors that could influence respondents’ views on collaboration. Therefore an inductive approach was used in the data gathering and analysis stage where the researcher investigated respondents’ opinions on inter-organisational collaboration. An inductive approach is not fixed in structure and allows themes to develop and focus to change as data are gathered and analysed (Saunders & Lewis, 2012).

4.3  Research approach

The research followed a two phase inductive-deductive approach. In the first (inductive) phase the researcher conducted semi-structured interviews, the questions of which were
structured in such a way as to address each of the three research questions which are restated below for ease of reference.

**Research question 1:** How do PAOs feel about inter-organisational collaboration?

**Research question 2:** What effect has inter-organisational collaboration had on PAOs?

**Research question 3:** What are the barriers to inter-organisational collaboration?

The interviews were analysed using a combination of content, comparative and narrative analysis.

In phase two (deductive phase) the researcher used the data generated from the literature and interview analysis to formulate a questionnaire which was sent to the very same respondents for corroboration. This method is known as the Delphi technique and will be discussed further in section 4.5.6 Data analysis.

### 4.4 Phase one

#### 4.4.1 Purpose

The aim of phase one was to gather a variety of opinions on collaboration from industry leaders in the performing arts industry and combine them into a set of guidelines or principles on inter-organisational collaboration. The researcher did not want to presuppose any factors that could influence respondents’ views on collaboration. Therefore detailed and personal data gathered from interviews were required to get a complete picture of the environment and whether it was conducive to collaboration. The interviews were analysed using a combination of content, comparative and narrative analysis and the emergent themes were used in the development of a second questionnaire, sent to the same respondents for validation.

#### 4.4.2 Population and unit of analysis

The aim of the research was to discover the dynamics around inter-organisational collaboration in general and as a method of primary demand stimulation for the performing arts. Therefore the units of analysis were the opinions on inter-organisational collaboration of the individuals involved in strategic decision making in PAOs. These individuals are strategic decision makers in the following types of PAOs (in accordance with section 1.2 Research scope):
• **Commercial producers** that stage local and international shows to generate maximum income for the promoters.

• **Theatres** that have varying amounts of public and private sector support that are able to produce or commission work, but which are generally regarded as “receiving houses” that act as venues for productions.

• **Festivals** that provide opportunities for the production of new work.

• **Independent companies** of theatre, dance, orchestra, opera and choir that apply for funding to the lottery, the National Arts Council, provincial funding bodies and the private sector for support for their work (Joffe & Newton, 2008, p. 54)

• **Performing arts promoters** such as performing arts media, unions and associations.

Therefore the population included all strategic decision makers in existing PAOs of the above-mentioned types in Johannesburg. The population was limited to Johannesburg as it was felt that Johannesburg-based PAOs form industrial clusters in no way different to those formed by POAs based in Cape Town, Durban or any other metropolitan area and so investigation into inter-organisational collaboration within the Johannesburg-based industrial cluster was felt to be sufficient. Strategic decision makers are defined as top leaders of an organisation who critically affect organisational health and survival (Eisenhardt & Zbaracki, 1992). Directors, Artistic Directors, General Managers and Senior Executive staff are typical examples of strategic decision makers. The study was limited to strategic decision makers as they have the power to take action, set precedents and make decisions on allocation of resources (Eisenhardt & Zbaracki, 1992). The size of the population was unknown as a list of all PAOs and their full staff compliment could not be obtained.

### 4.4.3 Sampling Technique and Size

Non probability sampling was used as a full list of the total population could not be obtained (Saunders & Lewis, 2012). Sampling was also purposive in nature. Bryman (2012) describes purposive sampling as a method used when the researcher is using his or her judgement to deliberately choose those individuals who will best help answer the research questions and meet the research objectives. This method of sampling is commonly used in qualitative research where the researcher will be selecting a relatively small sample (Saunders & Lewis, 2012). As there was no population list available, respondents were identified through the researcher’s own contacts and the advice solicited from a number of performing arts critics and association members. The
researcher attempted to select a heterogeneous sample, with a good mix of strategic decision makers from all types of PAOs. This was to ensure the sample would “have sufficiently diverse characteristics” to ensure that any patterns uncovered would reflect a reality across PAOs (Saunders & Lewis, 2012, p. 139). A sample size of 12 to 15 was initially selected. The reason for the imprecise sample size was that the researcher needed to continue conducting interviews until data saturation point was reached. Data saturation point is reached “when the collection of new data does not shed any further light on the issue under investigation” (Mason, 2010, p. 1). In addition, it was felt that the sample members may have identified further interviewees that they felt would add to the research. This represents snowball sampling. While many of the participants did in fact suggest further interviewees, the senior position and the busy schedule of most proved it impossible to interview all those suggested. An effort was made to include at least one PAO from each of the PAO types listed above, however, failure to confirm interviews with a number of the selected participants resulted in only thirteen interviews being conducted. One interviewee was a senior decision maker in three different organisations; as a result a total of 13 interviews were conducted with 15 different organisations. Table 2 below summarises the number of interviews achieved and the characteristics of the different companies.

Table 2: Summary description of companies

<table>
<thead>
<tr>
<th>PAO Type</th>
<th>Description</th>
<th>No. of organisations interviewed</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial producers</td>
<td>Producers that stage local and international shows to generate maximum income for the promoters.</td>
<td>1</td>
<td>Organisation 1</td>
</tr>
<tr>
<td>Theatres</td>
<td>Receiving houses that act as venues for productions that have varying amounts of public and private sector support that are able to produce or commission work.</td>
<td>4</td>
<td>Organisation 2, Organisation 3, Organisation 4, Organisation 5</td>
</tr>
<tr>
<td>Festivals</td>
<td>Provide a platform for the production of new work.</td>
<td>2</td>
<td>Organisation 6, Organisation 7</td>
</tr>
<tr>
<td>Independent companies</td>
<td>Theatre, dance, orchestra, opera and choir companies that apply for funding to the lottery, the National Arts Council, provincial funding bodies and the private sector for support for their work.</td>
<td>6</td>
<td>Organisation 8, Organisation 9, Organisation 10, Organisation 11, Organisation 12, Organisation 13</td>
</tr>
<tr>
<td>Promoters</td>
<td>Performing arts media, unions and associations who support but do not create art.</td>
<td>2</td>
<td>Organisation 14, Organisation 15</td>
</tr>
</tbody>
</table>
4.4.4 Data collection and research instrument

As the study focuses on opinions of strategic decision makers in PAOs, the researcher was less concerned with the standardisation required in quantitative research and more concerned with the respondents’ own perspectives (Bryman & Bell, 2007). As such, semi-structured interviews with an unstructured component were used to gather data. Semi structured interviews are useful for covering a range of topics, including necessary demographics, while still allowing respondents the opportunity to add information voluntarily (Saunders & Lewis, 2012). They are also more flexible and allow the researcher the opportunity to change the order of questions, add new questions for clarification or increased insight or to omit questions as the researcher sees fit (Bryman, 2012).

The unstructured component assists in gaining access to the genuine and unanticipated thoughts of individuals (Bryman, 2012). During the interviews, the unstructured component was useful in bringing out the interviewees opinions on aspects of inter-organisational collaboration that the researcher may not have foreseen and as such would not have investigated. Narrative enquiry was used during the unstructured part of the interview. Narrative inquiry encourages respondents to explain their actions or feelings from their unique point of view (Bryman & Bell, 2007). During the interviews the respondents were not asked directly about what their thoughts were on collaboration. Instead they were asked to describe their collaborative experience or to explain why they had not collaborated with other PAOs. This approach was used to uncover richer information and prevent the interviewees from giving rehearsed answers.

When developing an interview guide Cohen and Crabtree (2006) recommend a consideration of the research questions, the time available, what the researcher wants to learn from the interviewees and how much the researcher knows about the research problem. While there did exist literature that spoke of suggested methods, advantages and disadvantages of collaboration, these could not be used in the creation of the interview guide as the reasons behind the limited collaboration in South Africa were still not clear. The research questions around the feelings, effects and barriers of inter-organisational collaboration needed answering first. Therefore the interview guide was created from the research questions and not the literature. The researcher used uncomplicated, open-ended questions to capture data that would answer the research questions and allow for unsolicited information. The questions were also designed so that the responses could apply to more than one research question. In addition, different interview guides were created. Although five types of PAOs were listed in the research
scope and population description, these five fell into three broad categories: producers, receivers and supporters. As such, three interview guides were created to cater to the different types of PAOs; Appendix 1: Interview guide-producers, Appendix 2: Interview guide-receivers and Appendix 3: Interview guide-supporters. Table 3 indicates the research questions and the relating interview guide questions per appendix.

Table 3: Research questions and relating interview questions

<table>
<thead>
<tr>
<th>RESEARCH QUESTIONS</th>
<th>APPENDIX</th>
<th>INTERVIEW QUESTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research question 1</td>
<td>1: Producers</td>
<td>Have you ever collaborated with other PAOs?</td>
</tr>
<tr>
<td>How do PAOs feel about inter-</td>
<td></td>
<td>Tell me about your collaborative experience.</td>
</tr>
<tr>
<td>organisational collaboration?</td>
<td>2: Receivers</td>
<td>Why have you not collaborated with other PAOs?</td>
</tr>
<tr>
<td></td>
<td>3: Supporters</td>
<td>Do you see a lot of collaboration between PAOs?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Probe: In what ways?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Where in the industry do you think collaboration is lacking?</td>
</tr>
<tr>
<td>Research question 2</td>
<td>1: Producers</td>
<td>General Probe: Were there any positive outcomes to the collaboration?</td>
</tr>
<tr>
<td>What effect has inter-</td>
<td>2: Receivers</td>
<td>Specific Probe: Did it lead to increased ticket sales or decreased costs?</td>
</tr>
<tr>
<td>organisational collaboration had on PAOs?</td>
<td>3: Supporters</td>
<td>General Probe: Were there any negative outcomes?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Specific Probe: Did it lead to decreased ticket sales or increased costs?</td>
</tr>
<tr>
<td>Research question 3</td>
<td>1: Producers</td>
<td>Probe: Can you give me examples of how you think things could have been done differently?</td>
</tr>
<tr>
<td>What are the barriers to inter-</td>
<td></td>
<td>How do you think the performing arts industry is doing as a whole?</td>
</tr>
<tr>
<td>organisational collaboration?</td>
<td>2: Receivers</td>
<td>What do you think the outlook for the performing arts is?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Can you say, in one word, what the industry is lacking?</td>
</tr>
<tr>
<td></td>
<td>2: Receivers</td>
<td>You are in the business of collaboration, what is your process for selecting productions for your theatre?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Probe: Do you favour certain types of POAs?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>What types of PAOs, if any, do you not</td>
</tr>
</tbody>
</table>
| 3: Supporters | collaborate with and why?  
Probe: Do you think this is the same for other theatres?  
Why do you think PAOs are not collaborating more?  
Probe: What specifically stops them?  
Do you think this is the same for all PAOs?  
What advice do you have for PAOs on collaboration?  
Probe: How can they do things differently? |

The interview guides were checked for robustness and ambiguity by showing them to the supervisor of this study and suggested changes were made accordingly.

The majority of interviews were conducted face-to-face. Selected respondents were telephoned about the interview and then further provided with a formal letter of request via email. This letter introduced the researcher and topic to the respondent and explained that participation was voluntary and could be withdrawn at any time without consequence. It also gave an indication of the types of questions to expect and the amount of time that would be required. Finally it communicated that the identities of participants would be kept confidential. Once interviews were scheduled they lasted between 30 minutes and 1 hour 20 minutes. All interviews were conducted at the offices of the interviewee apart from two; one who preferred to respond via email and another via Skype. During the interviews care was taken to remain neutral while still encouraging respondents, with the use of subtle body language, to keep talking (Turner, 2010). The researcher was also careful to listen to the respondents and base subsequent questions on both the respondent’s comments and the interview guide. All interviews were recorded and transcribed. The transcriptions took approximately four hours each to complete and were managed and analysed with Atlas.ti, a form of computer-aided qualitative data analysis software (CAQDAS).

### 4.4.5 Data analysis

Data analysis began before the data collection phase was completed. This is because “identifying and refining important concepts is a key part of the iterative process of qualitative research” (Schutt, 2011, p. 328) Saunders and Lewis (2012) suggest
beginning the data analysis prior to data collection completion so that insights gained in the first few interviews can be tested in subsequent interviews. Eventually themes will emerge that can be developed into propositions to be tested in theory (Saunders & Lewis, 2012).

Data was analysed using CAQDAS software Atlas.ti. This required thorough preparation before the interview and careful transcription thereafter. Body language, tone of voice, language used and pauses were all recorded in written format in addition to the full set of questions and answers verbatim. The researcher also noted her own insights as well as where the interviewee had to be probed further as recommended by Saunders and Lewis (2012).

Once each interview was comprehensively transcribed analysis began. Content, narrative and comparative analysis were used to uncover layers of meaning. Content analysis is a thorough examination of the interview transcripts to discover commonalities or emergent patterns (Myers, 1997). This includes frequency counts of repeated words or statements that continue to surface amongst most respondents (Saunders & Lewis, 2012). The use of tables and figures in content analysis make it possible to measure and specify clear rules which strengthens validity and reliability (Bryman, 2012). As the research process followed an inductive approach, categories or codes to group the data could not be created upfront. Rather they were developed inductively and refined throughout the analysis process. This process was repeated for each interview until saturation. Once data saturation point was reached the researcher began to synthesise the data into constructs, themes and categories.

A disadvantage with content analysis is that it “becomes particularly controversial when it is used to seek out latent meaning and themes” (Bryman, 2012, p. 208). A story has three parts, the words, the context and the underlying lesson. Therefore qualitative analysis would not be complete without looking at the underlying or hidden meaning behind the story the respondents are trying to tell. Narrative analysis is a better tool for identifying and understanding hidden meaning in qualitative research because it “seeks to put together the “big picture” about experiences or events as the participants understand them” (Schutt, 2011, p. 339).

Finally, evidence of emergent constructs or codes must appear consistently in the data in order for inferences to be made. Therefore comparative analysis was used to determine the robustness and usefulness of codes developed using content analysis (Reissman, 2010) and to investigate the recurring nature of categories and themes across interviews that were uncovered through the different analysis processes.
The analysed data were combined into a set of perspectives on the feelings, effects and barriers of inter-organisational collaboration. Two additional items also emerged from the phase one interviews. These were a set of perspectives on what could make collaboration among PAOs more effective and were labelled “enablers of collaboration” as well as a set of perspectives on contextual factors that may impact collaboration and were labelled “contextual factors that impact collaboration”. Both the enablers and contextual factors were validated in phase two along with the feelings, effects and barriers of collaboration uncovered in phase one.

4.5 Phase two

4.5.1 Purpose

The aim of phase two was to validate and build consensus on the set of perspectives generated in phase one. A second questionnaire was formulated and was sent to the very same respondents for corroboration. This method is known as the Delphi technique and will be discussed further in section 4.5.6 Data analysis.

4.5.2 Population and unit of analysis

The questionnaire was sent to the same respondents as per the Delphi technique. Therefore the population was the same as for phase one.

The respondents were asked to confirm or deny the statements that reflected the various perspectives on inter-organisational collaboration. There choices were again based on their opinions so the units of analysis, as in phase one, were the opinions of the respondents.

4.5.3 Sample size

The questionnaire was sent out to the thirteen respondents that were interviewed in phase one. The respondents were asked to complete the questionnaire and were given two weeks to return it. Unfortunately only five questionnaires were returned. As most of the individuals involved occupy senior and sometimes executive positions in their organisations, the non-response was attributed to a lack of time. However, one interviewee read the questionnaire and replied that they would not be answering as they felt the questions were not relevant to their company.
4.5.4 Data collection

Data were collected by means of a questionnaire. Questionnaires are useful when trying to collect data about the same things from a number of respondents (Saunders & Lewis, 2012). The standardisation of the questions ensures that the same questionnaire can be repeated with different respondents, by different researchers and at different times, all of which strengthen the reliability of the research (Saunders & Lewis, 2012). Questionnaires were also chosen for this phase of data collection because they could be emailed to respondents who could then complete them at a time and pace appropriate to their busy schedules. Further, some of the items were sensitive in nature. Brace (2008) recommends questionnaires because they are more effective with sensitive issues as there is no interviewer present to make the respondents feel like they need to answer questions in a socially acceptable manner. This reduces social desirability bias and produces more honest answers.

The questionnaire was sent as a .pdf attachment via email. The initial non-response suggested that the respondents did not wish to go through the process of printing out, completing, scanning and returning the email. After realising this, the researcher attached the questionnaire as a word document that could be completed electronically which greatly diminished the number of steps in completion. However, this still did not yield further responses. In retrospect, an email containing an embedded URL to a web-based survey, such as Survey Monkey (www.surveymonkey.com), would have been a better approach as the ease and speed with which these questionnaires can be completed makes this method “a more pleasurable experience for respondents” (Brace, 2008, p. 32).

4.5.5 Research instrument

The questionnaire was formed using a combination of the analysed data from phase one and the literature on collaboration. The questionnaire consisted of 5 sections: positive outcomes of collaboration, negative outcomes of collaboration, barriers to collaboration, enablers of collaboration and a general section which focused on the contextual factors which may impact collaboration (see Appendix 4 – Delphi Questionnaire). In the first four sections the researcher drew on the literature available around the advantages and disadvantages of collaboration (see page 17 Chapter 2 section 2.4 Inter-organisational collaboration). Section five of the questionnaire was based entirely on the interviews. Table 4 below indicates which questionnaire items were drawn from the interviews versus those drawn from the literature in the first four sections of the questionnaire.
### Table 4: Questionnaire items based on literature review and interview findings

<table>
<thead>
<tr>
<th>Section</th>
<th>Literature-based Items</th>
<th>Interview-based Items</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Positive outcomes of collaboration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collective bargaining power/fundraising capabilities</td>
<td></td>
<td>Exposure to new audiences</td>
</tr>
<tr>
<td>Competitive advantage through increased innovative capacity</td>
<td></td>
<td>Increased ticket sales</td>
</tr>
<tr>
<td>Transfer of knowledge/shared learning</td>
<td></td>
<td>Development of artistic talent</td>
</tr>
<tr>
<td>Reduced replication in service and administration</td>
<td></td>
<td>Reinvention of the art form/genre</td>
</tr>
<tr>
<td>Pooling of funds &amp; other cost savings</td>
<td></td>
<td>Relationship building</td>
</tr>
<tr>
<td>Access to facilities, equipment &amp; artistic talent</td>
<td></td>
<td>Increased work opportunities for local artists</td>
</tr>
<tr>
<td><strong>2. Negative outcomes of collaboration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unmet expectations</td>
<td></td>
<td>Loss of jobs</td>
</tr>
<tr>
<td>Breakdown of relationships</td>
<td></td>
<td>Increased costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Decline in quality of productions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Loss of control of any aspect of production</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Damaged reputation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Loss of competitive advantage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disgruntled employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wasted time</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Offended audience</td>
</tr>
<tr>
<td><strong>3. Barriers to collaboration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Misaligned goals/lack of shared vision</td>
<td></td>
<td>Funding application process</td>
</tr>
<tr>
<td>Opportunism (one partner tries to cheat the other so as to maximise its own profitability)</td>
<td></td>
<td>Clash of egos</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fear of competition</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A socially, geographically and ideologically fragmented South African audience</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lack of business acumen in the performing arts industry</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lack of camaraderie in the performing arts industry</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lack of collective planning &amp; communication in the performing arts industry</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lack of funding/support for the performing arts industry</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Insufficient time to manage both business and artistic aspects of the organisation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Scheduling difficulties</td>
</tr>
<tr>
<td><strong>4. Enablers of collaboration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arts education</td>
<td></td>
<td>Engagement with mainstream media</td>
</tr>
<tr>
<td>Engagement with the community</td>
<td></td>
<td>Genre-based collaborations</td>
</tr>
<tr>
<td>Engagement with government</td>
<td></td>
<td>Increased inter-organisational communication</td>
</tr>
<tr>
<td>Technological innovation</td>
<td></td>
<td>Improved business skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Location-based collaborations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Relationship-building</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Support of industry players</td>
</tr>
</tbody>
</table>
Two types of questions were used in the questionnaire: listing and rating. Listing-type questions are used to ensure the respondent has considered all possible answers (Saunders & Lewis, 2012). In sections one to four the respondents were given ten to twelve statements regarding collaboration and were asked to tick five that they themselves had experienced. Rating-type questions are used when the researcher wants to ascertain the participant’s opinions or beliefs (Saunders & Lewis, 2012). The rating-type statements were measured on a 5-point Likert scale ranging from strongly disagree (1) to strongly agree (5). In section five the Likert scale was used. The respondents were given eight statements and were asked to tick the box they felt was most appropriate. Once the questionnaires were returned, the total score for all questions for each participant were calculated. Then all participants’ scores were averaged to determine the degree of consensus reached.

4.5.6 Data analysis

In phase two data was analysed using the Delphi technique. The Delphi technique is defined as “a method for structuring a group communication process so that the process is effective in allowing a group of individuals, as a whole, to deal with a complex problem” (Linstone & Turoff, 2002, p. 3). Hsu and Sandford (2007, p. 1) refer to the Delphi technique as “a group communication process which aims to achieve a convergence of opinion on a specific real-world issue”. The Delphi technique allows respondents a second chance to readjust their opinions after a period of reflection and after seeing the combined statements made by other respondents. McGeary (2009, p. 32) advocates the Delphi technique because it enables:

- consensus building
- communication with geographically dispersed, time-poor individuals via email
- cheap and rapid communication via email
- anonymity, equal status and equal opportunity of participants
- control over dominant personalities that could influence the process

There are, however, disadvantages with this technique. Hsu and Sandford (2007) summarise them as follows:

- sample selection error
- potentially lengthy process of numerous rounds to reach consensus
- potential low response rates
• interviewer bias whereby interviewer unintentionally guides respondents toward a particular response

Generally when using the Delphi technique, the researcher engages in three rounds: the interviews, a consolidated questionnaire and an opportunity for participants to revise their initial judgements so that consensus can be reached among participants. Generally, the researcher decides upfront on the degree of consensus to be reached. If for example, the researcher has decided on a 95% consensus, then there may be many more rounds than three. For instance, the refined judgements of the participants in the questionnaire returned by respondents may only achieve 70% consensus. The researcher would then have to re-analyse the data and form a second questionnaire to be sent back to respondents for consensus. This process would need to be repeated until a 95% agreement is reached (Hsu & Sandford, 2007). As the researcher interviewed senior and sometimes executive staff members who did not have much time to spare, this time-consuming method was not appropriate. Therefore, the researcher used an adapted version of the Delphi technique which consisted of two rounds regardless of the degree of consensus reached. This is because it was felt that even if a low level of consensus was reached at the end of round two that, in itself, would be an interesting result. The interviews represented the first round. Then the researcher analysed what participants said so as to form summarised statements. These statements reflected the consolidated opinions of the interviewees and were placed on the questionnaire and sent back to the participants for validation. This represented round two of the Delphi technique.

Typical outcomes of the Delphi technique include needs assessment, program planning, policy determination, and resource utilisation (Hsu & Sandford, 2007). The researcher felt the Delphi technique would be instrumental in this study because it is a technique that specifically aims to collect and combine expert opinions into a set of principles that can be applied by clustered organisations to achieve a common goal. In this study the common goal is increased primary demand for the performing arts through collaboration.

4.6 Data Validity and Reliability

Validity is the extent to which the data collection methods accurately measure what they were supposed to and the findings relate to the research questions (Saunders & Lewis, 2012). Reliability is the extent to which a study’s data collection and analysis methods will produce consistent findings should the study be repeated at a later stage or by another researcher (Saunders & Lewis, 2012). Factors which may have influenced
validity and reliability in a cross-sectional, qualitative study as well as solutions to them are given in Table 5 below.

Table 5: Threats and solutions to ensuring validity and reliability

<table>
<thead>
<tr>
<th>Threatening factor</th>
<th>Definition</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Validity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subject selection bias</td>
<td>Selection of unrepresentative research subjects</td>
<td>Every effort was made to ensure strategic decision makers from all types of PAOs were included in the sample.</td>
</tr>
<tr>
<td>History</td>
<td>Specific events occurring between stages of a study that impact the findings</td>
<td>The researcher explained the nature of the Delphi technique to all respondents and that their participation in all rounds was required. Their verbal agreement was sought in this regard but did not prevent respondents from “dropping out” of the research.</td>
</tr>
<tr>
<td>Testing</td>
<td>Any effects that the data collection process (interview, questionnaire) may have on the respondents</td>
<td>The questions prepared in the interview guide were cross checked by an expert in qualitative interviewing to ensure they were valid and comprehensive while still allowing for open discussion. The questionnaire in round two was checked for ambiguity.</td>
</tr>
<tr>
<td>Reliability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subject bias</td>
<td>Dishonest or unreliable responses from participants</td>
<td>The interviewer spoke to an expert in qualitative interviewing about how to spot dishonest or incomplete answers and about techniques to help respondents feel comfortable and open up</td>
</tr>
<tr>
<td>Interviewer bias</td>
<td>Interviewer unintentionally guiding respondents toward a particular response</td>
<td>An interview guide was prepared to help the interviewer maintain a degree of consistency in the numerous interviews. Careful analysis of the interviewer’s responses</td>
</tr>
</tbody>
</table>
in the transcripts was conducted to determine whether the researcher was “leading” the respondents in any way and this behaviour was monitored in subsequent interviews.

<table>
<thead>
<tr>
<th>Response bias</th>
<th>Interviewer’s questions were in a random order to prevent respondents from guessing the direction of the interview. The interviewer also made use of exploratory tools such as narrative enquiry to steer the respondent toward deeper issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondents’ tendency to answer questions in a certain direction</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non response bias</th>
<th>While the proposed sample size was 12-15, the researcher contacted at least 20 potential respondents to control for non-response. Ultimately this bias was prevented in phase one but was evident in phase two.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of a response because contact could not be made or respondent refused to participate</td>
<td></td>
</tr>
</tbody>
</table>

### 4.7 Research limitations

There are a number of limitations in this study. Only performing arts organisations were investigated. The performing arts form part of the broader creative industries and it would be beneficial to investigate inter-organisational collaboration in the wider creative economy. In addition, the respondents selected were Johannesburg-based. The level of and opinions about inter-organisational collaboration may differ in Cape Town for instance.

Inter-organisational collaboration was the only method of primary demand stimulation investigated. Other methods such as free performances in public places, promotions and discounts may be more effective at stimulating primary demand.

Only strategic decision makers were interviewed. To gain a better understanding of inter-organisational collaboration it may be pertinent to first look at intra-organisational collaboration to see if any internal factors create a predisposition for collaboration.
Another limitation in any research is the numerous biases that could impact the reliability and validity of the study. As these were discussed in section 4.6 they will not be reviewed again.

While a heterogeneous sample was selected, the non-probability sampling means the results may not be generalisable to all PAOs. Finally, the cross-sectional nature of the study is also a limitation as the fruits of collaboration often take time to manifest and a longitudinal study may reveal very different results.
Chapter 5: Results

5.1 Introduction

Data was collected in two phases, first by means of interviews and then through a questionnaire as discussed in the previous chapter. As the data was collected in two phases, the results will be presented in two phases. Phase one will discuss the results generated from the interviews while phase two will discuss the results generated from the questionnaire sent to the same interviewees.

5.2 Phase one results

5.2.1 Sample description

The interviews yielded interesting and meaningful results that helped shed light on the challenges faced by organisations in the performing arts industry. Most of the interviewees have been in a senior position in the performing arts industry for more than a decade and as such discussed collaboration from a holistic point of view which considered the many challenges faced by the industry rather than looking at collaboration in isolation.

An effort was made to include at least one PAO from each of the PAO types listed in the scope of the study. Table 2 from chapter 4 has been restated below and summarises the characteristics of the different companies that were interviewed.
### Table 2: Summary description of companies

<table>
<thead>
<tr>
<th>PAO Type</th>
<th>Description</th>
<th>No. of organisations interviewed</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial producers</strong></td>
<td>Producers that stage local and international shows to generate maximum income for the promoters.</td>
<td>1</td>
<td>Organisation 1</td>
</tr>
<tr>
<td><strong>Theatres</strong></td>
<td>“Receiving houses” that act as venues for productions that have varying amounts of public and private sector support that are able to produce or commission work.</td>
<td>4</td>
<td>Organisation 2, 3, 4, 5</td>
</tr>
<tr>
<td><strong>Festivals</strong></td>
<td>Provide a platform for the production of new work.</td>
<td>2</td>
<td>Organisation 6, 7</td>
</tr>
<tr>
<td><strong>Independent companies</strong></td>
<td>Theatre, dance, orchestra, opera and choir companies that apply for funding to the lottery, the National Arts Council, provincial funding bodies and the private sector for support for their work.</td>
<td>6</td>
<td>Organisation 8, 9, 10, 11, 12, 13</td>
</tr>
<tr>
<td><strong>Promoters</strong></td>
<td>Performing arts media, unions and associations who support but do not create art.</td>
<td>2</td>
<td>Organisation 14, 15</td>
</tr>
</tbody>
</table>

All except two companies were non-profit organisations. Only Organisation 1 and Organisation 8 operate for commercial gain. The other organisations receive varying amounts of funding from different sources including the national lottery, the Department of Arts and Culture, the National Arts Council and corporate sponsors. The theatres and festivals especially have a developmental mandate that includes transformation and outreach as can be seen from the statements below:

“I would have no right to hold onto this job if I wasn’t thinking everyday here, how can I build a bigger black audience in this theatre?”

“I run a company with a very strict set of governance regulations, being local government because our shareholder is the city of Joburg.”

“Also you have to address historically, the way funding was previously denied. So ballet and opera was given funding but other companies were not... now artistic companies are under
pressure to transform and to develop other artistic forms. They are told ‘transform by tomorrow or you won’t get any funding’.

“...part of the responsibility is transforming it from what is historically referred to as the Lyric Theatre which largely promoted Euro-centric, orchestral music, into a venue that is more diverse and talks to a broader audience...that goes beyond the original, quite narrow demographic and position in white and Afrikaans.”

“I think that in general that mandate towards diversity is a very strong mandate in all South African theatres, nobody wants only a white audience everyone is trying to get a racially diverse audience.”

“...there is a lot of pressure on us to utilise [this festival] to reach into disadvantaged neighbourhoods ...to do outreach programmes and development programmes in poor communities.”

Out of the six independent companies interviewed two were dance companies, two were orchestras, there was one choir company and one opera company. The companies varied in size ranging from 6 to 50 members. Two promoters were interviewed, one a website dedicated to covering the latest performing arts news and the other a business-arts association. Two of the four theatres interviewed are classified as commercial theatres while the other two are classed as developmental theatres. Although all four theatres have developmental mandates, theatres 2 and 3 are significantly larger than theatres 4 and 5 (2000 seats versus 250 seats) and as such need to attract commercial artists and productions in order to fill the auditoria and cover costs. Two festivals were included in the study. The main difference between the two is that festival 6 is held in Johannesburg while festival 7 is held in Grahamstown. Further, festival 7 is an independent festival whereas festival 6 runs under the umbrella of the City of Johannesburg. This means a tendering process is in place for the artistic direction of festival 7 every three years. Festival 6 is not subject to a tendering process and as such the festival can maintain the same Artistic Directors for more than three years. According to one respondent the tendering process provides more opportunities to more people but the lack of consistency interferes with relationship-building and the creation of a strong brand identity for festival 7.

“[Grahamstown] can have an artistic director for 5, 6, 7 years, they have continuity, they can build continuity and build a brand. They have a foundation and the foundation goes out on fundraisers and the foundation produces festivals. With us, every 3 years we mess with the brand. So it is a real challenge for us but it is a constraint of where the money comes from, the money comes from the city and the city cannot award a tender for a period of longer than 3 years. We could award a company a second round but there is a lot of scrutiny and a lot of
pressure, we try not to do that because the city likes to create opportunities. So that’s the major problem, that all the other festivals are able to build a much more solid brand. “

5.2.2 The coding process

Little research has been conducted amongst South African PAOs’ on collaboration and as such codes could not be created prior to the interviews. Therefore an inductive approach was used during data analysis whereby the researcher investigated interviewees’ opinions on inter-organisational collaboration and generated codes based on their responses.

The interview questions were designed in such a way as to test the research questions and for this reason the codes created from the responses were categorised according to the research questions. Table 6 below provides a summary of the results and codes pertaining to each research question.
Table 6: Summary of research questions and relating codes

| Research question 1: How do PAOs feel about inter-organisational collaboration? |
|---------------------------------|---------------------------------|
| Positive feelings               | Negative feelings               |
| Recognise benefits of change    | Loss of jobs                    |
| Wants to/has collaborated        | Miscellaneous feelings          |
| Miscellaneous feelings           |                                 |

| Research question 2: What effect has inter-organisational collaboration had on PAOs? |
|---------------------------------|---------------------------------|
| Positive effects                | Negative effects                |
| Adds value (to both parties/society/country) | Hurtful experiences          |
| Develops arts form              | Alliance failure                |
| Increases audience              | Increases costs                 |
| Reduces costs                   | Miscellaneous effects           |
| Relationship building           |                                 |
| Miscellaneous effects           |                                 |

| Research question 3: What are the barriers to inter-organisational collaboration? |
|---------------------------------|---------------------------------|
| Application process             |                                 |
| Content of production           |                                 |
| Declining quality (fear thereof) |                                 |
| Personal pride (Ego)            |                                 |
| Fear of competition             |                                 |
| Fragmented audience             |                                 |
| Ideological clashes             |                                 |
| Lack of business acumen         |                                 |
| Lack of camaraderie             |                                 |
| Lack of collective planning     |                                 |
| Lack of communication between PAOs |                                 |
| Lack of funding                 |                                 |
| Lack of shared vision           |                                 |
| Lack of support (infrastructure, government, corporate) | |
| Lack of time                    |                                 |
| My art form does not allow collaboration | |
| Organisational policy           |                                 |
| Scheduling difficulties         |                                 |
| Transformation/pressure to transform |                             |
| We/they can’t add value (belief thereof) | |

While the content analysis and coding process produced relatively clear and understandable barriers to collaboration, the interviewees’ repeated emphasis on a number of contextual factors pointed to underlying issues which are possibly the root causes for the barriers listed above. Four major contextual factors emerged, each
consisting of several minor factors. These contextual factors are summarised below in Table 7.

Table 7: Contextual factors impacting collaboration

<table>
<thead>
<tr>
<th>Category</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attachment to the past</td>
<td>Legacy &amp; tradition (the way it’s done)</td>
<td>187</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Times have changed (nostalgia)</td>
<td>78</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Historical misconceptions about the arts</td>
<td>56</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Risk-averse</td>
<td>38</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Dismissive of new ideas</td>
<td>34</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Technological developments (ignored)</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td>413</td>
<td></td>
</tr>
<tr>
<td>Lack of strong leadership</td>
<td>Powerlessness</td>
<td>159</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Politics</td>
<td>137</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>One-sided/lack of effort</td>
<td>35</td>
<td>7</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td>331</td>
<td></td>
</tr>
<tr>
<td>South Africa’s political history</td>
<td>Us-them divide</td>
<td>115</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Audience base (unsophisticated)</td>
<td>51</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Individual-driven collaboration</td>
<td>44</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Lack of metrics/research</td>
<td>33</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Lack of theatre-going habit</td>
<td>26</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Lack of local creativity/producers</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td>275</td>
<td></td>
</tr>
<tr>
<td>Entitlement mentality</td>
<td>Complacency</td>
<td>50</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Race</td>
<td>49</td>
<td>8</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td>99</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>1119</td>
<td></td>
</tr>
</tbody>
</table>

The table above indicates four major contextual factors and 17 minor factors impacting collaboration. The major factor with the highest number of statements was “an attachment to the past” while an “entitlement mentality” contained the lowest number of statements. All 13 respondents interviewed made statements regarding legacy and tradition (the way it’s done), powerlessness, an unsophisticated audience and an ‘us-them’ divide. The minor factors which were discussed most frequently were legacy and tradition, politics, powerlessness and the ‘us-them’ divide.

An in-depth interpretation on these contextual factors and the implications they have on collaboration will be provided chapter 6 however it is important to note that any attempt
to categorise the many complex and underlying issues in an industry so diverse will almost always be flawed. The minor components that make up the major contextual factors are by no means exhaustive or mutually exclusive. For instance the issue of race could apply to both an entitlement mentality and an attachment to the past. It could also be highlighted as a major contextual factor. In addition the use of the word “leadership” in the major contextual factor “lack of strong leadership” is a subjective term that may be incorrectly interpreted. Here it is used to indicate an ability to come together as an industry or a collective force that drives change by facing up to government. PAOs collectively are too accepting of government policy and so far have not shown the strength and initiative to lobby against government in the formation of arts policy. In comparison to big business, strong leaders have lobbied against government to change business regulations so that they allow businesses more autonomy and flexibility.

In addition to feelings, effects, barriers and contextual factors, various enablers of collaboration also emerged during the phase one interviews. Although these were not linked to a particular research question, they were included in the study because they contribute to the overall understanding of the dynamics of inter-organisational collaboration among PAOs. The various enablers of collaboration that emerged from the phase one interviews are listed below in Table 8.

**Table 8: Enablers of collaboration – phase one**

<table>
<thead>
<tr>
<th>Enablers of collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts education</td>
</tr>
<tr>
<td>Engagement with the community</td>
</tr>
<tr>
<td>Technological innovation</td>
</tr>
<tr>
<td>Engagement with government</td>
</tr>
<tr>
<td>Engagement with mainstream media</td>
</tr>
<tr>
<td>Genre-based collaborations</td>
</tr>
<tr>
<td>Increased inter-organisational communication</td>
</tr>
<tr>
<td>Improved business skills</td>
</tr>
<tr>
<td>Location-based collaborations</td>
</tr>
<tr>
<td>Relationship-building</td>
</tr>
<tr>
<td>Support of industry players</td>
</tr>
</tbody>
</table>

### 5.2.3 Feelings versus effects

When investigating respondents’ views on collaboration, many individuals spoke of their feelings about collaboration based on actual experience. Although subtle, differences do exist between *feelings* about collaboration and its *effects*. In the end, statements based on what respondents thought might happen should they collaborate were labelled
“feelings”, while statements based on their actual experiences with collaboration were labelled “effects”. “Feelings” and “effects” contain both positive and negative statements as indicated by Table 6 above. The items labelled “miscellaneous feelings” and “miscellaneous effects” contain once-off statements that did not fall under any of the listed codes and did not occur often enough for a separate code to be created for them. Therefore they were grouped together as miscellaneous items. Some examples of miscellaneous feelings and effects are given below.

“I mean if somebody was to ask me to merge then the idea of collaborating would mean we have to put together a whole new look to the company.” – Negative feeling: collaboration could lead to restructuring.

“I mean truthfully, if we got our act together then any play that opens [at our theatre] should play at all the provincial theatres. However, which artist do you know that will leave their family for three to four weeks at a time, so actually there are pros and cons to [collaboration].” – Negative feeling: collaboration could affect artists’ work-life balance.

“I don’t think collaborating grows an audience, I think that events grow the audience and marketing grows the audience, collaboration is just a tool of production.” – Negative feeling: collaboration does not grow the audience.

“I think if you get [collaboration] right then it could lead to increased positions. Because in the end if you manage to grow your audience you will need to be able to do bigger productions and bigger productions need many people.” – Positive feeling: collaboration creates jobs.

“…if [collaboration] works to bring in audiences it means also that the dancers can be more secure. That kind of collaboration is wonderful but it isn’t happening enough.” – Positive effect: collaboration creates job security.

“…we’ve performed at the National Arts Festival. But for me performing at an arts festival is not selling my brand, its selling the brand of the arts festival.” – Negative effect: collaboration dilutes a company’s brand.

5.2.4 Research question 1 results

How do PAOs feel about inter-organisational collaboration? This was the first research question, the aim of which was to gently introduce the topic of collaboration and elicit a broad range of opinions from PAOs about collaborating with one another. Table 9 below shows the cumulative frequencies as well as the total number of respondents per code under the category “feelings about inter-organisational collaboration” that emerged from the phase one interviews.
Table 9: Feelings about inter-organisational collaboration

<table>
<thead>
<tr>
<th>Category</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feelings about inter-organisational collaboration</td>
<td>Recognises benefits of change</td>
<td>72</td>
<td>11</td>
<td>Loss of jobs</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Wants to/has collaborated</td>
<td>204</td>
<td>13</td>
<td>Miscellaneous feelings</td>
<td>69</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Miscellaneous feelings</td>
<td>75</td>
<td>13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>350</td>
<td></td>
<td></td>
<td>77</td>
<td></td>
</tr>
</tbody>
</table>

From the content analysis it is clear the vast majority of statements made about collaboration were positive with all respondents indicating they wished to collaborate more if they had not been doing so already. Some of the most encouraging comments were:

I’m a great believer in collaboration if possible.

“I am very optimistic about that collaboration, it excites me hugely.”

“I don’t think you can ever have negative outcomes in collaboration.”

“I always believed that if people sing with one voice you have a better chance of making a big impact.”

“I think that now is the time to be thinking quite seriously about organisational collaboration and I don’t think we do enough of that”.

“I think there is a dialogue amongst festivals that by collaborating we create better opportunities for our artists...each festival has its own niche audience, its own way of presenting things and it’s a marketing strategy that brings in different kinds of audiences.”

“...collaboration in South Africa in itself is an idea and an ideal that is wonderful and everybody wants to do it ...I’m constantly trying to do collaborations because when it does happen it is actually quite inspiring if people open themselves up to doing things in a different way.”

The respondents also realised that collaboration, while not an entirely new concept, does require a change in mind-set and change is a good thing. Some comments that indicated recognition of the benefits of change that collaboration brings include:

“But the dance community for once in their life are sitting together around a table and communicating. I don’t know how far we will get but for the first time in 30 years I can say that..."
the dance community is heading the right way. All dance companies are involved. We are all speaking with one voice.”

“And the relationship is such a good one, for the first time we said we will manage the tour. We are in partnership with it in Cape Town and Durban as well as here which is a little scary for us because we are not increasing our resources at all to do it but so far it is going well.”

“Yes I believe there is a major move towards a cross between street dance and contemporary, I think there is huge potential and a very exciting avenue to go down and form a company along those lines. I think its pushing contemporary dance in a different direction because for me contemporary dance needs a wake-up call. It needs to move on to something else.”

“We are going to collaborate because we can pool our audiences, we are going to collaborate because it is bringing in a completely new and creative way of thinking into an environment that has become stale and tired, we are going to collaborate because it means we can shift where we see ourselves in 5 years.”

While the content analysis indicated an overwhelmingly positive view on collaboration (350 positive versus 77 negative statements), word counts alone cannot tell the whole story. The gravity of the statements, in addition to the number of times they appear, must be factored into the analysis. The gravity of the negative statements, particularly around a fear of job losses, could even out the balance between positive and negative feelings toward collaboration. In fact, a concern over job losses could quite easily swing a respondent’s view on collaboration from positive to negative. Some respondents felt that joining forces would result in a doubling of certain roles and to save costs those people would have to be made redundant. Some comments that reflect these sentiments include:

“I think essentially people are going to lose their jobs.”

“But somebody will lose their job! If each company has their own ballet mistress, marketing person, rehearsal person then one will have to go to save costs. Even dancers will lose their jobs.”

Initially the concerns over job losses came about due to confusion between a merger and a collaboration, the former resulting in job losses from consolidation of staff. One respondent even asked, “What is collaboration? How do you define collaboration? I think that people misunderstand what collaboration is, it is not merging.” Once the difference became clear the respondents’ feelings about collaboration did change somewhat. An initially reluctant respondent summarised her new understanding of collaboration:
“If we have three seasons a year and [they] have three seasons a year, we do two on our own and collaborate on the third. So we do a bigger production or a touring production. That for me is more of a collaboration.”

This statement indicates that even the most reluctant respondents saw the benefits of collaboration once its meaning was understood. This means that the vast majority of views on collaboration were in fact, positive.

In addition, the types of PAOs who showed concern over job losses were generally the smaller independent companies while those PAOs who felt that collaboration could create jobs were the larger theatres and festivals. One of the larger PAOs said:

“I think if you get [collaboration] right then it could lead to increased positions. Because in the end if you manage to grow your audience you will need to be able to do bigger productions and bigger productions need many people.”

This could indicate that smaller PAOs are negatively affected by collaboration while larger PAOs experience more positive effects. The next section deals with the effects of collaboration.

5.2.5 Research question 2 results

Research question 2 was about understanding the effects inter-organisational collaboration has had on PAOs. The researcher looked out for positive and negative statements based on actual experience. Table 10 summarises the cumulative frequencies as well as the total number of respondents per code under the category “effects of inter-organisational collaboration” that emerged during the phase one interviews.
Table 10: Effects of inter-organisational collaboration – phase one

<table>
<thead>
<tr>
<th>Category</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effects of inter-organisational collaboration</td>
<td>Adds value (to both parties/ society/ country)</td>
<td>63</td>
<td>12</td>
<td>Hurtful experience</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Develops art form</td>
<td>38</td>
<td>10</td>
<td>Increases costs</td>
<td>14</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Increases audience</td>
<td>53</td>
<td>12</td>
<td>Alliance failure</td>
<td>41</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Reduces costs</td>
<td>29</td>
<td>10</td>
<td>Miscellaneous effects</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Relationship building</td>
<td>105</td>
<td>12</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Miscellaneous effects</td>
<td>23</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>334</td>
<td></td>
<td></td>
<td>195</td>
<td></td>
</tr>
</tbody>
</table>

Similar to the results for research question 1, research question 2 yielded more positive effects than negative. There were some contradictory results; 14 respondents experienced an increase in costs from their collaborations, however, more than double that amount had experienced reduced costs as a result of collaboration.

The majority of respondents stated relationship building as a positive outcome of collaboration while hurtful experiences was a negative outcome most often cited by respondents as a result of collaboration. Some statements regarding relationship building include:

“...it was a good experience, it was a good relationship. So what came of that, of course, was a wish to continue the relationship from my side and to do something else with [them].”

“We did a show last year...it was a huge success here and the relationship between our team and their team became like a love affair, we just adored each other and we got on very well and we thought in the same way about business, about creative talent. It just became one of those things where it was automatic that by the end of the season, we would do a show again."

“...you cannot put a number or a note on the amount of experience and expertise that he brings to a venture. Working with him I find that we learn a lot and I know we enjoy working with him, we have enjoyed the experiences of a collaboration which does bring a tremendous amount to the party.”

“And the one positive is that what came out of it is that we decided to collaborate in doing an opera next year with them, so what sprung out of it was more possible collaborations in future.”
“Relationships, relationships, relationships. Because it all boils down to that, as I say the order of sending proposals to funding agencies does not work and also when you have relationships you can leverage those to build your collaboration.”

“It boils down to relationships within the people, you get to network, people must know what your goals are and make them aware what your needs are and how they can be involved.”

Another positive effect of collaboration was the view that it had in some way added value either to each party or to the artists or to society or in some cases, to the country. Some statements that reflect this include:

“[The reason to collaborate is] to advance the life of the play, to advance the arts and to give the actors longer contracts of work.”

“So businesses collaborate [with the arts] for a variety of reasons whether its CSI in which case they are looking at their triple bottom line, how they are perceived within the world and the message that they want to give for BEE purposes.”

“So usually our role is to partner with them, we commission South African works and then they pay for it, to stimulate local works. But it also benefits their members, member composers, because they know they can get commissions and then their work is guaranteed to be performed.”

“I think that any sort of collaboration within the arts sector is positive because it simply means that you create greater awareness and you create increased value for the limited resources that we have.”

“At UNISA we have an on-going relationship with them...we do not pay for the venue to do concerts in Pretoria because they realise that Pretoria needs to be culturally vibrant and there is a limited number of venues.”

“Any growth in the arts ultimately has an effect on the growth in the hospitality sector and ultimately on all other sectors of the economy.”

‘Also when you collaborate with people outside the arts you stimulate other areas so the effect is it benefits more people. For example, without our coming through the schools there will be no career options for them...so you are stimulating other areas of education, job creation, skills transfer and many other things.”

“...social cohesion is most important for trust and a country with a high trust index is a country with a strong economy. So we support the arts because even the debate around The Spear is about debating social cohesion and it gets us to understand our challenges better which means that hopefully our trust index will increase.”

While many respondents felt collaboration had had a variety of positive effects, some had been scarred by it and the negative experience had left a lasting effect on the company. The statements below reflect the hurtful experiences had by the respondents:
“...they take money from all these big companies and give hardly any of it to the arts. You have to fill in a 54 page application to get R10 000.”

“They never match [the amount of money we bring in], that’s bullshit! It really aggravates me because that’s the message they kind of tell people.”

“They give us the money to shut us up and get us out of their office and we are grateful for this! Because we are all beggars, that’s what we are.”

“But even then when we were sponsored by [the company], they did nothing to publicise it even in-house.”

“...sometimes people let you down, you know they engage you for something and then a week before they let you know it’s off.”

“Look there have been odd instances where we just have had no audience due to poor marketing.”

“I think that the South African Arts sector has been handicapped enormously. I think that comes from our previous Minister who had no understanding, no passion or compassion for the arts.”

“...the message [at the conference] was that people in the art world should stop begging.”

It may be true that more positive effects were cited, but again, the grave nature of these statements provides strong evidence that the positive effects of collaboration do not necessarily outweigh the negative effects for PAOs.

Other negative effects of collaboration include failed attempts. Interestingly, these failures did not seem to leave a black mark or any other lasting negative effect as with the previous hurtful effects. This show the respondents have written these failures off as learning experiences. Some examples of attempts at collaboration that failed are:

“Often that’s a financial knock for us but we do it because we want to show that we are prepared to collaborate and encourage other art especially up and coming art.”

“[This arts form] has a much smaller audience anyway, it doesn’t matter what you do, even if you try and do something popular as a South African company and you use only South Africans and it’s a product that is South African, it doesn’t do well.”

“So we have tried over many years to do a carnival in December and we have done it every year on New Year’s Eve, but it is very difficult to get partnerships because the corporates close down.”

“They tried to produce South African black productions, the Soweto Story and they failed and even a lot of the productions that come from abroad, the sort of Broadway type things that have been losing money. Take Dreamgirls at the Monte Casino, you could argue that that is a developmental project because they cast a predominantly black South African cast for a play to take to Monte Casino, which we know has a predominately white audience. And clearly the
white audience who generally go there are not ready for that even though it won awards and was a fantastic show."

“...companies compete, we tried about 3 or 4 years ago to get 3 dance companies in Johannesburg to collaborate... but it was difficult, there are ideological differences.”

One interesting miscellaneous effect of collaboration was that it created a loyal audience that patronises the same show year after year. South African audiences, however, are particular and one could argue that an audience that patronises the show and not the theatre receiving the show creates a dependence whereby the theatre will find itself in a predicament should the director choose to move the show to another theatre. This will create a hole in the theatre’s yearly schedule that will be difficult to fill as can be seen from the comment below.

“Most of those people don’t come to the theatre during the year; they go to the theatre once a year to see [that show]... [it] is a family show. It is the only family show in this country that succeeds and it’s unique. Most of the people that come to this theatre come to see [that show] here and please G-d they will continue because it is a hugely expensive production to do and you are taking a very big risk every year.”

5.2.6 Research question 3 results

Research question three, what are the barriers to inter-organisational collaboration, drew some interesting results. The respondents spoke about a number of issues that either hinder or completely prevent inter-organisational collaboration. Table 11 below indicates the cumulative frequency and number of respondents regarding the various barriers to inter-organisational collaboration discovered during the phase one interviews.
Table 11: Barriers to inter-organisational collaboration – phase one

<table>
<thead>
<tr>
<th>Category</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barriers to inter-organisational</td>
<td>Lack of funding</td>
<td>121</td>
<td>13</td>
</tr>
<tr>
<td>collaboration</td>
<td>Personal pride (Ego)</td>
<td>110</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Own ideas/ideology (clash thereof)</td>
<td>90</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Lack of support (infrastructure, government,)</td>
<td>97</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Lack of camaraderie</td>
<td>65</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Fear of competition</td>
<td>54</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Lack of business acumen</td>
<td>53</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Fragmented audience</td>
<td>47</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Lack of shared vision</td>
<td>47</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Transformation/pressure to transform</td>
<td>42</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Organisational policy</td>
<td>39</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Lack of communication between PAOs</td>
<td>37</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Lack of collective planning</td>
<td>29</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>My art form does not allow collaboration</td>
<td>29</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>We/they can’t add value (belief thereof)</td>
<td>23</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Content of production</td>
<td>22</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Lack of time</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Application process</td>
<td>16</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Scheduling difficulties</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Declining quality (fear thereof)</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>963</strong></td>
<td></td>
</tr>
</tbody>
</table>

The table above indicates a total of 20 surface-level barriers to collaboration and 963 statements made regarding these barriers. All 13 respondents interviewed indicated a clash of ideology and a lack of funding as barriers to collaboration. From the results above it is evident the top five barriers to collaboration are: lack of funding, personal pride or ego, ideological clashes, lack of support and lack of camaraderie in the performing arts. Each of these will be discussed further.

**Lack of funding**

Thirteen respondents made 121 comments regarding a lack of funding as a barrier to collaboration in the performing arts. The lack of funding is an issue that PAOs around the world have to deal with according to one respondent who said, “You know the world over because of the recession the arts have been suffering, dropping subsidies and that sort of thing”. However, it seems to be a problem that neither disappears nor leads to the demise of the performing arts as one respondent eloquently states, “Theatre is like the
Fabulous Invalid, like the play on Broadway because it should have died, it should have died several times but it didn’t.”

The “lack of funding” theme is closely tied to the respondents’ beliefs that the arts should be and have to be subsidised by government and the private sector. The two main reasons for these beliefs are the sheer costs involved in staging a production and the fact that the arts are considered a public good for public benefit and so should be publicly funded. The respondents vehemently expressed these beliefs as can be seen from the following statements:

“Mounting shows in this country is ridiculously expensive at this point in time and it starts with a financial cost burden.”

“It is very simple, if your ticket price is R100 in a 430 seater auditorium and you sell out, if your ticket price is R200 and you sell out, you can NEVER make sufficient money to cover the costs unless there is one actor on stage. Even with one actor on stage there is still a crew and that’s why it’s a subsidised sector and that’s why government provides grants. I always say it’s a public good.”

“But for any institution to be able to house a ballet company, an orchestra, a drama company they would need huge subsidies, you can’t keep that company on payroll 52 weeks a year and they only perform 6, 8, 12 weeks a year, it has to be on a subsidy.”

“We are a necessary subsidy institution. Don’t let anybody tell you otherwise. If anybody thinks we can ever become self-sufficient they are lying through their teeth!”

“I don’t think there is a single country, even the most developed Western country, that doesn’t subsidise and support its arts. If government supports health, they support education, they support the development of roads, then support for the development of arts and culture is just as important.”

“There has got to be recognition by the corporates and by government that the arts are valuable in and of themselves and that they cannot be driven by pure market forces and that therefore there must be subsidies [and] donations…”

It is clear from these statements that most PAOs feel that the arts matter and that they cannot survive without external funding. When asked why a lack of funding becomes a barrier to collaboration the respondents expressed that they felt they were given so little money that there is just not enough of it left over to collaborate. The respondents explained the collaborative challenges brought about by the insufficient funding:

“None of us have enough money in this country to say let’s devote the next year to working on collaboration, let’s spend that time with the people we identify and would like to collaborate with... I do also think it’s a lack of time...in the end lack of time comes down to a lack of money
because if we had more resources, if I didn’t have to do 3 jobs for this theatre at the same time to keep my job, I would be able to spend more time nurturing those relationships.”

“And the government … when you do apply for collaboration funds you don’t always get the money. They never give you the money that you ask for, you can go in there and say you need R10 million to do a collaboration and they will give you R7 million. And then you will ask about the other R3 million and they will tell you to find it somewhere else.”

“The other challenge is that you look at funding bodies that give money to all of us … they require that you only spend 15% of the grant that they give you on administration and on the salaries of the people that you hired for that particular project. The rest is on the project…so if you have R1 million to do a production, you only have R150 000 to pay the people that are going to make sure the production goes on”

“People don’t collaborate very much because they have to worry about both [the artistic and the administrative side] and so they will say “Okay fine we get the artistic grant but then some of the money we have to try and use for administrative purposes so then what happens with me the artistic director is that some directing fees need to be pushed to the administrative side. You find that the people that are funding you money don’t think that being an administrator is that important, for them it’s like “Here’s the money for the project“ and when you turn around and say “But we have nobody to actually make sure the project happens“ it’s not important for them. People look at administration in the arts as a privilege…you’re treated like you should be privileged that you actually get some money…So companies individually have so much to fight that people are terrified to [collaborate]. It has to be in the most non-demanding way to do something together.”

Another reason why the lack of funding was seen as a barrier to collaboration was because PAOs seemed to feel that collaboration means sharing their funding as opposed to pooling their funding or using the funds to co-create a production which would ultimately lead to greater ticket sales. In short, the respondents felt collaboration was risky because there is no certainty that the collaboration will be a success. Some respondents said:

“But of course there is a huge financial factor that comes into this argument, it all comes down to money and taking risks.”

“I’m happy for us to do anything with anyone as long as we don’t take the financial risk… [We] won’t do the collaboration if someone doesn’t have the funding themselves.”

“…instead of people joining forces on certain things, they go out and start their own organisations and I think given that resources are so short, it’s a pity but I think it is because resources are so small and so tight that people are doing it because they are very afraid of sharing the pie.”

“But [collaboration] is a very hard thing to do because currently we are all fighting for the same funding and it’s overcoming that initial fear.”
“It is a vicious circle because you have very very limited resources and in the industry people are competing for the limited resources then they don’t trust each other, then collaboration becomes impossible.”

These statements indicate that PAOs are afraid to spend their limited money on collaboration which implies they do not see a financial upside to collaboration.

**Lack of support**

Most respondents felt that the lack of funding extended to a general lack of support for the performing arts. PAOs felt that those who did provide funding did so without really understanding the challenges faced by PAOs. As a result PAOs could only do so much with the funding and could not increase demand for the arts beyond a certain point.

A number of respondents mentioned a lack of city infrastructure as a constraint to development of the sector and a barrier to collaboration:

“I think what I’ve picked up in Joburg is people don’t like going out at night. It may also be a function of no public transport.”

“We have to start taking the ballet to Soweto. But we need money. Because the Soweto audience can’t come and see a show for the simple reason that they don’t have transport.”

“There are only so many productions you can do; there are only so many theatres around. So you might want to do something but when you look around there is no venue for it so you have very limited things.”

In fact the whole of South Africa hasn’t got concert houses and so you rely on universities and on city halls to presents concerts unlike elsewhere in the world.

“If you look at arts and culture sponsored by the city you have the facilities in New Town and we have got the Joburg Theatre, the Roodepoort Theatre and now we have the Soweto Theatre and for the first time we have got significant infrastructure and resources in a township. We have got nothing in Orange Farm, we have got nothing in Diepsloot, we have got nothing in Ivory Park, we have got absolutely very little.”

PAOs also experienced a lack of support from the private sector. Many felt that businesses do not think of the arts as a business and do not understand the challenges faced by PAOs. Often businesses will provide funding in the form of a hand-out with no follow-through support such as marketing, publicity and commercially-minded administrators. This discourages PAOs from collaborating with private business in the future.

“But even then when we were sponsored by [the company], they did nothing to publicise it even in-house. If [the company] gives us R2 million they should be spending R4 million on marketing
the fact that they are sponsoring the company. And that’s the problem with the arts; we just say “Thank G-d you’re giving us a bit of money”. No! We should be getting the same treatment as the sports get. ABSA is giving R240 million to rugby but they are spending R1 billion on marketing that. That’s the real value for them.”

This lack of support from the private sector is closely linked to the common misperception that arts organisations are not “real businesses” and that arts practitioners do not have “real jobs”. This misperception has manifested in a number of ways evident from the statements below.

“There’s a lot of challenges, I think that one of them would be “how do you perceive art in South Africa?” that’s one of my biggest challenges. We still perceive art as a luxury; we still perceive it as something that we do part time. People do not understand that you actually have to dedicate the same amount of hours that a business person dedicates, so we look at it in a different way.”

“[An arts associations] needs people to run it that know how to run it and are being paid [to run it], it’s a full time job, it’s not a half time job.”

“It’s who you hire, who do you get but also we are handicapped in South Africa … because we don’t have business people who are interested in the arts. We don’t have money to pay business people that are interested in the arts... if you have to equate on a monetary level somebody in my position and somebody in very much the same position in a manufacturing company they earn about three times more than I do and that’s just purely part of the business. So if you have to get someone of that calibre into this art form, you need to pay them that much money.”

These statements reflect that the private sector does not feel that the arts matter in the same way that PAOs (and more recently government) feel the arts matter. Government feels the arts are important for the preservation of culture, the development of social cohesion and nation-building. PAOs feel the arts are important because they are beautiful, entertaining or serve to tell a story. It is clear that PAOs, who are passion-driven, find it difficult to understand and accept business’ lack of passion for the arts. This passion and unwavering belief that the arts matter manifests as pride or ego, another barrier to collaboration discovered in the phase one interviews.

**Personal pride (Ego)**

Almost all respondents mentioned egos as a barrier to collaboration. While the respondents used the word ego, the researcher chose the label personal pride instead as it is a term with fewer psychological interpretations. In all businesses, not just in the arts, the strategic decision-makers at the top have big personalities, strong opinions and are indomitable in character. These characteristics are part of what makes them successful but collaboration involves bringing together two or more of these personalities and requires compromise which will inevitably lead to conflict. Fortunately
the majority of respondents recognised these characteristics in themselves and were able to admit they were, themselves, a barrier to collaboration.

“Believe you me, the clash of egos happens all over the world, not just in South Africa. Collaboration by its very name means you have to compromise, you have to meet each other halfway and you have to get beyond egos.”

“Each theatre thinks they know what they are doing. We don’t like to be told what to do; we know what we are doing.”

“I think at the end of the day each form is a bit self-interested.”

“I can say I am very egotistic too and I also don’t like anyone coming here and telling me how to run my company.”

“In Gauteng we have five opera companies but we can’t work together because you know, who is going to make decisions, who is going to be artistic decision maker, who is going to do this, everyone wants a piece of the pie for themselves.”

These sentiments indicate that by and large, the strategic decision-makers in PAOs are not team players and prefer to make decisions individually as opposed to collectively. This is not an encouraging finding for collaboration and its role in demand stimulation in the performing arts.

In some instances, respondents made statements about why they felt they could not collaborate that were linked to their organisational policies. Some of these statements indicated stubbornness, self-importance and arrogance and as such were labelled statements of personal pride (ego). Some examples are given below:

“…we have a small venue and we CHOOSE to keep our ticket prices low because our target audience is young, black, newly middle-class and developmental and we do work for people who don’t necessarily want an audience, how hard is that!”

“No, number one we can’t [charge more for a ticket] and two we don’t want to. We are a martyr to the cause of the development of the arts.”

“People know I am very outspoken about this. And I know, I am a public figure, I’m not a star but I am a public figure and what I say is what I feel.”

“I think they feel that we are too much of a famous brand so I think there is that nervousness to approach us and tell us about their limited funding.”

“You know a lot of companies come to us because they want to piggy-back on our systems.”

“Very often we are asked if we would be interested in getting involved in a production that any of the dance companies are doing and it is not something that we would do. I don’t see a collaboration basis.”
Ideological clashes

Closely linked to pride is the barrier of ideological clashes. Strong personalities create strong opinions and each arts practitioner will have his or her own vision of what type of company they want to be, what types of shows they want to do and what defines their success. However, for collaboration to work there needs to be a shared vision or failing that, the possibility of a compromise. Some statements that best represent ideological clashes include:

“You must remember each company has their own philosophy; they have their own training agenda, their own scheduling...”

“...different people have got different approaches, different strategies to the same challenges.”

“Our purpose is to entertain the citizens of Johannesburg... the success in theatre in my experience is totally product dictated.”

“We might knock our heads on things because he does things one way and I do things the other way.”

“There is very little collaboration between the various performing arts organisations. Most tend to do their own thing in their own silos.”

Along with the above statements it is still important to note that collaboration in the performing arts is not about encouraging arts practitioners to align their ideas and lose their individuality. The arts are valuable because they are unique and represent original expression. Some profound statements about the importance of maintaining artistic individuality were:

“We have to accept that there are arts for different kinds of audiences that attract different kinds of markets that have different ways of being expressed. So there will always be divides. It’s all part of society. I don’t think the divide is unnatural. You can’t have a shop that sells both fur coats and plastic Tupperware’s... The arts are not homogenous so to expect everyone to be in the same room and all theatres to be doing the same thing I think is ridiculous... I think theatres are located within specific communities with diverse interests and where communities differ, the artistic expression must differ... To put all arts into the same room and say to them they need to align is impossible. Artists are individuals, they work as outsiders.”

“Artists are going to be creative and that’s their function, that’s their role in society and their value to society...”
Lack of camaraderie

From the ideological clashes, to the strong individual personalities and the fight for funding it is no wonder PAOs struggle to reach a level of professional amity. These barriers, combined with the fear of losing audiences, make it difficult for PAOs to trust one another and make collaboration a stressful endeavour as one respondent articulates:

“Another big debate in collaboration is whether the other theatre is a partner or a rival. We worry about the location of each theatre. Are they too close together or could the play open here and then go there or will we end up sharing audiences? Another problem is each theatre has different ideas and each theatre thinks they know what they are doing. We don’t like to be told what to do, we know what we are doing.”

One respondent suggested that they were all looking after their own best interests as opposed to doing what was best for the industry:

“…we all fight for our little thing… like everything, there is always competition… So no one is looking at the bigger picture and the bigger picture is the hardest to solve.”

Other statements reflected a lack of belief in the strength of the support systems which are there to protect and promote the performing arts, for instance:

“And unions, associations, groups, networks, we have them but they are not in a powerful enough place.”

“What we lack in this country and what would be lovely, is a really representative body of producers.”

In particular instances some PAOs completely rejected any idea of a relationship:

“Well two years ago I wrote a letter to [their] board saying that we shouldn’t be fighting, we should be working together more often. They wrote back that they weren’t interested.”

One respondent even admitted that he, himself, did not support other art forms beyond his own:

“Well I’ve become a bit confined in my activities. I don’t go to theatre much, occasionally I do but I pretty much focus on what [our company] is doing, I don’t go to any concerts anymore.”

Finally, what seems to be missing from the performing arts industry is a sense of interdependence whereby PAOs rely on each other, lean on each other and help each other, all of which point to a lack of camaraderie.
But one of the reasons we don’t give [collaboration] the time is because nobody, no organisation is saying “come on you have to, all your colleagues will be there, you need to be there, they need you, you need them, give us three days and something good will come out of this”

In conclusion, the results from phase one yielded a number of positive and negative feelings about and effects of collaboration. In addition, many barriers were uncovered, the most important being a lack of funding, pride, a lack of general support for the performing arts and a lack of camaraderie among PAOs. Several enablers emerged as well as a number of contextual factors that impact inter-organisational collaboration. The dynamics of collaboration uncovered in phase one are summarised below in figure 2.

Figure 2: Dynamics of collaboration - phase one results

5.3 Phase two results

In phase two the researcher consolidated the statements made by the interviewees and created a questionnaire based on a combination of their opinions and the literature on collaboration. The questionnaire consisted of 5 sections: positive outcomes of collaboration, negative outcomes of collaboration, barriers to collaboration, enablers of
collaboration and a general section which focused on the contextual factors which may impact collaboration (see Appendix 4 – Delphi Questionnaire). The questionnaire was then sent to the same 13 respondents who were interviewed in phase one. Only five out of 13 questionnaires were returned to the researcher. The results will now be discussed one section at a time.

5.3.1 Positive effects of collaboration

The respondents were given 12 statements of positive effects of inter-organisational collaboration and were asked to tick 5 that they themselves had experienced. Table 12 shows the cumulative frequencies of each positive effect.

Table 12: Positive effects of inter-organisational collaboration – phase two

<table>
<thead>
<tr>
<th>Positive effects of collaboration</th>
<th>Frequency</th>
<th>Degree of consensus (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer of knowledge/shared learning</td>
<td>5</td>
<td>100</td>
</tr>
<tr>
<td>Exposure to new audiences</td>
<td>4</td>
<td>80</td>
</tr>
<tr>
<td>Development of artistic talent (at individual and industry level)</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>Increased work opportunities for local artists</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>Relationship building</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>Access to facilities, equipment and a larger selection of artistic talent</td>
<td>2</td>
<td>40</td>
</tr>
<tr>
<td>Pooling of funds and other cost-savings</td>
<td>2</td>
<td>40</td>
</tr>
<tr>
<td>Collective bargaining power/fundraising capabilities when approaching government/private sector for funding</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Increased ticket sales</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Reduced replication in service and administration</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Reinvention of the art form/genre</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Competitive advantage through increased innovative capacity</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total consensus achieved</strong></td>
<td><strong>25/60</strong></td>
<td><strong>42%</strong></td>
</tr>
</tbody>
</table>

Out of the five respondents, all five ticked transfer of knowledge/shared learning as a positive outcome of collaboration that they experienced (100% consensus). This is an interesting result as transfer of knowledge was not an often-heard statement during the phase one interviews. The interviews indicated that relationship building was the most frequent positive effect of collaboration according to Table 10: Effects of inter-organisational collaboration – phase one. Exposure to new audiences was also one of the top listed effects while competitive advantage through increased innovative capacity
and reinvention of the art form/genre were not listed at all. Interestingly, only one respondent experienced an increase in ticket sales (demand) as a result of collaboration. Only 42% overall consensus was achieved among the respondents on the positive effects of collaboration.

5.3.2 Negative effects of collaboration

The respondents were given 11 statements of negative outcomes of collaboration and were asked to tick 5 that they themselves had experienced. Table 13 shows the cumulative frequencies of each negative outcome.

Table 13: Negative effects of collaboration – phase two

<table>
<thead>
<tr>
<th>Effects</th>
<th>Frequency</th>
<th>Degree of consensus (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakdown of relationships</td>
<td>4</td>
<td>80</td>
</tr>
<tr>
<td>Loss of control in any aspect of production</td>
<td>4</td>
<td>80</td>
</tr>
<tr>
<td>Unmet expectations</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>Wasted time</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>Disgruntled employees</td>
<td>2</td>
<td>40</td>
</tr>
<tr>
<td>Increased costs</td>
<td>2</td>
<td>40</td>
</tr>
<tr>
<td>Loss of competitive advantage</td>
<td>2</td>
<td>40</td>
</tr>
<tr>
<td>Damaged reputation</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Loss of jobs</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Offended audience</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Decline in quality of productions</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total consensus achieved</strong></td>
<td><strong>22/55</strong></td>
<td><strong>40%</strong></td>
</tr>
</tbody>
</table>

Unlike with the positive effects of collaboration, the negative effects did not yield complete consensus amongst all five respondents in any categories. The highest scoring negative effects were a breakdown of relationships and loss of control in any aspect of production. Unmet expectations and wasted time also seemed to be a common negative effect of collaboration. Neither a decline in quality nor an offended audience were listed as negative effects of collaboration. Only 40% overall consensus was achieved among the five respondents regarding the negative effects of collaboration.

In comparison to the results from the phase one interviews, a hurtful experience was the negative effect most often cited by respondents. Some of the statements that best demonstrated these hurtful experiences are restated below for convenience. By applying more specific labels to the hurtful experiences, such as those listed in Table 13 above, it
is evident the results from phase two are somewhat consistent with the results from phase one.

“...they take money from all these big companies and give hardly any of it to the arts. You have to fill in a 54 page application to get R10 000.” – Unmet expectations, wasted time.

“They never match [the amount of money we bring in], that’s bullshit! It really aggravates me because that’s the message they kind of tell people.” – Unmet expectations.

“They give us the money to shut us up and get us out of their office and we are grateful for this! Because we are all beggars, that’s what we are.” – Breakdown of relationships.

“But even then when we were sponsored by [the bank], they did nothing to publicise it even in-house.” – Unmet expectations, breakdown of relationships.

“...sometimes people let you down, you know they engage you for something and then a week before they let you know it’s off.” – Unmet expectations, breakdown of relationships.

“Look there have been odd instances where we just have had no audience due to poor marketing.” – Unmet expectations, loss of control in any aspect of production.

5.3.3 Barriers to collaboration

The respondents were given 12 statements regarding barriers to collaboration and were asked to tick the 5 they felt were most appropriate. Table 14 shows the cumulative frequencies of the barriers to collaboration.
Table 14: Barriers to collaboration – phase two

<table>
<thead>
<tr>
<th>Barriers</th>
<th>Frequency</th>
<th>Degree of consensus (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of business acumen in the performing arts industry</td>
<td>4</td>
<td>80</td>
</tr>
<tr>
<td>Lack of funding/support for the performing arts industry</td>
<td>4</td>
<td>80</td>
</tr>
<tr>
<td>Misaligned goals/lack of shared vision</td>
<td>4</td>
<td>80</td>
</tr>
<tr>
<td>Clash of egos</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>Funding application process</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>Lack of camaraderie in the performing arts industry</td>
<td>2</td>
<td>40</td>
</tr>
<tr>
<td>Scheduling difficulties</td>
<td>2</td>
<td>40</td>
</tr>
<tr>
<td>A socially, geographically and ideologically fragmented South African audience</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Fear of competition</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Lack of collective planning &amp; communication in the performing arts industry</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td>Insufficient time to manage both business and artistic aspects of the organisation</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Opportunism (one partner tries to cheat the other so as to maximise its own profitability)</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Total consensus was not achieved among the five respondents in any of the categories listed. Interestingly, lack of business acumen, lack of a shared vision and lack of funding in general in the performing arts were listed by four out of five respondents in phase two. This is slightly different to the results from phase one where a lack of funding, pride/ego and a lack of general support were cited most often according to Table 11: Barriers to inter-organisational collaboration – phase one. Only 42% overall consensus was achieved on this research question in phase two.

5.3.4 Enablers of collaboration

The study began with three research questions which investigated the feelings about collaboration, the effects thereof and the barriers thereto. Enablers of collaboration came out of suggestions the interviewees made during the phase one interviews. The numerous suggestions on how to improve the level of collaboration among PAOs were analysed and grouped into similar sections. From these sections 12 statements were created that encompassed most of what the respondents had suggested. The respondents were given the 12 statements regarding enablers of collaboration and were asked to tick the five they felt were most appropriate. Table 15 shows the cumulative frequencies of the enablers of collaboration.
All five respondents agreed (100% consensus) that the way to make collaboration work is to build relationships with a group of like-minded individuals who have a vested interest in maintaining the collaboration. As relationship-building appeared in both enablers to collaboration and effects of collaboration (see Table 10: Effects of inter-organisational collaboration – phase one) it seems relationship building is both a prerequisite for and an effect of successful collaborations which creates a mutually reinforcing circle between collaboration and relationship-building.

Relationship building (with like-minded individuals) ties in closely with the second most-listed item: Support and communicate with key players in the industry. This is because support and communication are essential ingredients in any relationship and the individuals most likely to be of the same mind-set regarding the performing arts are the key players in the industry. Three respondents also mentioned modernising the arts through collaborations with popular venues and mainstream media while nobody
thought collaboration would be more successful by combining the performing arts with technology to reinvent the way the arts are performed. Disappointingly only 40% overall consensus was achieved among the five respondents on the top enablers of collaboration.

5.3.5  General questions relating to contextual factors that impact collaboration

The researcher wished to test whether respondents agreed on the various contextual factors that emerged as underlying causes to the barriers to collaboration in the phase one interviews. The respondents were given eight statements and were asked to tick the box they felt was most appropriate. Table 16 shows the cumulative frequencies of the opinions given by the five respondents per statement.

Table 16: Cumulative opinions on contextual factors that impact collaboration – phase two

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Somewhat agree</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Degree of consensus (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I wish to collaborate more in the future</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td></td>
<td></td>
<td>60</td>
</tr>
<tr>
<td>A “transformed” company should be given priority funding over an “untransformed” company to redress the inequality of the past.</td>
<td></td>
<td>2</td>
<td>2</td>
<td>1</td>
<td></td>
<td>60</td>
</tr>
<tr>
<td>It is best to maintain the purity of the art form in order to continue its progression into the future.</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td>60</td>
</tr>
<tr>
<td>Theatre is dying because technology has changed the way people entertain themselves.</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
<td>60</td>
</tr>
<tr>
<td>It is impractical for commercial and developmental arts organisations to collaborate.</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td>60</td>
</tr>
<tr>
<td>The arts do not have the luxury of being picky when it comes to funding, we take our fundraising to anybody who will support us.</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>1</td>
<td>80</td>
</tr>
<tr>
<td>Only the President has the power to transform the way money is allocated to the arts and to influence the level of government support for the</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
<td>60</td>
</tr>
</tbody>
</table>
It is unclear whether collaboration leads to increased ticket sales.  

<table>
<thead>
<tr>
<th></th>
<th>2</th>
<th>2</th>
<th>1</th>
<th>60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total consensus achieved</td>
<td></td>
<td></td>
<td></td>
<td>62.5%</td>
</tr>
</tbody>
</table>

The vast majority of boxes ticked were the “some-what agree/some-what disagree” boxes. Even though there were limited respondents in phase two it is still clear that PAOs, for the most part, are on the fence regarding these important issues. Other interesting results include the one respondent who said they did not wish to collaborate in the future, four out of five respondents indicating that PAOs cannot be selective in their fundraising and none of the respondents indicating that they believe collaboration leads to increased ticket sales. If the respondents had ticked “disagree” or “strongly disagree” to the last statement it would have indicated that those respondents felt it was clear that collaboration leads to increased ticket sales. The last result is the most interesting as the aim of this study was to investigate the dynamics of inter-organisational collaboration and their role in increasing demand which manifests itself in ticket sales. So far, PAOs in South Africa do not see a link between collaboration and increased demand. The 62.5% consensus does show some direction among the five respondents. For instance, they may not be aligned in the strength of their agreement in terms of it being unclear whether collaboration leads to ticket sales but all five are in general agreement of this statement and the same can be said for a number of the other statements.

5.3.6 Conclusion

The phase one interviews yielded interesting insights that showed both similarities in thinking as well as contradictions. For instance, some PAOs felt collaboration would create jobs while others felt it would lead to job losses but all expressed a desire to collaborate in the future. Also, some PAOs were scarred by failed attempts at collaboration while others wrote them of as learning experiences but all felt it lead to stronger relationships.

Similarly, the phase two questionnaire results were not always consistent with the phase one findings. Unmet expectations, as a negative effect of collaboration, was cited most in phase one while breakdown of relationships and loss of control were cited most in
phase two. Similarly, ego and lack of camaraderie emerged often as barriers to collaboration in phase one while lack of business acumen in the arts and lack of a shared vision emerged in phase two.

The phase two results did, however, indicate 100% consensus on the opinion that shared learning is a major benefit of collaboration and 60% were leaning toward future collaboration. In addition, there was 100% consensus on relationship-building as an enabler of collaboration and a high degree of consensus (80%) on a lack of funding as a barrier to collaboration. Further, PAOs tended to agree that the arts cannot afford to be picky when it comes to funding, that it is not just up to the president to influence the level of support for the arts and that there is not a clear link between collaboration and increased demand.

The combined results from phases one and two are summarised in figure 3 below. The items in green represent where strong consensus was achieved between both phases of the study.

Figure 3: Dynamics of collaboration - phase one & two
As only five respondents returned the questionnaire it is difficult to know whether these results are an accurate reflection of PAOs’ opinions on collaboration and whether the same items in each table would still be listed most frequently had all 13 interviewees returned the questionnaire. Ultimately, it is difficult to know for certain how PAOs view inter-organisational collaboration, in general and as a method of demand stimulation. The reasons for the lack of consistency and other interesting findings will be discussed further in chapter 6.
6 Chapter 6: Discussion

A review of the performing arts industry in South Africa revealed that performing arts organisations (PAOs) are struggling to grow demand for the performing arts due to increased competition from the leisure and entertainment industries, an indifferent audience and declining financial support from government. Inter-organisational collaboration was found to be one method of stimulating primary demand. While the literature suggested methods and outcomes of collaboration and its role in demand stimulation, recent media reports indicated very few South African PAOs were working together and looking at inter-organisational collaboration seriously. Therefore before the theories on collaboration in the literature could be tested the reasons behind the limited collaboration in South Africa had to be investigated. This prompted the questions, how do PAOs feel about inter-organisational collaboration and why aren’t more PAOs collaborating with each other? The study examined how PAOs felt about collaborating, the effects that the collaborations had had and the barriers to collaboration. As such the study uncovered an emergent set of ideas that were not directly linked to any particular theory.

An inductive approach was used to develop the categories and themes surrounding collaboration. The categories and themes were grouped according to the research questions and as such the results will be discussed according to their role in answering each research question.

6.1 Research question 1: How do PAOs feel about inter-organisational collaboration?

According to Table 9 from chapter 5, the majority of opinions about collaboration were positive.

Table 9: Feelings about inter-organisational collaboration—phase one

<table>
<thead>
<tr>
<th>Category</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feelings about inter-organisational collaboration</td>
<td>Recognises benefits of change</td>
<td>72</td>
<td>11</td>
<td>Loss of jobs</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Wants to/has collaborated</td>
<td>204</td>
<td>13</td>
<td>Miscellaneous feelings</td>
<td>69</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Miscellaneous feelings</td>
<td>75</td>
<td>13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>350</td>
<td></td>
<td></td>
<td></td>
<td>77</td>
</tr>
</tbody>
</table>
This result indicates that, past experiences of collaboration aside, most respondents feel collaboration is a positive force in the performing arts industry and feel it is something they would like to do more of in the future. This is interesting because a media review of the current landscape of the industry in South Africa revealed very little collaboration was actually happening. This could mean a few things. Firstly, it may be that the content analysis did not tell the whole story and revealed different results to those of the narrative analysis. According to Chase (2005, p. 656), “narrative [analysis] is retrospective meaning making – the shaping and ordering of past experience”. Perhaps the closing down of the arts councils in 1994 was a particularly painful experience that has impacted the success of PAOs and has left a great deal of fear and distrust in the performing arts industry. One respondent remarked:

“Government withdrew its money and its support for the so-called “Eurocentric” stance. It was seen as not African enough, they closed down the theatres and we went into decline quite badly... all the talented dancers moved overseas... We lost our history and we are not surviving, we don’t have audience and we are dying on our feet.”

Perhaps collaboration is not a priority because PAOs are still trying to recover. Or perhaps PAOs may think that collaboration is a good idea but do not take it seriously as a method of demand stimulation and as such do not put in the necessary effort required to make it work. According to Ostrower (2003) this could be because PAOs do not view participation-building as central to their core mission and priorities and would rather put their money and efforts into developing their separate artistic programmes. Alternatively, it may be that the contextual factors uncovered are powerful forces that override the effectiveness of collaboration as a marketing tool. Finally, the difference between the respondents’ sentiments expressed and their actual behaviour could indicate insurmountable barriers which make true and on-going collaboration impractical.

In summary the answer to this research question is not straight-forward. How do PAOs feel about collaboration? They expressed mostly positive feelings toward collaboration but these positive feelings cannot be taken as precursors of collaboration owing to the feelings of fear that pervade the industry and the contextual factors that may be at the root of the many barriers to collaboration.

6.2 Research question 2: What effect has inter-organisational collaboration had on PAOs?

According to Table 10 from chapter 5 the majority of the effects or outcomes of collaboration were positive.
Table 10: Effects of inter-organisational collaboration – phase one

<table>
<thead>
<tr>
<th>Category</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effects of inter-</td>
<td>Adds value (to both parties/society/country)</td>
<td>63</td>
<td>12</td>
<td>Hurtsful experience</td>
<td>110</td>
<td>13</td>
</tr>
<tr>
<td>Organisational collaboration</td>
<td>Develops art form</td>
<td>38</td>
<td>10</td>
<td>Increases costs</td>
<td>14</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Increases audience</td>
<td>53</td>
<td>12</td>
<td>Alliance failure</td>
<td>41</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Reduces costs</td>
<td>29</td>
<td>10</td>
<td>Miscellaneous effects</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Relationship building</td>
<td>128</td>
<td>12</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Miscellaneous effects</td>
<td>23</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>334</td>
<td></td>
<td>195</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This result indicates that bad experiences with collaboration, while numerous, are not the only reasons for the lack of collaboration in the South African performing arts industry as PAOs did experience many more positive effects of collaboration than negative.

According to the literature, the positive effects or advantages of collaboration are numerous and include competitive advantage and increased innovative capacity, transfer of knowledge, shared learning, resource exchange (Jaskyte & Lee, 2006), increased demand or ticket sales (Kotler & Scheff, 1997), administrative expertise, fundraising and financial proficiencies, increased work opportunities for artists (Ostrower, 2003), “minimization of service replication, reduced costs, expansion of professional networks, and enhanced accountability” (Barnett, Hall, Berg, & Camarena, 1999 in Jaskyte & Lee, 2006, p. 44), pooling of funds, larger selection of artistic talent and access to facilities, equipment and other components of a production (Kushner, 2003).

Some negative effects or disadvantages of collaboration found in the literature include unmet expectations and disagreement on the level of commitment to the collaboration which both lead to unsuccessful or unsatisfying collaborations (Weinstein & Cook, 2011).

A number of other positive and negative effects were cited by the respondents during the interviews that were not mentioned in the literature. As the literature was used in the creation of the phase two questionnaire, the effects of collaboration uncovered in the study were those mentioned in the phase one interviews only. Table 17 summarises
where the literature and the study intersect. The shaded cells indicate which items were most often cited by the respondents in the phase two questionnaire which aimed to test the accurateness of the literature and the phase one results.

Table 17: Comparison of literature review and study findings – effects of collaboration

<table>
<thead>
<tr>
<th>Category</th>
<th>Literature</th>
<th>Both</th>
<th>Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive effects of collaboration</td>
<td>Fundraising and financial proficiencies</td>
<td>Increased ticket sales</td>
<td>Adds value (to both parties/society/)</td>
</tr>
<tr>
<td></td>
<td>Competitive advantage through increased innovative capacity</td>
<td>Pooling of funds &amp; other cost savings</td>
<td>Reinvention of the art form/genre</td>
</tr>
<tr>
<td></td>
<td>Resource exchange</td>
<td>Transfer of knowledge/shared learning</td>
<td>Development of artistic talent</td>
</tr>
<tr>
<td></td>
<td>Administrative expertise</td>
<td>Relationship building</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Larger selection of artistic talent</td>
<td>Exposure to new audiences</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Expansion of professional network</td>
<td>Access to facilities, equipment &amp; other components of a production</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reduced replication in service and administration</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increased work opportunities for local artists</td>
<td></td>
</tr>
<tr>
<td>Negative effects of collaboration</td>
<td>Unequal commitment to the collaboration</td>
<td>Unmet expectations</td>
<td>Loss of jobs</td>
</tr>
<tr>
<td></td>
<td>Loss of competitive advantage</td>
<td>Alliance failure</td>
<td>Increased costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Breakdown of relationships</td>
<td>Decline in quality of productions</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lost of control of any aspect of production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Damaged reputation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Disgruntled employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Wasted time</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Offended audience</td>
</tr>
</tbody>
</table>
The combined results from phase one and two as well as the literature indicate that transfer of knowledge and exposure to new audiences are consistently positive effects of inter-organisational collaboration. Transfer of knowledge or shared learning as an effect is consistent with the learning literature which argues that “collaboration not only transfers knowledge between existing organisations but also facilitates the creation of new knowledge and produces synergistic solutions” (Hardy et al., 2003, p. 321). This is especially important in today’s world where many countries are moving from post-industrial to knowledge-based economies where wealth is measured in terms of intellectual capital, innovation, entrepreneurship and creativity (UNESCO, 2008). The creative industries, of which the performing arts are a part, provide a platform for developing economies to generate intellectual capital, create jobs and at the same time promote social inclusion and human development (UN, 2008). The implication of this finding is that arts counsels which provide funding for collaborative endeavours should improve the funding application process and should provide more opportunities and incentives for collaboration among PAOs.

The generation and transfer of knowledge have a domino effect that will benefit not only individual PAOs and the performing arts industry, but also society at large. Collaborative endeavours provide new ways of combining, presenting and diffusing the culture and ideology of a society. They also celebrate diversity and promote openness to new ideas. This type of value-add was also seen as a positive effect of collaboration and has been referred to in the literature and by the respondents as a public benefit for both current and future generations (McCarthy, 2001). In addition, collaborative efforts were found to benefit industry artists either by creating opportunities for exposure of their work to the public (Ostrower, 2003) or by providing them with longer and more fulfilling contracts of employment. This in turn develops the artists and challenges them to improve their skills which will further benefit the industry. The benefits of collaboration at an industry and organisational level are depicted in Figure 4 below.
Exposure to a *new* audience was also consistently seen as a positive effect of collaboration and quite different to an *increased* audience reflected in ticket sales. One respondent explained why the two are different:

“No, you see ticket sales for us [when we work alone] are in our control, we drive that, we know what our targets are, we maintain those. But when you collaborate with other people usually they take charge of that. What we love to see with those collaborations when it comes to audiences is that we reach a different audience. The person that we reach when we do ballet is not the same person that comes to our symphonies. For me it is important that they know you exist. It’s not going to add monetary value for us; it’s just going to be an instrument for us to entrench ourselves.”

This statement is consistent with the findings of Ostrower (2003, p. 16) who discovered that speciality initiatives generally do not bring the “new audience’s patronage of the theatre’s regular programing to the hoped-for level”.

Increased ticket sales as a positive effect of collaboration are mentioned but are not spoken of as the pre- eminent outcome of collaboration. This is important because Kotler & Scheff’s (1997) work on collaboration as a key method of demand stimulation was the inspiration behind this study. As ticket sales are a direct indication of the level of demand for a collaborative production it is significant that respondents do not feel that collaboration always leads to increased demand. This could be because it was not clear to respondents whether collaboration leads to increased ticket sales in the same way
that it was clear to them that collaboration leads to exposure to a new audience. This view, however, could be a result of the fact that collaboration is not approached nor measured scientifically. Graf and Rothlauf (2011) propose that inter-organisational collaboration will not work unless there is on-going performance evaluation. Performance evaluation by its nature requires concrete and predetermined objectives or key performance indicators. Perhaps the issue is not whether collaboration will work but rather whether it has achieved defined and measurable objectives.

Table 17 above also lists the negative effects of collaboration uncovered in both the study and the literature. A breakdown of relationships was listed in the literature and in both phases of the study while a loss of control in any aspect of production was expressed in both phases of the study only. It is interesting that a loss of control was not mentioned in the literature as a negative effect of collaboration. This could be because the majority of literature reviewed was not written from within a South African context and perhaps in other countries politics do not impact collaboration in the way that some respondents feel they do in South Africa as can be seen by these statements:

“But you know [during apartheid] there were four art houses, big art houses and they dictated the theatre of the country... it was those four big theatres that literally controlled what great art was going to be. And it was very similar to what people are thinking now, bringing bodies together and people are not happy...You know after the whole breaking up of the art counsels, I don’t know if people want to go back to that set-up because that will also take a lot of autonomy away from people [and] the autonomy is very important...The challenge with that is that you always need somebody above all of that to take care of the administrative part of it. And at the end of the day, that person ends up having more power. So to do it in South Africa the challenges are political, people want to get the hegemony themselves…”

“One thing that I would add is that we lack here a body to bring us together, a so-called theatre management association or something. We had that but its redundant now, it doesn’t do anything, it’s full of politics.”

These statements indicate that politics undermine or negate the positive effects of collaboration and as such the political environment and history of South Africa needs to be considered when evaluating inter-organisational collaboration and the effects thereof.

The research question, what effect has inter-organisational collaboration had on PAOs, has been answered in this section. Shared learning and exposure to new audiences were identified as positive effects experienced by individual PAOs while increased work for artists and new methods of presenting and preserving culture were positive effects experienced by the industry as a whole and society. Negative effects on PAOs included loss of control and a break-down of relationships which indicates that relationships seem
to be both positively and negatively affected by collaboration. Sometimes collaboration built strong, new relationships, at other times it caused existing relationships to deteriorate. This interesting dynamic will be discussed further in the forthcoming sections.

6.3 Research question 3: What are the barriers to inter-organisational collaboration?

During the phase one interviews 20 surface-level barriers were uncovered as summarised on page 59 in Table 11: Barriers to inter-organisational collaboration – phase one. However, few of these 20 were found in the literature as well. From the literature Ostrower (2003) cautions against partnerships that are pursued solely for the grant money and advocates caution when one or more partners do not view participation-building as central to their core mission. One of the respondents felt the same way:

“I am of the opinion that nobody should give us money if they don’t feel they are getting something out of it. And when they feel they are getting something out of it, they should publicise that so that when they look back three years from now they can say ‘we had such a great relationship with you, we had such great feedback that it was worth it’”.

One respondent spoke about under-engagement which was often the result of other barriers such as lack of shared vision and commitment. She said:

The three reasons that [collaboration] wouldn’t work would be one: if the business funded a project that had absolutely no relation to them whatsoever, that they couldn’t find the connection. That would be dire and create debt for both the businesses. The second would be if the business was not able to engage with the arts project in an appropriate way and [relied on the arts project to provide] the opportunity and the value for the business to engage. And the third one would be if the business engaged too much and commercialised the product to the point where it lost artistic value.

The first two barriers are in line with Weinstein and Cook (2011) who see misaligned goals and unequal levels of commitment to the collaboration as barriers to collaboration. The third barrier speaks to over-engagement which is something the respondents were concerned about. A loss of autonomy was something many of them feared as mentioned in the previous section. This indicates that there is a fine line between being involved and being in control when it comes to collaboration in the performing arts.
According to Das and Teng (2000), opportunism, whereby one partner tries to cheat the other so as to maximise its own profitability, is the greatest barrier to collaboration. Interestingly, none of the respondents had experienced opportunism but many had experienced clashes in ideologies (Ostrower, 2003), management styles and operating approaches (Berger et al., 2004). Table 17 compares the findings from the literature review and the interviews. The shaded cells indicate where there was strong consensus among respondents and consistency in both phases of the research.

Table 18: Comparison of literature review and study findings – barriers to collaboration

<table>
<thead>
<tr>
<th>Category</th>
<th>Literature</th>
<th>Both</th>
<th>Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural differences</td>
<td>Misaligned goals/lack of shared vision</td>
<td>Lack of collective planning &amp; communication in the performing arts industry</td>
<td></td>
</tr>
<tr>
<td>One or more partners do not view participation-building as central to their core mission</td>
<td>Clashes in ideologies, management styles and operating approaches</td>
<td>Lack of funding/support for the performing arts industry</td>
<td></td>
</tr>
<tr>
<td>Opportunism (one partner tries to cheat the other so as to maximise its own profitability)</td>
<td>Partnerships that are pursued solely for the grant money</td>
<td>Insufficient time to manage both business and artistic aspects of the organisation</td>
<td>Clash of egos</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Lack of business acumen in the performing arts industry</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Lack of camaraderie in the performing arts industry</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Fear of competition</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A socially, geographically and ideologically fragmented South African audience</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Funding application process</td>
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</table>

A clash of ideologies, management styles and operating approaches was one set of barriers found in both the literature and the study. One can posit that clashes of these kinds lead to alliance failures. However, Ostrower (2003) found that a lack of shared understanding of the overall goal, overly ambitious objectives and a poorly selected partner are more likely the reasons for failure. PAOs that enter into a partnership with a goal that reaches beyond their normal operations or regular audience “must ensure they
have fully engaged a partner with the necessary expertise” (Ostrower, 2003, p. 16). This is to prevent a situation whereby each PAO blames the other’s management styles or operating approaches for failure when in fact it was an inadequate understanding of the project’s requirements or a lack of expertise that lead to failure. This links to the work of Graf and Rothlauf (2011) who state that inter-organisational collaboration will not work unless there is prior experience with collaboration. Prior experience with collaboration assists in the assessment and selection of partners because firms now know what they want or more importantly, what they don’t want in a partner. For instance many PAOs have decided it is not worthwhile for them to collaborate with business because ultimately the benefits are unequal or the PAOs felt they were treated like a charity case instead of an equal partner:

“Sometimes there is more value for the business to sponsor the arts organisation than [what] the arts organisation can get from the business.”

“...we don’t like it when a business throws their money at something and neither partner collaborates properly...if the business is trying to get rid of the money, [and] if they feel sorry for something and just give money but don’t really care...but they should care because it does impact on the brand.”

“They give us the money to shut us up and get us out of their office and we are grateful for this... And that’s the problem with the arts...we are all beggars...we just say ‘thank G-d you’re giving us a bit of money’”.

It is interesting that far more barriers to collaboration were uncovered in the study versus the literature. Once again this could be due to the unique South African context. While some of the barriers discovered in the study are logical (lack of funding, lack of time, clash of ideologies), others, such as fear of competition, industry enmity, a fragmented audience and the funding application process, seem to be more of a problem in South Africa according to some respondents who said:

“Well it’s the egos I see everywhere but the bitchiness in this industry I’ve never seen before outside of South Africa. The evil of just not being able to accept competition...there are people in this industry who CANNOT STAND competition.”

“Another big debate in collaboration is whether the other theatre is a partner or a rival. We worry about the location of each theatre. Are they too close together or could the play open here and then go there or will we end up sharing audiences?

The latter statement points to the literature on co-opetition whereby PAOs that operate in a creative cluster usually compete for resources and audiences. However, the cluster
often generates positive externalities that can actually increase the desirability of each PAOs offering. Brandenburger and Nalebuff (1996) compare business to a game and recommend value mapping to see whether the various players are complementors or competitors. They say:

*A player is your complementor if customers value your product more when they have the other players product than when they have your product alone [or]… if it is more attractive for a supplier to provide resources to you when it is also supplying the other player than when it is supplying you alone* (Brandenburger & Nalebuff, 1996, pp. 18, 19).

Conversely, if a customer or supplier value your business less when they are doing business with the other player, then that player is a competitor. If PAOs are uncertain they could test this concept by perhaps offering their customers a package deal whereby they receive tickets to shows at both theatres, for instance. Most people love a discount and this would make the individual ticket per show more valuable for the customer and it would bring in a different type of audience for each PAO. In addition, instead of being afraid of competition, PAOs could use the value-added externalities derived from the relationship of the product to the system to stimulate innovation and development in the area which would ultimately stimulate demand and benefit all players (Hearn et al., 2007). Theoretically, this makes sense but in practise PAOs need to see benefits in these techniques and be brave enough to try them despite their fears and distrust:

“It is a vicious circle because you have very very limited resources and in the industry people are competing for the limited resources then they don’t trust each other, then collaboration becomes impossible.”

Statements like this one indicate that PAOs are afraid to spend their limited money on collaboration which implies they do not see a financial upside to collaboration. These statements contradict Kotler and Scheff's (1997) theory that the financial upside to collaboration is either cost-savings or increased income due to increased ticket sales. While this may be true in an environment that does not suffer from deep-seated fear and distrust, it does not seem to fit in the South African context.

In addition to fear and distrust, a socially, geographically and ideologically fragmented South African audience continues to be a source of frustration for South African PAOs. Some comments that reflect this include:

“Audiences...they are so separated, which is another problem with participation as performing arts practitioners because we all have different audiences.”
“It’s all so separated ... the Afrikaans population that wants to see an Afrikaans musical tends to go to the State Theatre. Joburg does not get the Pretoria audience and Pretoria does not get the Joburg audience. So they kind of categorise and say Afrikaans productions do not belong in [this] theatre.”

Finally, the funding application process in South Africa also seems to limit collaboration among PAOs as the process is arduous, stringent and often does not result in the necessary funds being acquired:

“Every time we hand in an application to the Lotto it is for specific projects and if we do not do that specific project, if we change to something else, we get questioned and probably even penalised... We all sent in our applications at the end of last 2010... [more than a year] later and some of us have still not been adjudicated. So we don’t know that we will be getting money so how can we plan collaborative seasons.”

“And the government ... when you do apply for collaboration funds you don’t always get the money. They never give you the money that you ask for, you can go in there and say you need R10 million to do a collaboration and they will give you R7 million. And then you will ask about the other R3 million and they will tell you to find it somewhere else.”

These statements suggest that government arts policy has become more of a barrier to collaboration than an enabler. The next section deals with enablers of collaboration.

6.4 Enablers of collaboration

According to McCarthy et al. (2001, p. xvii) “Media coverage of the performing arts in America paints a contradictory picture. On the one hand...the number of organisations offering live performances continues to grow while...theatre groups, symphony orchestras and dance companies...are cutting costs or closing their doors because they are unable to attract the audiences and contributions needed to meet their expenses”. According to the same study this could be because historically “arts policy...concentrated more on building and strengthening the supply of artists, organisations and productions than on stimulating the public’s demand for the arts” (McCarthy et al., 2001, p. v).

This explanation is reiterated by Colbert (2009) who feels that the fundamental problem facing all arts organisations is market saturation whereby the supply of arts organisations and products continues to grow while demand for them remains constant. According to Colbert (2009) marketing is about understanding your customers, knowing what they want, when and where they want it and at what price but “what marketing cannot do is create demand where there is no fertile ground or sell a product to people who do not want it” (Kotler, Cunningham and Armstrong (2005) in Colbert (2009), p. 14).
This sentiment was echoed by one respondent who said “Again it is something I think I learnt a long time ago, if people want to see a show they will come and see it wherever it is, if they don’t want to see a show, you can’t give it away.”

Earlier in this study a gap was indicated, a gap between the amount of research being committed to growing the supply of the arts and the amount of research being conducted on stimulating demand for the arts. Such a situation has been shown to lead to market saturation in international literature (Colbert, 2009). If market saturation in South Africa is indeed a contributing factor to the decreasing demand for the performing arts then more needs to be done to stimulate demand. The declining demand and the accompanying declining earned income of PAOs will put ever increasing pressure on government and the private sector to make up the monetary balance which will become progressively more difficult given all the other social issues in South Africa competing for attention (Zakaras & Lowell, 2008). Therefore more has to be done by PAOs to stimulate demand for their products. Inter-organisational collaboration among PAOs is just one method of demand stimulation but as this study has discovered, inter-organisational collaboration is dependent on numerous contextual factors and as a single method of demand stimulation, is inadequate.

The respondents interviewed seemed to know this intrinsically owing to the number or years they have been a part of the industry. Every one of the PAOs had collaborated in some form and had a good idea of what worked and what did not work. Based on what did not work and on their extensive industry experience, the respondents gave numerous suggestions of what to do differently or how to make collaboration more effective. The respondents’ suggestions have been grouped, compared to propositions from the literature and are summarised below in Table 18.
Table 19: Comparison of literature review and study findings – enablers of collaboration

<table>
<thead>
<tr>
<th>Enablers of collaboration</th>
<th>Comparison of literature review and study findings</th>
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<tbody>
<tr>
<td></td>
<td>Literature</td>
</tr>
<tr>
<td>On-going performance evaluation</td>
<td>Arts education</td>
</tr>
<tr>
<td>Prior experience with collaboration</td>
<td>Engagement with the community</td>
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<tr>
<td>Management commitment</td>
<td>Engagement with government</td>
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<tr>
<td>Technology innovation</td>
<td>Increased inter-organisational communication</td>
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<tr>
<td>Trust between partners</td>
<td>Relationship-building</td>
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<td></td>
<td>Study</td>
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<td></td>
<td>Engagement with mainstream media</td>
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<tr>
<td></td>
<td>Genre-based collaborations</td>
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<td></td>
<td>Improved business skills</td>
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<td></td>
<td>Location-based collaborations</td>
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<td>Support of industry players</td>
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While all of these enablers are important, only those that appear in both the study and the literature will be discussed, in no apparent order.

Graf and Rothlauf (2011) propose that inter-organisational collaboration will not work unless there is management commitment, prior experience with collaboration, trust between partners and on-going performance evaluation. Many of the respondents mentioned a lack of time as a result of a lack of money that interfered with their level of commitment to their collaborative efforts. One respondent said:

“...there have been times in my career where I have said to myself ‘that show could have been a lot better if I had given it the kind of time I would love to have given’. So I think with non-collaboration there is a lot of reasons for it and one of the reasons is a lack of time for people to really nurture collaboration, and in the end lack of time comes down to a lack of money because if we had more resources, if I didn’t have to do three jobs for this theatre at the same time to keep my job, I would be able to spend more time nurturing those relationships.”

Respondents also spoke about trust as an important ingredient in a partnership:

“A lot of it is trust so if you do collaborate with a performing arts organisation such as we do with [that company], we host them here...we give them the facilities rent free and all the infrastructure, they don’t pay for the studios and they don’t pay for power, cleaning, security and all that kind of thing...Now having chosen to do that, you have to have a certain amount of trust in what they give you, so they give us guaranteed 2 seasons a year on the [main] stage in
return for the studios and things we give them. ... I don’t go and judge what they do beforehand. I wouldn’t dream of doing that, having said we collaborate with them and we are very proud of that partnership then it is up to them to create the standard and they have never let me down.”

From the comments above it is clear that the enablers of management commitment and trust were evident in both the literature and the interviews. However, the enablers of prior experience with collaboration and on-going performance evaluation mentioned in the literature were not mentioned in the interviews. In fact, some respondents highlighted the lack of formal standards against which performance and collaboration can be measured:

’So there isn’t really a set of standards but I like to feel that we have a very strong oversight of standards here.’

“Does collaboration lead to increased ticket sales? To be honest I have no idea.”

A lack of formal metrics or general research on collaboration seems to be a problem in the performing arts industry. It was often unclear to respondents whether their previous collaborations had increased ticket sales. If collaboration was approached and measured more scientifically, perhaps there would be more of it. Boorsma and Chiavaralloti (2010) recommend a performance management model based on Kaplan and Norton’s Balanced Scorecard to inform the evaluation of PAOs’ performance. In their model PAOs need to develop primary and secondary goals for each of three categories, namely, customers, community and professional field. The principles of this model could be applied to the evaluation of collaborative efforts. PAOs could evaluate the achievement of their primary and secondary collaborative goals based on collaboration with partners in the same three categories. Customers, in particular, are the source of demand for a PAO’s products and if collaboration is not effective at stimulating customer demand then PAOs need to be able to see this clearly and choose other methods of demand stimulation, such as arts education, for instance.

Arts education was another enabler consistent with both the literature and the study. PAOs should regard live audience members as active producers of meaning who will seek out content that reinforces their values and beliefs (Kang, 2010). Numerous studies have found that individuals who have some type of experience with the arts are more likely to find the arts meaningful or relevant to their lives and as such are more inclined to attend live theatre (Bergonzi & Smith, 1996; Kang, 2010; Lange, 2010). In fact McCarthy et al (2001, p. 19) says “education has proven to be the single best predictor of participation in the high arts”. The respondent’s statements concurred with these findings:
“Art education is crucial and it’s the starting point, we don’t send people to art classes so they can become artists, we send them to art classes so they can become audiences.”

A number of respondents gave some interesting suggestions on how to collaborate with various parties to improve the level of arts education in South Africa which in turn stimulates demand for the arts:

“Every schoolchild has to be given arts and culture as part of their curriculum. Instead of expecting teachers who know nothing of ballet to talk about ballet, you send the ballet company into 60 schools in Mpumalanga. At the end of the month they would have covered all 60 schools and the company gets paid their monthly salary for that. Next month you send in African dance and next month something else and in 12 months you’ve covered all the arts and 12 companies will have not had to worry about the salaries of their company. And then you do the next province and the next and the next. Then in the end the companies don’t have to worry about their salaries for 6 to 7 months of the year.”

“...there is consistently breaking down boundaries on so many levels because even inter-governmentally they have to understand that not everything balletic has to do with the Department of Arts and Culture. It has to do with tourism, with finance, with social development, with education, at least, and then arts and culture. The Fire department could work together to do a successful production in the township, the Department of Transport, because they need to bus the kids there, et cetera, et cetera… It’s about flexibility and ... about partnering with the Department of Education. Because they have to be able to release the kids from school to be able to be there. [So it’s both arts and education] but that part of the budget should come from the Department of Education and they have the money... Then the arts can ask the lottery for less because the DoE already has money for that sort of thing.”

These types of suggestions indicate that PAOs are thinking about change and collaboration with various government sectors and their involvement in arts policy. As previously mentioned, a more united performing arts industry, driven by strong leadership will be necessary to engage with government at this level.

Hearn et al. (2007, p. 18) advises that it is no longer appropriate to derive arts policy “uncritically from other industry sectors [such as manufacturing]...where diminishing returns….drive success [or at the other end of the policy thinking spectrum, to base arts policy on] notions of excellence and public good in isolation from considerations of the market”. It has been shown that the creative industries produce positive spill-over effects for other sectors of the economy (Hearn et al., 2007; McCarthy, 2001) and so it is in government’s best interest to incorporate into arts policy measures that encourage growth in this sector. Likewise PAOs in the creative industries need to use collaboration to mobilise support from other economic sectors and assist government in the creation of an arts policy that meets their needs too.
The literature on cross-sector collaboration supports the view that sectors (and the organisations within them) need to work together to solve complex social problems and produce economic and developmental gains (Crosby & Bryson, 2010). Development in a creative cluster’s infrastructure, transport system, services and amenities are examples of how government and local municipalities can benefit the community by supporting the creative sectors (Hearn et al., 2007). The area of Newtown in Johannesburg is a good example of where government, the local community, the infrastructure and transport sectors and the arts sector have collaborated to turn a previously unproductive area into a cultural hub. The injection of people, skills and economic activity into this area serves as a shining example of successful cross-sector collaboration but this takes time and dedication to a shared vision.

Perhaps a better starting point would be engagement with government at a municipal or community level. Another enabler of collaboration found in both the literature and the study was community engagement. On this one respondent made a compelling point:

“I think it needs to be a partnership between communities, government and the corporate sector... Whatever [arts] council you structure must draw individuals from that particular community or that particular city, it doesn’t help if somebody from Grahamstown sits on an arts body responsible for the Market theatre, we don’t know the economic challenges around that city. If we talk about redeveloping the area in front of the Market Theatre you need to have somebody who is interested in the landscape, somebody who understands the economics of that particular area so that’s where you need community representation or city representation on your council with a vested interest in growing the arts because any growth in the arts ultimately has an effect on the growth in the hospitality sector and ultimately on all other sectors of the economy.”

These statements indicate that the arts sector is intimately linked to its immediate community and the broader eco-political environment. This view is consistent with the findings of Cherbo (1998, p. 14) who claims that the actions of the health, education, tourism and other sectors may have a “spill over effect on live theatre” and for this reason “discussions on the legal, practical and ethical considerations of joint ventures are common within the theatrical community”. Further, McCarthy (2001, p. 115) suggests that “at the community level, the arts can provide a variety of economic and social benefits such as increasing the level of economic activity, creating a more liveable environment and promoting a sense of community pride”. The benefit of community pride was also discussed in a South African study of two of the country’s major arts festivals, the Grahamstown National Arts Festival and the Oudtshoorn Festival. The study found that “communities in both towns felt that their arts festival provided them
with positive, non-market externalities in the form of feelings of pride, improved community education and value to future generations” (Snowball, n.d., p. 5).

It is of great importance that arts events and PAOs continue to provide value to future generations given the likelihood that interest in the performing arts will continue to dwindle in younger generations with the influence of technology (UNESCO, 2008). It is more important than ever for PAOs to ensure art is at the centre of audience member’s lives by engaging with them on multiple levels so that they may have the most gratifying experience possible (Radbournea et al., 2010). Technology can offer multi-level engagement according to (NAMP, 2012, pp. 7,9,13):

Social Media users want a person, not a marketer, an experience not an advertisement, and a conversation not the news… Everyone has a personal network either on Facebook, Twitter, LinkedIn, or a blog. A great way to effectively market your organization is to become a part of their personal network and use it as a platform for interactive conversation & engagement. By increasing patron participation, you heighten the experience and deepen engagement with your brand… Besides being a major audience engagement tool, mobile marketing can be cheap and user-friendly. It offers the most efficient and effective solutions for reaching a local or a global audience on a very personalized level.

The increase in consumption of recorded and digitised art at the expense of live art and the effects of digital technology and the Internet on the performing arts industry have yet to be comprehensively evaluated and documented (McCarthy, 2001). This does not mean PAOs should turn a blind eye to technology and the changing cultural landscape. “Technological innovation” was one of the enablers of collaboration that was mentioned frequently in the literature but seldom in the study. Most PAOs were unsure when asked whether theatre is dying because technology has changed the way people entertain themselves. However, those PAOs that did acknowledge the role of technology in the future of the performing arts had this to say:

“I think we as an audience, because of technology, have a very short attention span and people do not like to go to the theatre for three hours. I think we may need to remove the art from the theatre and take it to the people, to the happenings…the audience wants instant gratification and visual spectacle. That’s what technology can offer.”

“We also have to be practical about it and say we are not going to take the audience away from YouTube and stadiums to see concerts. What we have to ask is, can we attract them every now
and again? Is theatre in the choice list or has it vanished in the choice list? Our job is to keep it in
there somewhere so you have to regularly do shows that you hope will appeal to a younger
generation.”

“I have a great idea to do a multi-media weekend but in order to do that I need to find people
with vision and I should not have to walk into a place and sell it.”

“But right now the Met has this telecast...they do these HD recordings of movies that we go and
see at the theatre that are 4 hours long and we sit there and experience theatre like we have
never experienced it before and we see the production but it happened in New York. Then they
show you the backstage change of the set. And that’s what we are competing with!”

These forward-thinking PAOs are most likely to succeed in using technology and other
mainstream media collaborations to grow demand for their products. Various resources
are already available to PAOs to help them better understand how they can re-connect
with the distant youth market using social media, video and other web and mobile based
applications (Carr & Paul, 2011; Galli, 2011; NAMP, 2012; NPW, 2006). In addition, it
is not all doom and gloom for PAOs willing to embrace technology. The Audience 2.0:
How Technology Influences Arts Participation report by the National Endowment for the
Arts reported that “participation through electronic media was shown to affect live
participation positively and is associated with higher rates of live participation [of at least]
two to three times the rate of non-media arts participants ((NEA, 2010, p. 7) in (Galli,
2011, p.16)).

6.5 Contextual factors that impact collaboration

This interpretative process examined not only the barriers to collaboration but also the
barriers to progress in the performing arts. The reason for this is because collaboration
in the performing arts cannot be investigated separately from the context in which it
occurs. The conditions and challenges in the performing arts industry need to be
addressed if the environment is to become conducive to collaboration. At the same time,
collaboration can help transform the environment as one respondent suggests, “I always
believed that if people sing with one voice you have a better chance of making a big
impact.” In other words, the performing arts environment and collaboration within it are
not mutually exclusive and can influence one another. This discovery points to the
literature on organisational context. According to Cook and Hunsaker (2001)
organisations operate within certain boundaries. These boundaries define the factors
within the control of the organisation, such as organisational strategy, culture and
policies, versus those that are outside of their control, such as the impact of technology,
societal norms and traditions, and broader eco-political factors. According to system’s
theory, these boundaries are not fixed and continue to shift overtime, meaning they can influence and be influenced by the various constituents within them (Senge, 1990a).

In order to determine how the different agents in a system can work together to achieve a common goal one must visit the literature on cross-sector collaboration, which posits that “democratic society – business, non-profits and philanthropies, the media, the community and the government – must all collaborate to deal effectively and humanely with…social problems and achieve beneficial community outcomes” (Bryson et al., 2006). While declining demand for the arts is not necessarily a social problem, the arts have been shown to be a tool in social cohesion and nation-building, which ultimately benefits society. Therefore one could argue that cross-sector collaboration theory can be applied to the issue of building demand for the performing arts so as to achieve these larger societal goals. This means that an investigation into collaboration as a method of demand stimulation for the performing arts needs to consider not only the barriers to collaboration between PAOs but also the contextual factors that impact collaboration between PAOs, government, business and other members of a democratic society.

Table 7 from chapter 5 is repeated below and indicates the four major contextual factors that impact collaboration, each comprising several minor factors, some of which will be discussed in no apparent order.

**Table 7: Contextual factors impacting collaboration**

<table>
<thead>
<tr>
<th>Category</th>
<th>Codes</th>
<th>Frequency</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attachment to the past</td>
<td>Legacy &amp; tradition (the way it’s done)</td>
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<td>13</td>
</tr>
<tr>
<td></td>
<td>Times have changed (nostalgia)</td>
<td>78</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Historical misconceptions about the arts</td>
<td>56</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Risk-averse</td>
<td>38</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Dismissive of new ideas</td>
<td>34</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Technological developments (ignored)</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td><strong>413</strong></td>
<td></td>
</tr>
<tr>
<td>Lack of strong leadership</td>
<td>Powerlessness</td>
<td>159</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Politics</td>
<td>137</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>One-sided/lack of effort</td>
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<td>7</td>
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<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td><strong>331</strong></td>
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</tr>
<tr>
<td>South Africa’s political history</td>
<td>Us-them divide</td>
<td>115</td>
<td>13</td>
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<tr>
<td></td>
<td>Audience base (unsophisticated)</td>
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<td></td>
<td>Individual-driven collaboration</td>
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<tr>
<td>Lack of metrics/research</td>
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<tr>
<td>Lack of theatre-going habit</td>
<td>26</td>
<td>9</td>
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<tr>
<td>Lack of local creativity/producers</td>
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<td><strong>Sub-total</strong></td>
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<tr>
<td><strong>Entitlement mentality</strong></td>
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</tr>
<tr>
<td>Complacency</td>
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<td>9</td>
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<tr>
<td>Race</td>
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<tr>
<td><strong>Sub-total</strong></td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1119</strong></td>
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</tbody>
</table>

### 6.5.1 Entitlement mentality

This contextual factor is made up of comments relating to race and complacency. The majority of PAOs interviewed are non-profit organisations and as such receive funding from the government. These types of PAOs can be compared to South African companies which tender for government contracts. These types of companies (as well as many others in South Africa) require a representative workforce in line with Black Economic Empowerment (BEE) legislation. These companies will only stand a chance of winning the tender if they meet their BEE quotas. Similarly, non-profit PAOs stand a better chance of being awarded their requested amount of funding if they meet their BEE quotas. However, PAOs should not be “entitled” to funding for the mere fact that they have a representative workforce. The PAOs should also have a history of good performance, outreach work, artistic development and more in order to receive funding. Any statements made that suggested otherwise were labelled “race” and were grouped under “entitlement mentality”. Examples of such statements are given below:

“My 70% African contemporary dance company was not given priority over the untransformed ballet company.”

“They have got to try and get more black players into their midst. We have been fortunate, about a third of our playing members are young blacks...ultimately it helps with funding.”

In addition, any statements that suggested the PAOs were using race to define their company or their methods were similarly grouped. The statements below could indicate that PAOs feel they are “entitled” to more funding because they cater to a black audience or they are “entitled” to charge more for tickets because they cater to a white audience.

“We have a small venue and we CHOOSE to keep our ticket prices low because our target audience is young, black, newly middle-class and developmental and we do work for people who don’t necessarily want an audience, how hard is that.”
“[With] this theatre...it will be the same story. You are always losing money because the nature of the business is that only when you start playing to the Broadway audience [can you make a profit]... where you’ve got a product where you can demand R500, R700, R1000 a ticket in a venue that is more than a 2000 seater. Those are just the realities.”

“There are people now in this country devoted to creating work and performing work for a black audience. And they tend not to do their work in a theatre labelled for a white audience. I get labelled as a theatre for a white audience... So the people that are practicing, quote unquote, black theatre, are doing it in a very small arena and they are usually highly subsidised and I have a bigger arena that I have to fill every night plus my subsidy is very small, it is a maintenance subsidy... I need to fill 800 seats at R300 a ticket to have a success so I can’t cater to that audience, and nobody is subsidising that kind of theatre.”

History and circumstances dictate that the performing arts should be subsidised. The industry battles to contain costs and for most companies ticket sales simply do not cover expenditures (Kirchner et al., 2007). In addition art is seen as a public good and so should be publicly funded. While this reality is appreciated, PAOs should still be looking for methods to increase audiences, reduce costs and develop the art form on their own without the help of government or the private sector. Any statements that indicated PAOs were not looking for ways to improve because they felt they were “entitled” to external aid or were expecting others to fix their problems were labelled “complacency” and were grouped under “entitlement mentality”. Examples include:

“...if someone will do it for us, we can’t figure it out ourselves, I won’t take that chance.”

“We are a necessary subsidy institution. Don’t let anybody tell you otherwise. If anybody thinks we can ever become self-sufficient they are lying through their teeth! Nobody understands the notion of necessary subsidy because we are trained to be capitalists and we assume that every activity has to have profit.”

“Sometimes the pitfalls can include the issues of entitlement, you must be supported irrespective because it is art for art’s sake and it is a necessary need in society so people must just [support].”

6.5.2 Attachment to the past

This major contextual factor is closely linked to the minor factor of complacency as many PAOs made statements that indicated nostalgia for the past or a fear of moving beyond it that could possibly be the reason for complacency. This contextual factor contains the sub-factors: legacy and tradition (the way it’s done), dismissive of new ideas, historical misconceptions about the arts, risk-averse and a disregard for technological developments.
In terms of legacy and tradition, many PAOs made reference to dinosaur policies and ways of thinking that have become so out-dated that have, by their very steadfast nature, become barriers to collaboration. Some examples include:

“You need to go and do some research on the model for socialist productions or if you like the subsidy model versus the for-profit model and then you can discuss the international experience.”

“Sometimes people don’t [collaborate] because that orchestra has always been in existence for a long time and this company has been in existence for a very long time but they never had collaborations before.”

A number of PAOs also showed an attachment to the past by being dismissive of new ideas such as inter-organisational collaboration and did not want to even consider it. They said things like:

“Very often we are asked if we would be interested in getting involved in a production that any of the dance companies are doing and it is not something that we would do. I don’t see a collaboration basis. I don’t see that it makes any sense, I don’t understand what we would do with them; I wouldn’t understand why we would work with a dance company. Enlisting a dance company is so much unnecessary work ...”

“I struggle with it because as an opera singer and someone who was literally raised in this art form, I also have this attachment to it being pure, it has to be how it should be, we can’t allow these people to just come and take it away and turn it into something else.”

Other contextual factors that thwart both collaboration and industry progress are the historical misconceptions about the arts that the PAOs themselves accept. These include misconceptions that the arts are for the elite in society and that PAOs are not real businesses. Some examples of these statements include:

“What is the industry lacking?” I say just appreciation. Our public doesn’t appreciate us, we don’t get audiences and it’s probably a cultural thing. Art has traditionally been for the elite, you know not everyone can afford to go to the theatres and concert halls.

“We still perceive art as a luxury, we still perceive it as something that we have to do part time, people do not understand that you actually have to dedicate the same amount of hours that a business person dedicates...”

These misconceptions about the arts are mentioned in the literature too. Garber (2008, p. xi) speaks about the arts being “patronised” in the double sense of the word. In other words, the arts are both “supported financially and institutionally by foundations, corporations, universities and private donors [and] they are condescended to, looked down upon [and] considered as recreational rather than serious work”.

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Another component of “holding on to the past” is the fear of risk that comes with trying new things. If PAOs were used to operating in a certain way they would express fear at any new suggestions, particularly around money and competition:

“I think that’s the thing that stops [collaboration] from happening...fear of either being outshone or fear of losing the grasp of what you know...”

“I’m not prepared to take that risk...They want to see us tour but...you have to get a sponsor if you want to do something like that...For us if we are going to go in on a big project, it’s got to be with someone who has got finance. We could finance ourselves but we don’t want to take the chance of another company relying on us and not getting as much funding as we have...That’s why I’m happy for us to do anything with anyone as long as we don’t take the financial risk...[We] won’t do the collaboration if someone doesn’t have the funding themselves.”

PAOs also have a problem accepting that times have changed and do not seem to be embracing the technological developments that have become a significant part of modern times. Technology is constantly changing the way we create and consume products and this is no different in the arts which have been particularly affected by the internet, e-commerce and digital file formatting according to the UNESCO creative industries report (UNESCO, 2008). A 2008 survey on public participation in the arts revealed that audiences for live performances are declining while the experience of the arts through the mass media is increasing (Radbournea et al., 2010). In addition, powerful trends like social networks and the proliferation of mobile devices have the ability to change consumer needs, preferences and behaviour (Carr & Paul, 2011) but PAOs who fail to keep up with technological trends will not be able to meet the changing entertainment needs of their current and future audiences. This idea was tested further in the phase two questionnaire when respondents were asked their opinion on the statement “Theatre is dying because technology has changed the way people entertain themselves.” Two of the five respondents answered “not sure”, another two answered “agree” and one answered “disagree”. These results leave the reader unconvinced that PAOs are looking ahead by accepting and embracing technology.

6.5.3 Lack of strong leadership

In his work on leadership, Senge (1990b) speaks about critical skills necessary for building a learning organisation. It has already been established that PAOs in South Africa consider shared learning or the transfer of knowledge as a key benefit to collaboration. If we compare the performing arts industry in South Africa to an organisation that has to continue to learn in order to embrace technology and compete with the entertainment and leisure sectors then we can apply organisational learning
theory to the performing arts industry and can recommend Senge's (1990b) leadership skills to the strategic decision-makers in South Africa's PAOs. Some key leadership skills include building shared vision and engaging in systems thinking.

In terms of building shared vision, Senge (1990b, p. 14) recommends distinguishing positive from negative visions. He posits:

*Many organisations only truly pull together when their survival is threatened... Negative visions carry a subtle message of powerlessness; people will only pull together when there is sufficient threat. Negative visions also tend to be short term. Two fundamental sources of energy can motivate organisations: fear and aspiration. Fear, the energy source behind negative visions, can produce extraordinary changes in short periods, but aspiration endures as a continuing source of learning and growth.*

Powerlessness, along with politics, was one of the sub-factors under the major contextual factor "lack of strong leadership". As Senge’s (1990b) comments suggest, the reliance on fear to motivate action indicates powerlessness and powerlessness indicates a lack of strong leadership. One respondent spoke of this fear as a motivational tool in his own company:

“In 2010, the company was going through such a lot of rubbish and they had no money. In the midst of all this direness, an idea came for a production, everybody volunteered and they came out with a fantastic product... In November I got news that they got money from the Lotto, they got funds to do productions for the whole year. All of a sudden it was like nothing ever happened, life had been fantastic, that’s human nature...And then the same situation came up again...the money ran out again and then suddenly everybody panicked and said we have to close the company down. And that’s South Africans, they have money and they are fine and they will only worry when money is not there.”

The above statement indicates a lack foresight and contingency planning, along with powerlessness, which all point to a lack of strong leadership.

Other respondents spoke of political obstacles that further eroded their ability not only to collaborate but to continue to operate. Galli (2011) speaks about political agendas that influence decisions either to reduce or reallocate state expenditure on the arts. In South Africa, government arts funding has shifted to grass roots or rural development according to a number of respondents:

“The NAC is now putting a mandate on us to go back to grassroots arts. That’s rural community outreach.”
“And the NAC, The Lottery, The DAC have all decided not to give money to cities anymore, they have all decided to give money for rural development and that is scary for us because then we have to start performing in those little halls, take us back 50 years.”

“The Lottery has moved focus to rural areas and in rural areas you won’t have theatres that perform at a professional level but you will have local guys doing their other arts and so funding is not being reduced its just moving to other areas because of political decisions.”

The impact of this policy move on PAOs shows, quite obviously, that their voice in this decision was limited or absent. This indicates a lack of leadership and initiative by the industry to engage government in the formation of an arts policy that serves the needs of both the organisations and society.

Another indication of a lack of leadership was displayed by one respondent who felt the fate of the arts was dependant, not on the collective efforts of the industry but on the Minister of Arts and Culture who is responsible for arts policy in South Africa:

“I think what’s needed in South Africa, desperately, is a more strategic arts funding policy. At the moment I don’t think we have an arts policy that is very strategic. I think that the South African Arts sector has been handicapped enormously. I think that comes from our previous Minister who had no understanding, no passion or compassion for the arts. We have been retarded during her rein. I think there seems to be a new wave of enthusiasm and optimism with the current minister, who seems to be a bit more business focused in the way that he approaches the arts.”

These statements indicate that PAOs which are reliant on government funding are subject to the political agendas of those in power. Based on these political decisions, one respondent felt that the industry was at the mercy of the higher powers in government:

“It’s about the political will that needs to make the decision to say “this is important” and then it can happen. ... it needs to come from the President. If we go to X Company for money, and I speak to the Marketing Director, they often say no because they don’t care about the arts. If the CEO of the company cares about the arts and says to the marketing director, “I want that to happen”, they will make it happen, because he has said that is what he wants to happen. So it’s the same with government.”

The reason that politics as a minor factor falls under the major factor “lack of strong leadership” is because some scholars argue that PAOs need to become more proactive in the development of arts policy, especially in the face of competing political agendas. Galli (2011, pp. 14-15) argues that:

Fragmentation among regional corporate and governmental leaders creates an environment where the arts can easily become insignificant. In order to achieve a
clear vision regarding the future of the arts, there must be clear leadership and management. Without it, leaders of non-profit performing arts organizations are unable to be at the forefront of arts advocacy, because of the constant demands of their own organization.

In other words, PAOs who wish to affect change and take back some control of the industry need to take time, regularly, to look beyond their immediate pressures and artistic ideals and work together strategically on a shared vision for the future of the industry. Senge (1990b) advises that visioning is an on-going process. He suggests that building a shared vision is a never-ending process that needs to evolve as the predominant vision of the future evolves. It is acceptable for each PAO to have its own vision but the long-term industry vision should be an underlying force that drives individual visions so as to achieve industry progress. One respondent spoke of this as 'solving the bigger picture':

“...we all fight for our little thing... like everything, there is always competition... So no one is looking at the bigger picture and the bigger picture is the hardest to solve.”

Senge (1990b, p. 15) goes on to say “we all know that leaders should help people see the big picture. But the actual skills whereby leaders are supposed to achieve this are not understood”. He recommends systems thinking as a key leadership skill and defines systems thinking as the ability to see interrelationships, focus on areas of high leverage and avoid symptomatic solutions.

Chapter two spoke of Johannesburg-based PAOs as an industrial cluster which is “a geographical agglomeration of firms from the same sector that collaborate and compete with each other and have links with other actors in the location, such as universities” (De Propris, 2009, p. 2). Even though resources are scarce and end up being shared by a number of different players in the industry, these firms could work together to leverage the complementarities that exist between these firms from generating creative knowledge and sharing the same labour pool to address the root causes of the problems faced by the industry instead of just focusing on the symptoms. This view is supported by the literature on integrative collaborative leadership which speaks about bringing government, business, civil society, non-profit organisations, cultural institutions and the media together in order to solve complex social problems and achieve the common good (Bryson et al., 2006; Crosby & Bryson, 2005, 2010).

Some PAOs showed evidence of this thinking. They sensed a change is in order, a change that only the PAOs, themselves, can effect through strong leadership. Leaders
that use aspiration as a motivator for change and growth are likely to move into a position of more sustained power than those who use fear. One respondent spoke of a more proactive performing arts industry and likened his vision to the Citizens For Change initiative:

“The Citizens for Change is all about [educating] people in South Africa to not think that everything will be done for them, they need to take charge, they need to do everything themselves, they need to educate people who are not educated and educate them into becoming better citizens and we [in the arts] are not doing that.”

This vision can only be accomplished through aspirational leadership and collective action from all PAOs. PAOs which disregard the importance of a shared vision for the industry as a whole will continue to operate in the same way, moving from one crisis to another, denying the role that each PAO plays in the system that is the performing arts industry.

The challenges faced by the performing arts industry as a result of South Africa’s political history will now be discussed. A portion of Table 7: Contextual factors impacting collaboration is repeated below for convenience and highlights the six minor factors that form the major factor “unique industry challenges”.

### 6.5.4 South Africa’s political history

<table>
<thead>
<tr>
<th>Major factor</th>
<th>Contextual factors impacting collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa’s political history</td>
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</tr>
<tr>
<td>Us-them divide</td>
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<tr>
<td>Audience base (unsophisticated)</td>
<td>51</td>
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<tr>
<td>Individual-driven collaboration</td>
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<tr>
<td>Lack of metrics/research</td>
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<td>Lack of theatre-going habit</td>
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<td>Lack of local creativity/producers</td>
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</tr>
<tr>
<td>Sub-total</td>
<td>275</td>
</tr>
</tbody>
</table>

While South Africa’s political history presents several unique challenges to the performing arts industry, only those highlighted will be discussed.

**An unsophisticated audience base**

During the phase one interviews respondents made comments that hinted at the fickle and unsophisticated nature of South African audiences in comparison to theatre-goers in places like the US, UK and Europe. Comments reflected that the current and potential South African audience do not like to take risks on unknown shows, prefer light-hearted
entertaining shows versus heavy story-based shows, lack arts education and appreciation, lack the habit of theatre-going, type-cast theatres as being “Afrikaans”, “black” or “white” and demonstrate inflexibility by only patronising theatres that support their race, culture and language. In addition, some PAOs feel that their audience judges them very strongly on their past performances alone instead of looking at the quality of their performances over a number of years. This in turn leads PAOs to form quite harsh opinions of their audience base and influences their appetite for collaboration as they have become nervous to try new things, push boundaries and diverge from their conventional artistic code. They feel compelled to work within the confines of their target market’s preferences as anything radically different results in poor ticket sales.

In terms of the literature, this predicament of pushing artistic boundaries versus satisfying the audience speaks to the product versus market orientation dilemma. A product orientation is more pre-emptive and focuses on creating superior products and services that meet your customers future needs (Fillis, 2006) while a market orientation is about creating products that meet your customers current needs (Kotler & Scheff, 1997). In theory a product orientation is the obvious choice to keep PAOs from stagnating but in practice it is extremely risky to ignore you current audience’s needs, habits and preferences in the hope that they will embrace the new and improved collaborative productions, especially given the rigid South African audience.

Some comments that reflect the unsophisticated South African audience are given below:

“Most of those people don’t come to the theatre during the year; they go to the theatre once a year to see the Pantomime.”

“But then take the production away from the festivals and try and put it in a theatre and nobody goes.”

“But we are people of anxiety and habit so people will always be comfortable with the big international shows.”

“Look what happened to ‘Soweto Story’, there is nothing intrinsically wrong with those products but they were just South African.”

“I think a theatre’s reputation is based on its current shows, people forget the history very quickly and if your current shows are bad, that could kill you.”
“...people were saying to us “ah but we see those shows in Pretoria”, which I thought well they don’t because I know the cost of travelling to Pretoria from Joburg now is so great. “

“People don’t see ... our main space here that seats over 1000; they don’t see that as a place to put on plays. Our audience have gotten so used to amplified music in the [main theatre] that when they sat in that theatre they couldn’t believe they were expected to hear actors without microphones.

“There is a problem that there isn’t a theatre-going habit in this country...it is a fact of apartheid that black people in this country until 18 years ago were not introduced to the habit of theatre going and it is a fact that a very small percentage of black people, 18 years into democracy, are economically empowered to go to the theatre. So you have a very small base from which to build your black audience. We have a very limited market of people who can come to shows. Also it’s what they are willing to pay for a ticket.”

“I think the lack of arts education means a severe lack of EQ, a severe lack of humanity and I think it does impact on the arts. The story of the Spear is a perfect example. If people had better arts education they might have responded differently to it.”

Further analysis revealed inconsistencies regarding what PAOs felt the South African audience wants to see, especially the emerging black middle-class. The developmental PAOs felt that this social caste wants to see stories that reflect their own lives:

“We are a new writing theatre which ... critically engages with South African society. We have to feel like the productions are really about South Africa and talk back to South African audiences of all classes and all races according to the passions of the times. ... We are learning the game and one of the games is that we are a country in transition and there is a new black middle class, a new black youth, hungry for mirrors of themselves.”

The commercial PAOs felt that the South African audience in general and the new black middle-class in particular just want to be entertained and see the shows that they hear about overseas:

“We put on [a show about Soweto]. It EMPTIED the theatre. When we asked them why they said, “Don’t pander to us. Don’t think because we are black we want to see something called Soweto! We spent our lives trying to get out of Soweto!” So even though this struggle mentality is such a part of our country, those people who have moved on don’t want to know about it anymore. The middle to upper-class black person, I find, tends to want to see what they couldn’t see during Apartheid and what they see on the news and in their travels and what everyone else is telling them to go and see. The new black audience want to see what they have read about and couldn’t see because of boycotts back in the day or because today they travel and couldn’t get tickets to the shows.”

This difference in opinion between what commercial and developmental PAOs believe South Africans want to see on stage not only creates ideological clashes which are a
barrier to collaboration but also precipitates a further contextual barrier to collaboration, namely the “us-them” divide.

The ‘us-them” divide

The comments from the phase one interviews yielded an unanticipated contextual barrier to collaboration, that of a divide between commercial and developmental theatres. Respondents made comments such as:

“I think in this country at the moment, the arts are bogged down by these wide differences between developmental and experimental theatre on one side and what they label commercial theatre on the other…. And for theatre to really develop in this country I believe that gap needs to be narrowed. The people that create experimental and developmental theatre have got to do it with more of a commercial view point and we running so called commercial theatres have got to be more open to presenting developmental theatre to our audience.”

The reason this contextual factor was unanticipated is because an initial review of the literature did not yield this dynamic. Therefore the literature was revisited in order to ascertain whether this dynamic exists in South African and broader arts history. What was discovered is that the “us-them” barrier has been around for most of the 20th century with the main difference being non-profit PAOs typically producing high art while for-profit PAOs engage in mass cultural entertainment (McCarthy et al., 2001). In addition, non-profit or developmental PAOs strive to fulfil a social purpose and focus on artistic excellence while commercial PAOs are more focused on their bottom line and as such need to produce or select shows that provide novelty and entertainment (Cherbo, 1998). Therefore the divide and lack of collaboration between these two types of PAOs is understandable as one respondent said:

“…theatres have policies and if you look at what the Joburg theatre does versus what the Market theatre does they are completely different. They have different policies … the Joburg theatre is a commercial theatre, that’s its mandate, the Market theatre is a heritage theatre so it is a lot about new South African work or heritage work. So those two are very different, so you can’t say people should collaborate unless their goals are the same, unless their mandates are the same, their objectives are the same, why would they collaborate?”

However, the literature does indicate historical synergies between commercial and developmental PAOs in American theatre whereby non-profit theatres provided a rudimentary research and development laboratory for shows that went on to become commercial successes on Broadway (Cherbo, 1998). The rationale of using developmental practitioners in the creation of new work is informed by the argument that art is product (and not market) driven:
“Although innovative business arrangements are a response to the bottom line, product still drives live theatre. The quest for product is ubiquitous in the entertainment industry. The large companies spend huge sums supporting creative teams and people - “imagineers” as Disney refers to them. American producers trawl the English-speaking world in search of material. Live theatre is a creator's medium where individual talent is held in high regard and nurtured” (Cherbo, 1998, p. 12).

Several respondents, commercial PAOs too, agreed that content trumps entertainment value:

“The truth of the matter is that the first thing that sells a project is word-of-mouth and that's driven by the quality of the project and how it touches the heart.”

“The success in theatre in my experience is totally product dictated.”

“We are not focused on ticket sales, we are more focused on celebrating excellence... That's [our] preference, to attract performing arts content and good, robust, serious work.”

“There are those kinds of productions available ... you know kind of raunchy, kind of popular stuff but it is not how we would choose to spend our money ... where we would put our name to producing something we are interested in quality ... the content is going to be very important because it is our reputation”

Ultimately, artistically successful products are high risk and commercially successful products are high cost and collaboration between both types of PAOs could help mitigate these risks for both parties. For instance, commercial PAOs could collaborate with developmental PAOs through licensing of their work. Developmental PAOs whose productions receive media attention can license the production to commercial producers in exchange for royalties, profit share, a percentage of revenues or subsidiary rights on CDs, DVDs and merchandise (Cherbo, 1998). Alternatively, commercial PAOs could provide enhancement money for what is essentially a pilot project whereby developmental PAOs are given funding to develop and present a production at their own venue or a smaller venue. If the production is a success it is taken up by the commercial PAOs, if not, the production remains the property of the developmental PAO (Cherbo, 1998).

Further examples of collaboration between commercial and developmental PAOs are given by Kotler and Scheff (1997) who talk about cross-fertilisation of audiences. In 1993 the Brooklyn Philharmonic Orchestra performed the combined works of Phillip Glass, a classicist composer and pop musician David Bowie. The effect was a bridging
of the gap between the two audiences, who, it was found, were “generally more open to new music than the professionals” (Kotler & Scheff, 1997, p. 172). The professionals’ desire to maintain the purity of the art form are common to developmental PAOs as can be seen by one respondent’s comment:

“I struggle with it because as an opera singer and someone who was literally raised in this art form, I also have this attachment to it being pure, it has to be how it should be, we can’t allow these people to just come and take it away and turn it into something else.”

The unwillingness to deviate from the purity of the art and the organisations’ artistic values is referred to by Kotler and Scheff (1997) as a mobility barrier because it prevents the organisation from accessing a larger audience base that commercial-developmental collaborations would attract. A study by McCarthy (2001) found that the PAOs facing the most uncertainty are the medium sized non-profit or developmental PAOs such as opera, ballet and theatre companies. A strategy that combines commercially appealing performers with traditional material is likely to help these types of PAOs achieve a level of sustainability because such a strategy is “designed to attract the broadest share of what appears to be a relatively stable market—those individuals who can pay premium prices to attend the highest-quality live performances” (McCarthy, 2001, p. 108).

A further “us-them” divide exists between what PAOs label ‘black’ versus ‘white’ theatre:

“The other problem we are all facing is whether we are doing theatre for black people or whether we are not doing theatre for black people. I report to a whole lot of people on the board and to my shareholder and I suppose that is the most difficult question to ask of all… So there’s that gap as well, I think there are two gaps which are very wide in this country and make it very difficult for collaboration.”

Government pressure to transform from white, Eurocentric organisations into more diverse and inclusive organisations has been felt by all PAOs since 1994. Many theatres continue to strive for a more “black” audience by collaborating with black practitioners but some respondents felt that collaboration between black and white practitioners was impossible because of a lack of understanding on the business aspect of running a larger operation:

“So the people that are practicing, quote unquote, black theatre, are doing it in a very small arena and they are usually highly subsidised [but] I have a bigger arena that I have to fill every night… [so] one of the problems is that I feel the black theatre practitioners in this country are working in a vacuum and basically dismiss us that are running so called commercial businesses that have to meet a bottom line all the time, as being white. . . .There are people now in this country devoted to creating work and performing work for a black audience. And they tend not
to do their work in a theatre labelled for a white audience. I get labelled as a theatre for a white audience but if those black practitioners would bring me more of their work, there is a chance I might have more of a black audience.”

South Africa’s turbulent political history has obviously not been erased in the minds and hearts of black theatre practitioners who, despite 18 years of democracy, are still not inclined to take their works to white practitioners. Pre-democracy, music, theatre and dance were used to generate international support for the struggle against Apartheid (Gilbert, 2007). The purpose of art was not only to portray the plight of the suffering but also to “educate, awaken political consciousness and galvanise people to action” which meant that “truly revolutionary art” was not the type that provided entertainment to the masses (Gilbert, 2007, p. 436). It could be that this ideology and perception of art as an instrument of political expression versus a form of entertainment keeps both audiences and theatre practitioners divided. Perhaps there are two distinct and mutually exclusive markets and those PAOs whose ideology is driven by “the passion of the times” will never see eye to eye with those whose ideology is driven by entertainment value. While this divide may be acceptable to both types of PAOs, the reality is that developmental PAOs are not self-sustaining and as such will continue to rely on government support which creates and reinforces this divide as one respondent articulates:

“[Theatre] needs subsidy of course but the subsidy that there is is going into black theatre and I’m not saying that’s wrong, what I’m saying is, it creates that divide that if you can’t, because of your economy, your size, like this theatre, if you can’t do black theatre where you charge R50 a ticket in a theatre that seats 200 people and that’s a success. But I need to fill 800 seats at R300 a ticket to have a success so I can’t cater to that audience, and nobody is subsidising that kind of theatre.”

The problem with government favouring developmental PAOs and not all PAOs is that they inevitably continue the cycle of commercial PAOs offering “entertainment” and developmental PAOs offering “art” with nothing in between to offer the South African audience:

“[Commercial practitioners are] forced to rely on reruns and proven shows like big musicals which will ensure an audience.”

“The only people who can be self-sufficient are [commercial producers who are] doing top-end musicals and charging R200-R300 a show and … the risk is mitigated by the fact that they are well-known musicals. We certainly don’t choose the big name musicals…because we are highly subsidised. We can take more risks because we are supported whereas [the commercial producers] take less risk because [they are] not supported.”
“...so whether you are calling it subsidy or sponsorship, or in fact rich producers that have a lot of money and take risks. None of that exists in this country, so even the commercial producers can’t take big risks.”

These statements indicate that the fate of a commercial PAO is just as uncertain as that of a developmental PAO because “commercial producers have no fall-back if a production bombs [whereas a developmental PAO] is highly cushioned if one production fails to attract the desired box-office receipts because...other revenue sources provide upfront operating moneys...” (Cherbo, 1998, pp. 13-14). This ultimately creates a societal divide amongst South African audiences who will choose one or the other type of art and will be missing out on the diversity and inclusivity that art is supposed to honour and celebrate. Various international studies speak about the importance of the arts in nation-building, human development and social cohesion (UN, 2008; UNESCO, 2008) and one respondent said:

“Art is always going to be seen as peripheral even though it should not be. You should read the National Planning Commission and what they say around social cohesion and nation-building, they do not talk about social cohesion and national building for job creation. They say social cohesion is most important for trust and a country with a high trust index is a country with a strong economy. So we support the arts because [they] get us to understand our challenges better which means that hopefully our trust index will increase.”

Ultimately, PAOs needs to unite and engage more with government. Government’s unintended role in the creation and fortification of the ‘us-them’ divide between commercial/white PAOs and developmental/black needs to be addressed if collaboration and ultimately social inclusion is to improve.

In conclusion, there are many barriers to inter-organisational collaboration among PAOs. Some of these are well understood and can easily be compared to international literature while others are unique to the South African environment. Once again, this section has demonstrated that collaboration does not exist separately from its environment and theories of collaboration need to consider the context in which organisations operate.

6.6 Conclusion

In this chapter, the results from chapter five were explained and elaborated upon. PAOs feelings about inter-organisational collaboration were gathered to test the reasons behind the limited collaboration in South Africa. The resultant discovery was deep-seated fear and distrust in the industry that belied the overall positive comments about collaboration. The effects of collaboration were then reviewed and compared to the
literature. Transfer of knowledge was a positive effect of collaboration that has important implications for the South African economy in terms of increasing social inclusion, human development and intellectual capital. A loss of control was a negative effect of collaboration that was not found in the literature. The political history of South Africa was cited as a possible reason for this. Next the barriers to collaboration were discussed. A number of barriers were found in the literature that applied to the study but interestingly far more barriers to collaboration were uncovered in the study that did not exist in the literature. Once again this could be due to the unique South African context and especially the role that government and political history plays in the creation and enforcement of arts policy. From this sprung a number of enablers of collaboration that pointed to the symbiotic relationship between PAOs and other sectors of the economy. Following on from this, several contextual factors emerged that were found to impact collaboration and progression in the performing arts industry. Issues such as an entitlement mentality, an attachment to the past, a lack of strong leadership and South Africa’s political history were discussed.

The above discussion leads to the conclusion that the South African performing arts environment is riddled with barriers to and opportunities for collaboration between PAOs. PAOs need to engage with one another and to start looking at cross-sector collaboration as a means to affect change in arts policy. While Kotler and Scheff’s (1997) views on inter-organisational collaboration as a method of demand stimulation are not necessarily wrong, their reasoning cannot be applied unquestioningly to a context such as South Africa with its turbulent political past that has created ideological divisions in PAOs and audiences alike. Ultimately, inter-organisational collaboration is both affected by and has an effect on the broader environment. This phenomenon will be discussed in chapter 7.
Chapter 7: Conclusion

The previous chapter combined the literature and study findings and discussed their role in answering the research questions. This chapter will provide a background to the study and will analyse the main findings of the research against the research objectives. Recommendations will then be made to various stakeholders. The relevance of the findings to academic knowledge and business practise will then be discussed and the chapter will conclude with acknowledgement of the limitations of this study and recommendations for future research.

7.1 Background to study and research objectives

A review of the performing arts industry in South Africa revealed that performing arts organisations (PAOs) are struggling to grow demand for the performing arts due to increased competition from the leisure and entertainment industries, an indifferent audience and declining financial support from government (Colbert, 2009; Joffe & Newton, 2008; Kang, 2010). Expansion of the arts has a number of positive outcomes for the country such as job creation, human development, social inclusion and cultural diversity (Kirchner et al., 2007; National Treasury, 2012; UN, 2008; UNESCO, 2008) as well as strategic brand alignment, enhanced reputation, increased creativity and legitimacy within society for business (BASA, 2011; Berger et al., 2004; Graf & Rothlauf, 2011; Weinstein & Cook, 2011). The growing research on the benefits of developing the arts from a government and business perspective indicate two gaps. Firstly, much research was being committed to growing the supply of the arts without an accompanying commitment to research on growing demand for the arts. Secondly, research from a PAO’s perspective, on how they can proactively grow demand as an industry, through collaboration, without relying on government funding and private sponsorship was insufficient.

Inter-organisational collaboration was suggested as one method of stimulating primary demand for the performing arts (Kotler & Scheff, 1997). While the literature suggested methods and outcomes of collaboration and its role in demand stimulation, few media reports indicated South African PAOs were working together and looking at inter-organisational collaboration seriously. Therefore before the theories on collaboration in the literature could be tested the reasons behind the limited collaboration in South Africa had to be investigated. The objective of the research was to explore the dynamics of inter-organisational collaboration among PAOs in South Africa and their role in stimulating demand for the performing arts.
7.2 Main findings

The study investigated PAOs’ views on collaboration in general and as a method of stimulating demand. What emerged were a number of underlying issues or contextual factors which impacted PAOs appetite for collaboration and their view on its effectiveness as a marketing tool. It was found that these contextual factors are either part of the problem (barriers) or part of the solution (enablers) when it comes to collaboration.

The PAOs investigated were either commercial or developmental entities. The commercial PAOs have more of a profit motive and as such focus on offering entertainment value to a high-paying audience. The developmental PAOs have more of a social objective and focus on artistic excellence and the promotion of South African culture. The developmental PAOs are highly government subsidised and as such can afford to take more artistic risks with programmes that will appeal to a very narrow audience. The commercial PAOs do not have this cushioning and so they rely on well-known international productions that have proven success among a wide audience.

The study found that collaboration between these two types of PAOs was very difficult because of the way they operate and generate income and because of the wide differences between the audiences they serve.

However, the study found that collaboration between two commercial PAOs or two developmental PAOs was happening and had had positive effects. Most PAOs experienced a desire to collaborate with the same partners again in the future. Positive outcomes of such collaborations included a stronger relationship, access to a new audience, shared learning and cost savings from pooling of funds. Interestingly, increased ticket sales or demand, as suggested by Kotler & Scheff (1997), was not highlighted by respondents as the pre-eminent outcome of their collaborations.

On some occasions collaboration had occurred across genres, between commercial and developmental PAOs and between the arts and other sectors such as government and business. The effects of these collaborations were not always positive. In some instances PAOs had been left hurt by their partners who had undermined the PAOs’ autonomy and artistic goals or had not provided follow-through support and on-going commitment. In such instances PAOs felt they were left high and dry or felt like charity cases instead of equal partners.
The study also found that collaboration between PAOs and other sectors was an area of concern for most PAOs. All PAOs had ideas on how to improve the accessibility and success of collaborative efforts as well as ideas on how to improve industry conditions. Many of these ideas included engagement and collaboration with numerous sectors of the economy such as government, media, business, education, technology and community institutions. Most recognised the need to collaborate to improve conditions in the industry but showed a lack of initiative and leadership in taking things to the next level. Historical misconceptions around the arts not being important could be to blame for PAOs lack of authority in standing up to these sectors. In addition, South Africa’s political history has played a starring role in the evolution of the performing arts industry. The sweeping cuts of arts grants in 1994 has left the arts fearful and distrustful of government, another reason why they may be unable to take their rightful place in the formation of an arts policy that serves their needs as well as those of the public.

Both the barriers to and enablers of collaboration illuminate the reality that PAOs and their strategic decisions (such as whether to collaborate or not) cannot be evaluated without taking into consideration the South African context. The numerous barriers to collaboration that influence demand stimulation do not exist in isolation and are often caused by other influences such as South Africa’s political history and government priorities in spending. The same can be said for the enablers of collaboration which were born out of the PAOs’ frustrations with themselves, each other, the government and the South African audience. Based on the inter-play between PAOs and their environment, a model has been developed to indicate the interrelatedness of all the components that affect collaboration and demand in the performing arts. This model has been created by combining the results from both phases of the study and pulling together figures two (p. 67) and three (p.75) from chapter five.
Figure 5: Dynamics of inter-organisational collaboration in the performing arts industry

The model above indicates the dynamics of inter-organisational collaboration and the many factors which impact it. The reason why demand lies outside the context of inter-organisational collaboration is to show that demand in the performing arts is indirectly influenced by these factors and dynamics. Other factors outside the scope of this study more than likely also influence demand for the performing arts.

This model highlights the role of the underlying contextual factors, unique to South Africa, that create barriers to collaboration. These contextual factors also give rise to the enablers of collaboration. In other words, each performing arts context will create different barriers to and different enablers of collaboration. The context, too, need not only represent a country’s environment, it can also represent a period in time meaning that these factors can change according to the time frame of the study. Ultimately PAOs who can manage the South African context, overcome barriers and leverage enablers will be able to achieve successful collaboration,
The objective of the research was to explore the dynamics of inter-organisational collaboration among PAOs in South Africa and their role in stimulating demand for the performing arts. This study has achieved this objective by identifying how demand for the performing arts is indirectly affected by the numerous factors that impact collaboration and the dynamic forces that exist between them.

7.3 Recommendations to stakeholders and managerial implications

There are two broad categories of stakeholders in this study. The main stakeholders include the five types of PAOs listed in the scope of the research and their audience members. Other stakeholders include all those individuals, bodies, companies and associations that serve the arts either through their programmes and activities or through their financial support. These include schools, universities, corporate entities, municipal, regional and national government, local communities, unions, the media and arts councils.

7.3.1 Recommendations to PAOs

The study found that Johannesburg-based PAOs have formed a creative cluster which shares not only the same labour pool and professional network but also the same audience. The literature on creative clusters indicates that such clusters produce positive externalities such as the development of artistic talent, increased innovation and upliftment of the social, cultural and economic activity of the community. The literature on co-opetition suggests PAOs in a cluster should think about leveraging these externalities for the greater good of the industry by collaborating. Therefore, it is recommended to clustered PAOs to meet regularly to brainstorm how each one’s products can be combined with an aspect of the others’ so as to create a package that offers a better overall experience for the customer. This would be the first step in overcoming the barriers “fear of competition” and “lack of camaraderie”. The deep-seated nature of these fears may mean that PAOs agree to brainstorm only. After a number of brainstorming sessions have concluded without any fall-outs, the PAOs can take the idea to production and marketing.

PAOs also need to leverage the enabler “technological innovation”. The purity of the art form itself can be maintained but PAOs need to think about using technology to change the way the art form is presented. Government might even be more willing to fund technology-based initiatives as they could produce cost savings and innovations that can be applied in other sectors.
PAOs need to collaborate to overcome the contextual factor “lack of strong leadership”. PAOs still lack a strong industry vision and seem to be pre-occupied with their own needs. While the importance of an organisational vision is recognised, PAOs need to work together to create an industry vision. One respondent had an idea about taking a different dance form each month to all the provinces. This idea is excellent as it stimulates demand through arts education and it ensures each company has work for six or more months of the year. An idea like this needs approval and funding from the Department of Education which will only be achieved if many companies show cohesion and commitment to it. An industry that fights amongst itself does not present a united front and it is only by presenting a united front that government and other sectors will give PAOs the attention and respect they deserve. The benefits will be an arts policy that facilitates collaboration, stimulates demand as well as supply of the arts and addresses the needs and ideals of PAOs in addition to society.

PAOs need to activate the enabler “engagement with the community” by actively seeking community members to sit on their boards. This will ensure the community is aware of what the PAOs need and can help PAOs lobby municipal government. If PAOs do engage with the community they need to be aware that their programming will be under scrutiny. While this does not mean PAOs must relinquish artistic control to community members, it does mean that PAOs will need to show more of a team spirit and be more open to suggestions and discussions around content and presentation.

A final point is that the findings of the research reflect that PAOs involved in collaboration do not have clear indicators of success. This is probably because increasing demand is not the primary goal of most collaborations. Many of the outcomes of collaboration are intangible and as such ticket sales alone cannot accurately measure the total success of collaboration. Therefore a more long-range recommendation is to encourage PAOs to discuss the intangible outcomes of collaboration and develop a set of prioritised and quantifiable success indicators that can be tracked and measured so as to determine whether collaborative goals have been reached.

7.3.2 Recommendations to government and education providers

Government should be aware that the current funding application process is a barrier, not just to collaboration, but also to industry progress. The adjudication of applications needs to be expedited and governments should allow PAOs more flexibility in terms of how they chose to use the grants. In addition, the concept of penalising PAOs for deviating from the original proposal needs to be readdressed, especially given that the period between proposal and adjudication is over a year. Many exciting opportunities
can surface during the course of a year and the current grant system does not allow PAOs the flexibility to seize these opportunities.

Government also needs to show a greater awareness of the enabler “arts education”. Schools, universities and the Department of Education need to collaborate with PAOs and leverage their extensive knowledge and expertise in the development of educational programmes that build appreciation and demand for the arts from a young age. The focus on growing the supply of the arts needs to be accompanied by efforts to grow demand otherwise the fight for funding will only get worse. This will intensify the “fear of competition” and “lack of camaraderie” in the industry. Also it will reinforce certain contextual factors such as the “unsophisticated audience” and the “us-them divide” because individuals will graduate from high school and will still not have developed an appreciation for the arts and a desire to attend live theatre.

With all the pressing social and economic issues in South Africa it is no wonder the arts sit on the periphery of social development agendas. Government and arts councils need to recognise the value of the arts as a developer of social and intellectual capital and a tool for nation-building. Government does not have all the answers when it comes to arts policy and so the Department of Arts and Culture must use the input of PAOs in the development of arts policy. Given the impact that South Africa’s political history has had on PAOs, this can only be achieved by building up “trust between partners” and “supporting industry players”. The Mzansi Golden Economy seems to be an indication that greater collaboration between the arts, government and civil society is already happening and it will be interesting to see the long term effects of this initiative.

7.3.3 Recommendations to private business

Private business must try to remove the barrier “lack of support” and leverage the enabler “trust between partners”. The study found that businesses under-value the arts or at least behave in such a way that this is the message communicated to PAOs. If private business wants to continue to collaborate with the arts either for brand-building or social responsibility purposes, they must treat the arts as an equal partner and not a charity case. This could mean increasing marketing and publicity of the alliance or the provision of a mentor to help PAOs on an on-going basis with the development of business skills. This would ensure the overall position of the PAO is improved. In addition, PAOs must display stronger leadership by ensuring they communicate to business the level of commitment and follow-through support expected.
7.3.4 Recommendations to local communities

Another important finding is the role that is played by local communities in the development of the arts. The communities in which the different PAOs are located need to understand their role in the arts by removing the barrier “lack of support”. Both the PAO and the community share a desire to develop the area culturally, socially and economically and so it is recommended that community members sit on the boards of different PAOs to get a sense of what their needs are. Communities and PAOs can then join forces to lobby municipal government to inject into the area the funding and skills needed. The relationship between the two can be mutually reinforcing as the community’s investment and involvement in the arts benefits the PAO while uplifting the community.

Communities also need be aware of the role they play in stimulating demand for the arts. Communities could provide PAOs free access to community halls for rehearsals and concerts in exchange for a portion of the proceeds. In this way they will be displaying “trust between partners” and “support for industry players”. If the community helps the PAO with marketing too, both will benefit from the increase in ticket sales.

7.4 Contributions to academic knowledge

This study was based on an emergent set of ideas that were not linked to a particular theory on collaboration. As such the study served to build theory as opposed to test theory. However, in analysing and interpreting the findings, several sources of literature were used.

This study was approached from a marketing perspective where inter-organisational collaboration was viewed as a tool in stimulating demand in the performing arts (Kotler and Scheff, 1997). What was not anticipated were the numerous contextual factors that impact collaboration in this industry. These factors indicate that Kotler and Scheff (1997) are missing half the picture when it comes to the dynamics of collaboration. While it is true that cost savings, exposure to new audiences and in some instances, increased ticket sales are achieved through collaboration, the broader environment in which PAOs operate has a far greater impact on demand than what collaboration does. In other words, the success of collaboration as a marketing tool is amplified or reduced by the context in which the players collaborate.

Systems theory speaks of the role of context in an organisation’s success and behaviour. In this study the context was the South African performing arts industry. PAOs are part
of this complex environment that is both an influencer of and influenced by the actions of individual organisations. Systems thinking is necessary to see the links and gaps that exist in the system and where organisations must collaborate to leverage these links or narrow these gaps (Senge, 1990a). Collaboration as a method of stimulating total demand for an industry’s products cannot be achieved by single organisations. This could be seen as a gap in the system or an opportunity for organisations to work together to change this. The study found that PAOs did recognise their role as well as the role of other sectors in changing the industry. This finding supports the basis of systems theory.

The literature on co-opetition suggests that it is a fact of life that others win but what is most important is if you win as well. In other words, “the best way to exceed is to let other do well, including your competitors” (Brandenburger & Nalebuff, 1996, p. 38). Co-opetition recommends that companies that form an ecosystem should create added-value for their customers by offering a package of complimentary products (Brandenburger & Nalebuff, 1996; Hearn et al., 2007). Johannesburg-based PAOs form such an ecosystem or creative cluster but the study found that the positive externalities, such as the development of artistic talent and shared learning generated by the cluster were not being used to increase the value of or demand for the PAOs’ products. This finding does not disprove the literature, it could just be that PAOs are too focused on their own best interests because in an environment where money is hard to come by, survival by any means necessary is the order of the day. This finding also illuminates the importance of the history and evolution of an industry. The performing arts have been through many ups and downs but continue to exist. Funding comes and goes and the cyclical nature of the industry is no longer questioned. Therefore methods for reducing this turbulence are often more aspirational than practical. As such, the theory on co-opetition may not be as useful for cyclical industries or industries with a history of severe funds shortages.

The study found that PAOs lack the integrative leadership necessary to mobilise diverse sectors in the economy. The literature on cross-sector collaborative leadership provides possible explanations for this. Limited use of an accountability or performance measurement system and an inability to master individual egos and frame ideologies in such a way that they have mass-appeal are two such explanations (Crosby & Bryson, 2010). The study confirmed these explanations but also produced other explanations not mentioned in the literature. The literature on cross-sector collaboration mentions a lack of faith in government as the inspiration for cross-sector collaboration and that cross-sector collaborations are likely to succeed if leaders use tactics that help equalise power.
This implies leaders have power to begin with. What the literature does not highlight is the political history of a country and the impact of government decisions that removed power from entire industries. This was the case in South Africa in 1994 and the result is a deep-seated fear and distrust of government, which the study found to be a more rigorous explanation for the lack of integrative leadership in the performing arts.

This study has contributed to academic knowledge by highlighting the role that context plays in inter-organisational collaboration. Whether the purpose of the collaboration is to stimulate demand and has a marketing focus, or to tackle complex social problems and has a political focus, or to enhance innovative capacity and has a business focus, the role the context plays in influencing the achievement of these goals cannot be denied.

7.5 Research limitations

This study was qualitative and exploratory in nature and aimed to build rather than test theory. As such the results cannot predict whether collaboration increases demand. The next phase in this investigation could be a quantitative design that determines causality by testing the hypothesis that inter-organisational collaboration among PAOs leads to increased ticket sales.

Regarding the population studied, only performing arts organisations were investigated. This means that the results may not be generalisable to a larger population such as the broader creative industries of which the performing arts form a part. Going forward it would be beneficial to investigate inter-organisational collaboration and its role in demand stimulation in other industries or at least in the wider creative economy. In addition, the respondents selected were Johannesburg-based. The findings on inter-organisational collaboration may differ in other metropolitan areas and in rural South Africa.

Another research limitation is that inter-organisational collaboration was the only method of primary demand stimulation investigated. Other methods suggested by the arts marketing literature, such as free performances in public places, promotions and discounts may be more effective at stimulating primary demand.

Further, the study focussed on strategic decision makers. To gain a better understanding of inter-organisational collaboration it may be pertinent to first look at intra-organisational collaboration by studying employees at different organisational
levels. This would determine the level of internal collaboration and whether any internal factors create a predisposition for collaboration.

Finally, the cross-sectional nature of the study is also a limitation as the fruits of collaboration often take time to manifest. Therefore a longitudinal study may reveal very different results and should be considered for future research.

7.6 Recommendations for future research

This study investigated seasoned strategic decision-makers who had been in the industry for more than a decade and had worked in many types of PAOs across different creative industries. Future research could explore whether the strategic decision maker’s career path and movement across industries stimulates collaboration or creates a personal capacity and passion for collaboration.

The findings of the study reflect that there are numerous benefits to collaboration beyond demand stimulation. Other outcomes of collaboration included exposure to new audiences and knowledge transfer, either of which could be the focus of a future study on the impact of collaboration in the arts. Conversely, exposure to new audiences or knowledge-transfer as methods of demand stimulation in the arts could be investigated.

The funding crisis that the performing arts industry suffers at regular intervals makes it difficult for PAOs to prioritise collaboration. Future research could investigate how industries under threat collaborate. This could include methods for building financial safety in such industries or using a quantitative study to test Kotler and Scheff’s (1997) theory that there is a financial upside to collaboration.

Finally, the performing arts industry is a passion-driven industry, quite unique from the type of passion found in the regular business environment. The leaders in this industry are committed to their art and have a strong sense of what is right and what is wrong for their individual organisations. Future research into team leadership in individual-driven or passion-driven industries would be valuable. Possible studies could include a framework for leadership or a framework for collaboration in passion-driven industries.

7.7 Conclusion

A spirit of camaraderie and shared vision are lacking in the South African performing arts industry. PAOs need not give up their focus or individuality in the quest for industry progress and unity. Collaboration between PAOs can give them a better chance at competing with the technology, entertainment and leisure sectors that have depleted the
youth market. In addition, collaboration between these sectors and the performing arts sector and between government and the performing arts sector is necessary to ensure not only that the performing arts survive, but that they thrive!
References


Appendices

Appendix 1: Interview guide – producers

1. **Introduction**
   1) Thank person for attending
   2) I am Marise Dusheiko. GIBS MBA research
   3) Purpose of study – to gain a deep understanding of how PAOs feel about inter-organisational collaboration, its effects, its barriers. Emphasise participant's own opinions are important
   4) Explain anonymity and agree on their title and how the data will be used.
   5) Explain how data will be collected and analysed and the Delphi technique
   6) Explain that all information given is official and “on the record”
   7) Ask participant to sign consent form

2. **Demographic information**
   1) Name__________________________________________________________
   2) Organisation____________________________________________________
   3) Position________________________________________________________
   4) Duration of position_____________________________________________
   5) Roles and responsibilities________________________________________
   6) Previous organisation and position________________________________

3. **Feelings on inter-organisational collaboration**
   1) Have you ever collaborated with other PAOs?
   2)探问：以何种方式？（询问例子）
   3)探问：以何种方式？（询问例子）
   4)探问：以何种方式？（询问例子）
   5)探问：以何种方式？（询问例子）
   6)探问：以何种方式？（询问例子）
2) Why have you not collaborated with other PAOs?

(a) Probe: Do you think this is the same for other PAOs, explain?

3) Tell me about your collaborative experience

(a) General Probe: Were there any positive outcomes? (ask for examples)

(b) Specific Probe: Did it lead to increased ticket sales or decreased costs?
(c) General Probe: Were there any negative outcomes? (ask for examples)

__________________________________________________________

__________________________________________________________

__________________________________________________________

__________________________________________________________

(d) Specific Probe: Did it lead to decreased ticket sales or increased costs?

__________________________________________________________

__________________________________________________________

(e) Probe: Can you give me examples of how you think things could have been done differently?

__________________________________________________________

__________________________________________________________

__________________________________________________________

4. Feelings on the performing arts industry (if time allows)

1) How do you think the performing arts industry is doing as a whole?

__________________________________________________________

__________________________________________________________

__________________________________________________________

2) What do you think the outlook for the performing arts is?

__________________________________________________________

__________________________________________________________

__________________________________________________________

3) Can you say, in one word, what the industry is lacking?

__________________________________________________________
5. **Closing comments**
   Ask if respondent has anything else they would like to add

6. **Closing**
   1) Remind respondent they will be receiving a second questionnaire via email as per the Delphi technique
   2) Explain that they may contact me directly should they wish to change or retract any statement
   3) Thank respondent for their time and willingness to participate
   4) Explain that a copy of the transcribed interview will be sent to them should they want it
Appendix 2: Interview guide – receivers

1. **Introduction**
   1) Thank person for attending
   2) I am Marise Dusheiko. GIBS MBA research
   3) Purpose of study – to gain a deep understanding of how PAOs feel about inter-organisational collaboration, its effects, its barriers. Emphasise participant’s own opinions are important
   4) Explain anonymity and agree on their title and how the data will be used.
   5) Explain how data will be collected and analysed and the Delphi technique
   6) Explain that all information given is official and “on the record”
   7) Ask participant to sign consent form

2. **Demographic information**
   1) Name____________________________________________________________
   2) Organisation_____________________________________________________
   3) Position__________________________________________________________
   4) Duration of position_________________________________________________
   5) Roles and responsibilities___________________________________________
   6) Previous organisation and position_________________________________

3. **Feelings on inter-organisational collaboration**
   1) You are in the business of collaboration, what is your process/criteria for selecting productions for your theatre?

   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

   (a) Probe: Do you favour certain types of POAs, for instance big names vs. local to improve ticket sales? (ask for examples)________________________
   ____________________________________________________________
   ____________________________________________________________
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   ____________________________________________________________
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   ____________________________________________________________
   ____________________________________________________________
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   _____
2) What types of PAOs, if any, do you not collaborate with? Why?
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
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(a) Probe: Do you think this is the same for other theatres, explain?
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3) Do you see a lot of collaboration between PAOs? Examples.
___________________________________________________________________
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(a) General Probe: Were there any positive outcomes? (ask for examples)
___________________________________________________________________
___________________________________________________________________
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___________________________________________________________________

(b) Specific Probe: Did it lead to increased ticket sales or decreased costs?
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
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(c) General Probe: Were there any negative outcomes? (ask for examples)
___________________________________________________________________
___________________________________________________________________
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___________________________________________________________________
___________________________________________________________________

(d) Specific Probe: Did it lead to decreased ticket sales or increased costs?
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
(e) **Probe:** Can you give me examples of how you think things could have been done differently?

________________________________________________________________
________________________________________________________________
________________________________________________________________
________________________________________________________________
________________________________________________________________
________________________________________________________________

(f) **Probe:** Where in the industry do you think collaboration is lacking?

________________________________________________________________
________________________________________________________________
________________________________________________________________
________________________________________________________________

4. **Feelings on the performing arts industry (if time allows)**

1) **How do you think the performing arts industry is doing as a whole?**

________________________________________________________________
________________________________________________________________
________________________________________________________________
________________________________________________________________

2) **What do you think the outlook for the performing arts is?**

________________________________________________________________
________________________________________________________________
________________________________________________________________
________________________________________________________________

3) **Can you say, in one word, what the industry is lacking?**

________________________________________________________________

5. **Closing comments**

Ask if respondent has anything else they would like to add

________________________________________________________________
________________________________________________________________

6. **Closing**

1) Remind respondent they will be receiving a second questionnaire via email as per the Delphi technique

2) Explain that they may contact me directly should they wish to change or retract any statement

3) Thank respondent for their time and willingness to participate

4) Explain that a copy of the transcribed interview will be sent to them should they want it
### Appendix 3: Interview guide – supporters

#### 1. Introduction

1. Thank person for attending
2. I am Marise Dusheiko. GIBS MBA research
3. Purpose of study – to gain a deep understanding of how PAOs feel about inter-organisational collaboration, its effects, its barriers. Emphasise participant's own opinions are important
4. Explain anonymity and agree on their title and how the data will be used.
5. Explain how data will be collected and analysed and the Delphi technique
6. Explain that all information given is official and “on the record”
7. Ask participant to sign consent form

#### 2. Demographic information

1. Name __________________________________________
2. Organisation ______________________________________
3. Position ___________________________________________
4. Duration of position __________________________________
5. Roles and responsibilities ___________________________
6. Previous organisation and position _____________________

#### 3. Feelings on inter-organisational collaboration

1. Have you seen collaboration between PAOs?

(a) Probe: In what ways? (ask for examples)
2) Where do you think collaborated between PAOs is lacking? (Example: everywhere/ just one genre/ stick to same partners, won't try new).

3) Why do you think PAOs are not collaborating more?

(a) Probe: What specifically stops them? (ask for examples)

(b) Do you think this is the same for all PAOs?

(c) What advice do you have for PAOs on collaboration?
(d) Probe: How can they do things differently?
__________________________________________________________
__________________________________________________________
__________________________________________________________
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__________________________________________________________

4. Feelings on the performing arts industry (if time allows)
   (a) How do you think the performing arts industry is doing as a whole?
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

   (b) What do you think the outlook for the performing arts is?
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

   (c) Can you say, in one word, what the industry is lacking?
   __________________________________________________________

5. Closing comments
   Ask if respondent has anything else they would like to add
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

6. Closing
   1) Remind respondent they will be receiving a second questionnaire via email as per the Delphi technique
   2) Explain that they may contact me directly should they wish to change or
retract any statement

3) Thank respondent for their time and willingness to participate

4) Explain that a copy of the transcribed interview will be sent to them should they want it
Appendix 4: Delphi questionnaire

Questionnaire

Summary of interviewee opinions on the performing arts industry and collaboration

There are 5 sections to this questionnaire, please ensure you complete all sections. The purpose of this questionnaire is to test whether I have accurately interpreted your opinions as interviewee. Most of the questions will cover surface-level issues; however, in trying to uncover deeper issues, I have attempted to find hidden meaning beyond the obvious. This is not always easy and the process is susceptible to personal biases. For this reason my interpretations may be incorrect and I ask for your understanding and patience in helping me answer my research questions.

Name: ________________________________

Age: ________________________________

Race: ________________________________

Section 1

Please choose 5 only and tick the appropriate boxes.

Positive outcomes of collaboration based on your actual experience

1. Collective bargaining power/fundraising capabilities when approaching government/private sector for funding
2. Competitive advantage through increased innovative capacity
3. Transfer of knowledge/shared learning
4. Reduced replication in service and administration
5. Pooling of funds and other cost-savings
6. Access to facilities, equipment and a larger selection of artistic talent
7. Exposure to new audiences
8. Increased ticket sales
9. Development of artistic talent (at individual and industry level)
10. Reinvention of the art form/genre
11. Relationship building
12. Increased work opportunities for local artists
**Section 2**

Please choose 5 only and tick the appropriate boxes.

Negative outcomes of collaboration based on your actual experience

13. Unmet expectations
14. Loss of jobs
15. Increased costs
16. Decline in quality of productions
17. Breakdown of relationships
18. Loss of control in any aspect of production
19. Damaged reputation
20. Loss of competitive advantage
21. Disgruntled employees
22. Wasted time
23. Offended audience

**Section 3**

Please choose 5 only and tick the appropriate boxes.

Barriers to collaboration

24. Misaligned goals/lack of shared vision
25. Opportunism (one partner tries to cheat the other so as to maximise its own profitability)
26. Funding application process
27. Clash of egos
28. Fear of competition
29. A socially, geographically and ideologically fragmented South African audience
30. Lack of business acumen in the performing arts industry
31. Lack of camaraderie in the performing arts industry
32. Lack of collective planning & communication in the performing arts industry
33. Lack of funding/support for the performing arts industry
34. Insufficient time to manage both business and artistic aspects of the organisation
35. Scheduling difficulties
Section 4

Please choose 5 only and tick the appropriate boxes.

Enablers of collaboration

36. Build relationships with a group of like-minded individuals who have a vested interest in maintaining the collaboration. [ ]

37. Involve the immediate community in order to develop the area culturally and build a loyal audience. [ ]

38. Collaborate with the Department of Education on a yearly basis to improve the level of Arts Education in South African schools. [ ]

39. Consider partnerships with popular venues and mainstream media to reinvigorate the performing arts. [ ]

40. Combine the performing arts with technology to reinvent the way the arts are performed. [ ]

41. Have a geographical hub which shares a board, marketing director, finance director, etc. while each organisation remains independent. [ ]

42. Support and communicate with key players in the industry. [ ]

43. Schedule yearly meetings with as many performing arts organisations as possible to communicate and plan collaborative seasons. [ ]

44. Create genre-specific associations that bring performing arts organisations together. [ ]

45. Employ business-minded individuals to run arts associations who are paid through membership fees. [ ]

46. Collaborate with government to develop a more strategic arts policy. [ ]

47. Ensure collaborations and the value they add are publicised in the media. [ ]
Section 5

Please read the statements below carefully and mark the appropriate box with an “x”.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Not sure</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>48. I wish to collaborate more in the future</td>
<td></td>
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<tr>
<td>49. A “transformed” company should be given priority funding over an “untransformed” company to redress the inequality of the past.</td>
<td></td>
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<tr>
<td>50. It is best to maintain the purity of the art form in order to continue its progression into the future.</td>
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<tr>
<td>51. Theatre is dying because technology has changed the way people entertain themselves.</td>
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<tr>
<td>52. It is impractical for commercial and developmental arts organisations to collaborate.</td>
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<tr>
<td>53. The arts do not have the luxury of being picky when it comes to funding, we take our fundraising to anybody who will support us.</td>
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<tr>
<td>54. Only the President has the power to transform the way money is allocated to the arts and to influence the level of government support for the arts.</td>
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<tr>
<td>55. It is unclear whether collaboration leads to increased ticket sales.</td>
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</tbody>
</table>