UNRAVELLING CULTURAL VALUE

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Abstract

Unravelling cultural value has long been attempted from a number of perspectives but it remains substantially unresolved. The discussion is about accountability with proponents disagreeing on whether this means stewardship of the public and trustee purse or fundamental aesthetic values. There are many reasons for this lack of agreement and thus the cultural value debates remain vibrant and healthy. However, it is also a truism that cultural related literature has been slow to recognise that cultural value serves different masters: the audience, organisational interface, the organisation, and government control. In past debates, value measurement has had a government control focus using neo classical economics and accounting to define and measure the cultural industry. Artists and other cultural stakeholders in society have critiqued such measurement as inappropriate. This paper seeks to unify these two dimensions by providing a synergistic definition of cultural value, which is pertinent to cultural organisations, and offers a model of entrepreneurial cultural value balance for the audience, cultural organisations and government.

Key Words
cultural value; entrepreneurship; value; aesthetics; economics

Introduction

Cultural value is different from, though not unrelated to, economic value (Throsby 1999, p. 6).

It would be difficult to overstate the degree to which there has been an interest in cultural value. Cultural value pursues audience opportunity in regard to developing programs and sourcing resources in order to create entrepreneurial value balance (EVB). Cultural value is a legitimate concern for those interested in entrepreneurship and the arts. A strong indicator of interest is its rate of mention in the literature. While entrepreneurship is often considered an economic term, it is first mentioned in relation to the arts (see, for example, the Oxford dictionary definition of the term which first links entrepreneurship with entertainment and performance).

Cultural value debates are ever present. Most fundamentally, there are differences of view and continual jockeying for position over the nature and role of cultural value. This paper is an appropriate introduction as it provides a backdrop for the discussion of cultural value. Our purpose is academic; it is not to argue for any party to the debate but simply to place the arguments into a new context: what are drivers of cultural value and how can these be interrelated to maximise revenues and sustainable viability? Our purpose is to move the debate forward and perhaps narrow the differences between schools of thought.
The structure of the rest of this paper is as follows: first, it discusses the concept of value in the cultural context; next value is developed as a notion and assessed in contemporary terms; then an economic perspective is offered; and finally, a theoretical model of cultural value is proposed which links the notions of cultural value from the views identified. It is the purpose of this paper to unravel the notion of cultural value, and to link these concepts in a new way.

The Concept of Cultural Value

Cultural value attracts extreme views. At one extreme are the advocates of neo classical economics and accountants who assert that culture is an industry that can be measured as an input and output structure. Output measures are dominated by numeric analysis of the size, composition and nature of the industry and its workforce. In the middle sits government which recognises the need for a balance between the measuring school and the aesthetic school, and has an eye on the arts vote and the articulate arts lobby. At the other end of the spectrum sit the ‘cultural Czars’ who advocate the importance of the arts to society as a truth with no need for evidence. Table 1 presents the dimensions of our discussion.

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<th>View</th>
<th>Definition</th>
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<td>Aesthetic view</td>
<td>Focuses on quality of life and understanding of the social and psychological values of cultural capital</td>
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<tr>
<td>Neo-classic economic view</td>
<td>Focuses on measuring economic output and monetary value of culture to the economy, such as in tourism and related areas</td>
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Various papers have explored possible ways of measuring the value of culture in monetary terms. There is a wealth of government reports and articles on cultural outputs. For example, the cultural industry employs 156,739 people, produces $13 billion worth of goods and services and contributes 1.9% to Australia’s gross domestic product (Cultural Trends 1994). Such figures are illuminating, and indicate a contribution of the cultural industry by giving it “a legitimate status” within a neo classical economic framework. However, that is only one perspective which serves the interests of facilitating culture within equilibrium economic modelling.

There has also been an accounting-based perspective in cultural valuation with the introduction of activity based management so that institutions were “accountable” to governments which could use this information for public accountability to funding commitments. For example, in 1989, the Department of Finance released its discussion paper, *What Price Heritage?*, commissioned with a view to determining how museum performance might be measured for the purposes of budgeting. Its terms of reference were a concern for efficiency and value for money. Since its publication in 1975, the Whitlam government’s Piggott Report had provided a loose
developmental blueprint for the role of government funding in relation to museums. According to What Price Heritage, few of the Piggott Report’s proposals were costed and it was “influential in increasing Commonwealth expenditures in the museum field, and in maintaining high expectations for the future” (p. 3).

When the 1989 survey found that few institutions attempted to quantify and evaluate the output of their activities, the government stipulated that “the national collecting institutions are to take a more entrepreneurial approach to their activities and” to this end revenue targets and performance indicators were developed for all institutions by 1989–90” (p. 12). The report laid an implicit framework for future museum policy, which included “an acceptance that museums should be more accountable for their performance” and “a clear move towards financial management improvement” (p. 63).

Increasingly, public funding has to be justified “in terms of the provision of a service that is valued by the visiting public” (Ashworth and Johnson 1996, p. 67). Ashworth and Johnson (1996) asked museum visitors to assess the ‘value for money’ they received at a major regional museum in the United Kingdom, in order to provide an economic interpretation of the visitor experience. Bonus and Ronte (1997) investigated the economic value of the visual arts; these authors could not find a way to measure quality objectively. “Given the lack of objective evidence, an artwork must be credible to the public in order to command market prices” (Bonus and Ronte 1996, p. 104). Therefore public credibility, generated by art experts in command of ‘cultural knowledge’, is translated into market value. “The evaluation of the quality of an artwork is itself a cultural process, not pure measurement” (Bonus and Ronte 1996, p. 110).

According to the Department of Finance, the main justification for government intervention in areas such as national cultural heritage was the presence of “what neo classical economists term ‘public good’ benefits” (p. 26) accrued by the general population, which include direct and indirect benefits both cultural and financial.

Cultural heritage… is now considered in many ways to be no different from other activities of government and consequently should be subject to the same rigour in assessment of benefits and costs. …this economic analysis concerns the efficiency and effectiveness of institutions in the provision of public benefits at taxpayers’ expense (p. 28).

To this end, value judgements about objectives of museum activity and quality of museum output were required. The report encouraged the increased priority of public programs and participation over collection and research and purported worldwide support for a more consumer oriented approach to museum management.

In 1990, the Department of the Arts, Sport, the Environment, Tourism and Territories (1990) published its own report, What Value Heritage?, identifying
the need for government museums and the public to face up to basic questions about the nature of [cultural] institutions, their value and their cost and the need for accepted methods to assess and value these essential elements of any policy concerning their role” (p. 1).

This report acknowledged the role of museums in distinguishing the values, creativity, traditions and tastes of our society, constituting a vital component in the enrichment of quality of life. It argued that museums’ proper development is “essential to our national identity” (p. 49).

While the report recognised the need for an effective and agreed system of performance measurement, it argued that measurements must be made in relation to the mission and specific objectives of individual institutions, and emphasised the museum’s traditional responsibilities for collecting and preserving the nation’s cultural heritage. The report concluded,

…in most museums the majority of costs should be associated with acquisitions, conservation and research of the collection – the reservoir of our cultural heritage. …There is a risk that the museums concerned are being forced to devote a higher proportion of expenditure to exhibitions and other public programs than they would prefer, because they feel compelled to try to increase public support to build up their financial base” (p. 38–39).

So clearly the limitations of numeric analysis are recognised and the equal value of the aesthetic and cultural contribution of the cultural industries aesthetic mission is postulated.

Further, Throsby and Thompson, in a report for the Australia Council, focus on the socio-economic status of the artist working in Australia from a neo classical economic perspective. The report notes that, despite a growing awareness of the economic importance and social value of the arts, a free market economy disadvantages the artist. The level of this underpayment was measured in the report, concluding that a far-reaching economic alternative was required, encompassing continued government support, as well as corporate and community involvement and collective action on behalf of the artists themselves (Throsby and Thompson 1994).

Throsby (1995) argues for the unification of neo classical economic and cultural systems through ‘culturally sustainable development’.

...if we take what ecologists might call a ‘whole systems’ view… we could bring the economy… and culture… together in a single system where interaction and feedback effects were acknowledged, and where in particular the dynamics were made explicit. By conceptualising the interactions between ‘culture’ and ‘the economy’ in this way, we might transcend a narrow focus of looking simply at the economy as a self-serving entity, or at culture as bearing no relationship to anything but itself, and replace these piecemeal models with
a broader integrative framework in which all relevant economic and cultural variables could be accounted for simultaneously (Throsby 1995, p. 200).

Therefore, ‘culturally sustainable development’ encompasses the notion of cultural development in its own right and culture as a “set of attitudes and practices that can be instrumental in supporting, constraining and/or contributing to economic and social development in the widest sense” (Throsby 1995, p. 202). The core of Throsby’s argument is that the amount the market will pay for most works of art, excluding artists with well established reputations, is substantially below the cost of art generation.

More recently, Throsby extended his discussion by arguing for the formalisation of the concept of ‘cultural capital’ within the broad discourse of economics. Defining cultural capital as the “stock of cultural value embodied in an asset” (Throsby 1999, p. 6), he contests that a fourth type of capital — namely ‘cultural capital’ — be identified (in addition to the three principal economic forms: ‘physical capital’, ‘human capital’ and ‘natural capital’) as a distinctly separate and different category (Throsby 1999, p. 3). Cultural capital, he argues, makes a comparable contribution to long-term sustainability to that of natural capital and its role in wider cultural development is increasingly well recognised.

Ulibarri (2000) examined the role of philanthropy in forming cultural capital and aesthetic preferences. His study showed the positive correlation between public and private sector funding in the United States. “Given the dynamic interrelationship between public and private funding sources, the results of the present study suggest that shocks in public funding disrupt private philanthropy and increase uncertainty in the aggregate funding of cultural endeavours” (Ulibarri 2000, p. 143). He identifies the problem of censorship and potential under-investment in cultural capital due to issues of aesthetic preference among self-interested investors. “…the long-run prospects for aesthetic appreciation are compromised by myopic policy choices; whether financially or morally inspired, ad-hoc discretionary funding raises immediate welfare concerns over under-investment in cultural capital” (Ulibarri 2000, p. 144).

Definitions
As can be seen, there has been much written on cultural value alone. As a starting point, it is useful to define what is meant by cultural value. The work of Pierre Bourdieu underpins much of what is understood on cultural value. There is much overlap in the terms cultural value and cultural capital, also coined by Bourdieu. There is a recent interpretation of Bourdieu which sees individuals as occupying social spaces which are dynamic systems. Hence, there is a connection backwards from dynamic systems theory to cultural capital (and thus cultural value) (Jeannotte 2002). Embodied cultural value therefore lies at the base of this notion.

Finally, the search for a definition of cultural value needs to prove useful to entrepreneurship and the arts. Current definitions which limit cultural value to an either/or proposition are insufficient. From our perspective, the reinterpretation of
Boudieu is timely: it allows cultural value to be defined dynamically as a pursuit of audience opportunity with regard to resources and programming which creates entrepreneurial value balance (EVB).

Development of the Concept of Value

Nearly two decades ago, Porter (1985) espoused his value chain which is based on the notion of a combination of values. Porter’s logic assumes that the greater the overall value, the greater the benefit. The weakness in that argument is that there is no differentiation between the various elements in values and the masters they serve. More recent literature has taken a different view of value chains. For example, Sweeney and Souter (2001) argue that perceived value occurs at different stages of the purchase relationship process and that essentially value varies from satisfaction in that it is not a unidimensional construct as it was envisaged by Westbrook and Oliver (1991). It is in fact an assimilation of favourable and unfavourable elements along a hedonic continuum (Westbrook and Oliver 1991). Sweeney and Souter’s perceived value can be charted in four dimensions namely quality, emotional, price and social implications. While the expression of these four items may vary in composition when applied to different areas, these authors argue that the fundamental dimensions are generalisable. Therefore value per se can be measured. The approach of Hogan (2001) recognises that value can be clustered around different areas of outcome and that analytic methods can provide a picture of risk and return. While yet others have recognised that value creation and its understanding is relevant and different for specific interest groups (see Walter et al 2001).

All of these approaches have in common the desire to understand value constructs relevant to particular groups. They seek from a range of audience perspectives to arrive at some degree of equity between input and output for that particular group. What appears to be missing is a holistic perspective. Thus, we argue that cultural value needs to be considered from a new perspective, namely:

1. What is delivered to whom?
2. How are “deliverables” interconnected?
3. What is the value of the “stock” from which deliverables flow? (This, we argue, is the “cultural capital”.)
4. How do we distinguish between the delivery and “hangers on” in the delivery process?

What constitutes cultural value often depends on who asked the question as different stakeholders have different views deriving from their individual utility requirements. For these reasons cultural value is a multidimensional construct represented by different stakeholders in ways convenient to their individual purpose. Our intent is not to align our views with any individual group but to identify the key stakeholder dimensions; the utility offered with the interrelationship structures. As Eisenhardt (2000) observed the contemporary environment requires recognition of “plurality” and “complexity” if understanding is to be achieved. Different stakeholders groups have different views deriving from the nature of their exchange
with culture, hence the language used and the criteria for evaluation of culture are not consistent. We have used a pluralistic perspective to unravel cultural value and synergistically mirror the perceptions of significant stakeholders.

The Economic Perspective

Any discussion of economic perspectives needs to differentiate between pre and post Marchalian or classic and neo classic perspectives. Concepts evident in much of the discussion relating to value per se are routed in classical economics while what is commonly referred to as “economic rationalism” is a particular view imbedded in neo classical economics. In our discussion we will draw on classic economic theory and on the later neo classical concepts of marginality and choice to conceptualise the perceptions of cultural value by aesthetic and social view proponents. Much of the problem in the cultural value discussion stems from the failure of different parties to differentiate between the classic and neo classic economic discussion.

Conceptualising Value From The Classic Economic Perspective

It is useful to realise that classic economics literature conceptualised value in a manner appropriate to all sides of the contemporary debate. In “The Wealth of Nations” Smith (1778) discussed the concept of value in the fifth chapter as follows:

> When it is said that an article or product is possessed of value, it is meant that individuals are disposed to give some quantity of human labour, or some quantity of an article or product…for it. (Smith 1863 p. 437)

Smith argues that:

> the power or capacity which certain articles or products possess of satisfying one or more of the wants and desires of which man is susceptible, constitutes their utility and renders them objects of demand.”(Smith 1863 p437)

Central to the concept of value is utility. In simple terms, utility refers to the benefits deliverable to particular individuals, groups or sociological structures by access or possession of a particular article or service. To clarify our perspective when we use the word value in this paper we are referring to a utility offered and it is through this lens that we will consider value.

Adam Smith’s (1778) discussion of economics was based on the notion that productive outputs are the result of a combination of capital and labour as the essential inputs. Smith treats both capital and labour as actively involved in transactions or negotiation to maximise individual rentals and thus produce equity for the parties during the productive state. Smith’s other contribution to the social science literature was The Theory of Moral Sentiments in 1759. In this volume Smith explored the issues of equity within the Scottish and English social and class structures of the industrial revolution, hence his placement of the value within a discussion of Chapter Five “the Employment of Capital” by treating it and labour as
resources for productivity. It is thus not surprising that our current discussion has embodied Smith’s notion of capital as stretching substantially beyond a simple monetary construct.

**An Emerging Theory Of Cultural Value**

The argument of Throsby (2001) that the notion of value is the original motivation of all economic behaviour is correct if we draw upon classic economics. Furthermore, the value study by Hellier et al (2002) demonstrates the direct link between recipients perceived utility as the motivational component of value. Culture offers a range of values or utilities to stakeholders grouped in Table 1. This table generalises the structure of the value delivery requirements. Its construct draws on a humanist tradition, which emphasises the characteristics of entrepreneurial leadership and caring for cultural objects, products and services (the aesthetic view), values that are inherent in a society (social view), values that relate to those in power over particular interest groups (managerial view) and the general interaction with the equilibrium economic structure (the neo classic economic view). Hence the broad spectrum of stakeholder value expectations is covered as an initial general conceptualisation of what is delivered and to whom.

A further complication is determining what can be delivered. As noted in the Hellier et al (2002) study value delivery is limited to utility perception of a particular group and not as a generalised value chain as portrayed by Porter (1985). Value structures are better conceptualised as modules. Each module is “owned by a constituent group and represents a set of values pertinent to that particular group”. However as Geursen’s (2000) Three Domain Model indicates, there is a formalised structure and value outputs can be conceptualised as possessing three components:

- Outputs of values usable by others;
- Outputs generated to satisfy the internal value requirements of the stakeholders controlling the module;
- Outputs produced because of non controllable exterior demands.

Modules can be considered as components which combine to let the whole function (Brown and Eisenhardt 1998) as an interchangeable arrangement of elements.

However, while such arrangements produce a whole system capable of delivering a set of end output values there are the particular values of the module owner and non-controllable exterior demands to be considered. In a commercial situation some assumptions about the values requirements of these groups are generally clear but this is unlikely to be the case for nonprofit areas such as the arts without considerable and careful value consideration. The important requirement in such a discussion is for the person requiring access to the module to understand and respect the value structure of the module owner. Interconnection of the various deliverables needs to occur in a manner that satisfies the different stakeholders and a legitimacy for the individual value sets is established. At this point Schumpeter’s (1934) argument that entrepreneurship is the ability to take existing resources and arrange them in a different more relevant manner is useful. We see this as central to the question of
unravelling cultural value entrepreneurship in this Schumpeterian sense. An important focus of this process is the ability to distinguish between value delivery elements and hanger on values in the delivery process. Furthermore, the nurturing of “stock” for the future delivery flow must also be provided. We thus propose cultural value as an entrepreneurial utility balance indicating the importance of combination and arrangement for those who wish to access the resources of the different cultural constituents. For simplification purposes we label this as a *theory of entrepreneurial value balance* (EVB).

**Operationalising Entrepreneurial Value Balance**

In our discussion we have argued that value is related to individual groups and stakeholders. In order to demonstrate this perspective we will draw upon art museum and performing arts data from Australia and New Zealand. Rentschler and Geursen (2001) identified the mix of stakeholders and their interaction in art museums as follows in Figure 1.

**Figure 1 Art Museum Stakeholders And Interconnectivity**

In other words, values can be grouped as those that deliver or facilitate the delivery of products and services from which revenue is derived; those that facilitate the requirements of the organization itself; and those that facilitate corporate governance requirements. In the case of cultural organisations, value is grouped around issues that affect audience generation and maintenance, which produce revenue, issues which are important to the organisation and the aesthetic mission (as it is seen externally and internally). This in turn relates to values of control demanded by other funding options such as government, semi-government, legal requirements, and other issues relating to accountability and governance. A similar structure to that for government exists in relation to sponsorship revenue opportunities. Let us now consider the value drivers for each group individually. The analysis is in the form of an overview as individual group in depth analysis is beyond the scope of this paper.
Value drivers for audience

Figure 1 indicated that audience activity was a key driver of art museum activity. There are a range of “values bundles” which relate to an organisation’s audience and its expectation sets. Essentially these values are in what is used by the public. For example, in arts organizations this could include public programs in museums or access to existing collections. There is the question of whether such access should be charged for as an entry fee or whether it is a right in a publicly funded institution. Different parties to the cultural debate have different views on this issue but from an audience perspective it is the audience value package that is critical. If free entry creates greater interest and use of special exhibitions, coffee shops, book, souvenir or other components of a value package than this is an essential part of the structure. Our point is a value package for an individual group takes considerable effort to bring together. Management needs to understand the utility and thus the value relationships to be combined for each group. Furthermore, management needs to recognize that value package appeal is not constant as alternatives in the environment change (Hellier et al 2002).

For all cultural activities there are a set of audiences with unique value requirements. Rentschler (2002) sees this as the requirement for “the entrepreneurial leader” in cultural organisations. Brown and Eisenhardt (1998) point to the constant need for probes and the requirement of a formalised structure of probes as part of a management culture if audience interest is to be maintained. These have a set of utilities pertinent to each event and audience segment. But there are also services opportunities provided by organizations which make the attendance more complete, pleasurable and more accessible, such as restaurants, parking facilities, bookshops and such like. This category of utility does not have to be unique to a particular organization. For example, if an art museum is situated next to a concert hall, populations for restaurants and shopping can be shared. Concert halls may be situated within easy reach of a cluster of restaurants and so forth. Value design in cultural activity is not as simple as in a commercial organization, as revenue generation is not simply about value delivery to audiences. In such nonprofit organisations, significant sources of revenues can come from government grants or other funding opportunities. Hence, for nonprofit organizations, the relationship with these other organizations is critical for financial viability.

Value drivers for sponsors

The value sets pertinent for sponsors cannot be assumed to be identical or even similar to government. Essentially these funds come from philanthropic individuals or organizations who have particular requirements and are thus purely governed by the individual utility requirement. There are individuals and companies who have genuine philanthropic motives and these have played a critical role in cultural and societal development. Acs (2000) for example noted the central role of philanthropy in the American economy and how it has created positive new initiatives and drivers that would have been unlikely to result from any other program or government
In essence, philanthropic initiatives have shown us new ways of doing things, including cultural initiatives (for example the uniqueness and wide implications of the Guggenheim museums in New York, Venice and Bilbao in Spain). These major initiatives and the many minor contributions are a critical part of the arts environment. Arts managers require an understanding of the utility bundle that provides value to this group. A brief analysis of this group for Australia indicates that they include foundations, trusts and philanthropists.

In arts funding there are also the commercial sponsors such as from large corporations. The value bundle for this group can be quite different to the philanthropists and have clearly defined objectives. For example, does the sponsoring of an opera by a very prestigious car maker, bank, or wine company provide a philanthropic response or a wish to form a positive association for a product or service? Some criticise such “commercialisation” but for arts managers these are sources of revenue, which help to make creative programming possible. There is a unique set of value structures present: the interests of the commercial sponsor may conflict with the interests of another group, requiring value pluralism if the value structures are to be useful to the different interest groups.

Value drivers for government

Value drivers for government are essentially focused on social responsibility and response to pressure groups. We should not forget that the interest of government involvement is in governmental perception of vote generation at election times. In contemporary political environments, such as Australia and New Zealand, areas of balance have been so narrow that small power groups have become a major influence in electoral outcomes. Governments are thus sensitive to the different groups with particular interests. The response to pressure groups is quite different from general social responsibility. Pressure groups are pro-active on government creating substantial awareness and noise which affects general voter perception of government and must therefore be considered. The role of government is essentially to participate in such a way as to maximise its opportunities of gaining votes.

Governments are also responsive to maintaining votes and we believe that a substantial part of governmental support for the arts is that governments expect there would be an electoral backlash if they did not support the arts. For organizations to access these funds there has to be recognition for accountability and also confirmation that an organisation complies with legal requirements as a result of its structure. This area of accountability means that there are values that relate to control imposed on nonprofit cultural organisations.

Value Drivers For Management

As there are specific value sets for different drivers for the individual interest groups identified in Figure 1, it becomes obvious that the role of management is a coordinating one. Earlier we proposed a theory of entrepreneurial value balance. We
argue that in culture, and indeed in the nonprofit environment generally, the role of management is to identify the value structures of the different interest constituencies and to study and understand these individually and in great detail. Management’s task is to \textit{entrepreneurially balance} the value structures of individual interest groups and to integrate these in a manner that achieves a sustainable whole. This is not an easy task because as we have noted the value structures of individual interests groups may not be compatible, hence the need to be entrepreneurial. The boards, volunteers and employees of cultural and nonprofit institutions also complicate the task as there are a further set of value structures to be considered. Generally it can be argued, and the data from a study of the main cultural institutions in Australia and New Zealand suggest, evolution of art institutions follow \textit{entrepreneurial value balance}. An examination of annual reports between 1975 and 2000 support this argument and a set of summaries are presented as evidence.

**Sources of Revenue**

Figures 2 indicates the main sources of revenue for selected performing arts organisations in Australia and New Zealand. The data indicates that the largest source of revenue has been revenues from audiences and that the importance of this source has grown over the period 1975-2000. Noticeable also is the flatness of both the growth in government grant revenues (although there has been a rise between 1995-2000) and the flatness of sponsorship. The data suggests that these institutions may not have grasped the opportunities available from sponsorship and in this respect there is an EVB imbalance.

![Figure 3 Consolidated Revenue Sources Main Arts Institutions in Australia and New Zealand 1975-2000 excluding Art Museums ($AMil)](image)

Figure 3 illustrates the same data for Australian and New Zealand art museums. It is noticeable that EVB is different between the two types of institutions. In art museums a decline in government grant support is particularly evident between 1993 and 1998 and overall growth has been in audience and sponsorship areas. Given the substantial capital component (in an accounting sense) required by art museums to service collection acquisition it is not surprising to see a growth in these two areas as
managers have entrepreneurially rebalanced revenue sources in order to achieve individual organisational sustainability objectives. We argue that these patterns provide clear evidence of EVB activity.

Our argument is that economic value can be converted into cultural value through innovative programs, which would not be possible without the economic input. This approach allows us to analyse and facilitate the value of both economic and aesthetic aspects of cultural value, while also taking account of the social and managerial responsibilities. Hence valuable outcomes include income diversity which allows aesthetic creativity to be realised.

Conclusions

In this paper we have presented a value discussion and related it to some nonprofit cultural institutions. We have presented data on revenue from major Australian and New Zealand cultural organizations. We have looked at revenue from a managerial perspective. Our conclusion is that if managers are to maximise revenue and achieve the funds required to run these institutions they need to think holistically and opportunistically about their funding sources. We believe the data we have presented indicates there are interconnections. Some managers perform well in particular revenue segments and others do not. It would certainly be fair to say that managerial performance is not even across the organizations we examined. In order to develop a better outcome for cultural organizations, managers need to be conscious of individual opportunities, both maximising revenues, but also aware of the whole aesthetic mission and carefully consider how to balance the different opportunities.
entrepreneurially. Rather than concentrate on neo classical notions of economic rationality we should learn from the classical roots of Adam Smith about the relationship between value and utility and study the utilities which culture provides the different revenue or potential revenue stakeholders. Cultural organisations need to better understand these opportunities and the context of funding sources within the total revenue opportunity. We thus propose a *theory of entrepreneurial value balance* (EVB) as one which would act as a basis for such academic and managerial focus.

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