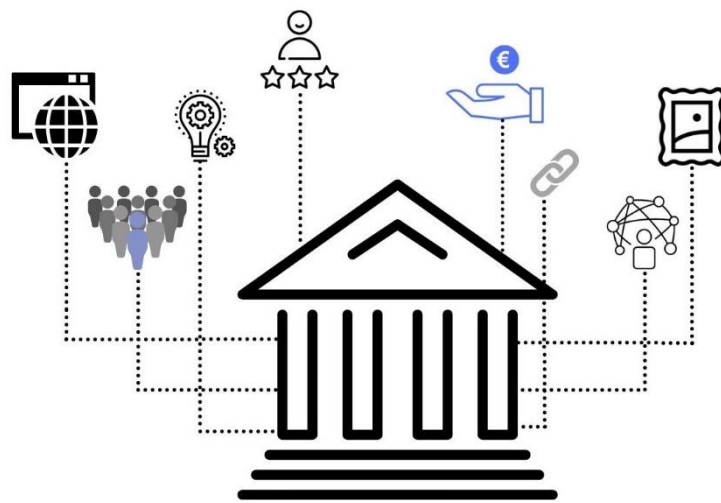


THE FUNDAMENTALS OF MUSEUM FUNDING

Motivations, selection processes and performance measurement methods



Student Name: Evelin Pál
Student Number: 477296

Supervisor: Prof. Isidoro Mazza
Second reader: Dr. Anna Mignosa

Cultural Economics and Entrepreneurship
Erasmus School of History, Culture and Communication
Erasmus University Rotterdam

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Cover image: Own elaboration – Museum with BSC variables

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ABSTRACT

Owing to the present economic climate, measuring performance has become a central issue in all sectors, including that of culture. Especially non-profit institutions are challenged by those who support them financially to present their effectiveness. Sponsors and donors increasingly require museums to submit program assessments and the possible returns that can be obtained. Despite this trend, little is known about the evaluation process and what factors are taken into consideration when appraising museum activities. This study aims to contribute to bridging this scholarly gap via two research questions: (1) How do entities financing museums measure the performance of the activities they support? (2) How do measurement methods differ between private and non-private organizations? The present study might be the first attempt to find answers to a practical managerial issue – how to measure the performance of museum activities, from the funder's perspective. To assist answering the above, the research also unfolds motivations to engage in art support and maps the selection process - synthesizing all decisive funding decisions into one research.

The exploratory qualitative research is based on ten semi-structured, in-depth interviews with eight Netherlands-based organizations that fund museums. Half represent private sector companies, while the other half stand for organizations that are partially state-owned or which finance museums through a foundation. The theoretical framework that guides the research is the Balanced Scorecard, developed by Kaplan and Norton, with some additional variables that are relevant for museum performance.

The central tenet of the study is that the entire process of art funding rests on client or stakeholder satisfaction and involvement. This orientation shapes funding decisions, strategies and evaluation methods. Private sector funders assess performance based on the financial, brand, customer and staff satisfaction and community perspectives. They review reports assembled by museums, conduct their own research which primarily centers on surveys sent to their clients who attended museum activities. Heuristics are also used to make judgements. The artistic merit of the program does not get appraised, but inferred from professional and customer values, perceptions. The internal process and learning and growth dimensions do not get measured but changes or underperformance with reference to them are noticed.

Non-private organizations implement performance measurement methods to varying degrees. They assess the financial and stakeholder perspectives through a combination of data provided by museums, interviews, surveys and research carried out by external consultants. Staff satisfaction, environment and community dimensions are appraised based on heuristics while the artistic quality is inferred from professional and societal values, perceptions. In general, akin to private firms, the learning and growth and internal process perspectives are not measured, but observations are made.

The research confirms that quantitative tools are not enough in measuring performance related to museum activities, but qualitative, anecdotal appraisals are sought after as well. Those non-private organizations who consider performance assessment seem to use more qualitative methods than private firms.

Keywords: performance measurement, museums, funding, balanced scorecard, museum performance measurement

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1 Introduction

“Collecting and preserving our cultural heritage and educating the public” (Harney, 1994, p. 132), echoes the mission statement of several museums. Yet, owing to the recent economic recession, this laudable task has been conjoined with another one – obtaining income streams for financial sustainability. While securing revenues through art patronage and sponsorship are not new to museums, private support has become essential for their survival. More than ever, since numerous countries cut cultural subsidies, putting a pressure on the budgets of art institutions (Di Gaetano & Mazza, 2017).

Museums are not the only organizations that experience a downturn, as corporate sponsors and philanthropic foundations also probe whether they can allow themselves to be generous, following the crisis (Harney, 1994). The past decade brought changes in business and society, having implications on the attitude of benefactors. On the extreme end, some perceive sponsorship as an excessive and wasteful, unnecessary monetary outlay (Meenaghan, McLoughlin, & McCormack, 2013). A more moderate stance taken by funders is to request museums to proactively deliver detailed plans and achieved results regarding the supported activities (Basso, Casarin, & Funari, 2018).

A burgeoning supply of mainstream and academic publications are available to understand the reasons for providing cultural support and the features of benefactors (Charles & Kim, 2016). Some research has been done to uncover the decision paths taken by firms engaging in art sponsorship by thoroughly mapping the process (Daellenbach, 2012). In recent years, many scholars have claimed that benefactors expect non-profit institutions to demonstrate their accountability through measuring performance. Still, upon reviewing academic research, Carman (2009) concludes that it is in its infancy.

Since, to the best of our knowledge, this issue has not been adequately investigated so far, this study aims at contributing to fill this lacuna by providing answers to the following research questions: (1) How do entities financing museums measure the performance of the activities they support? (2) How do measurement methods differ between private and non-private organizations? To provide a rounded picture of funders, the motivations and the selection procedure surrounding cultural endowments will be explored as well.

Originating from the field of management and accounting (Chiaravalloti, 2014), performance measurement and evaluation is a broad concept which denotes how well an organization operates. The practice of performance assessment has been embraced by nearly every sector, which is gaining momentum in the cultural domain as well. In the last decade, within the context of museum management and city art programming, performance measurement has been adopted, as it is thought to attract funding (Zorloni, 2010).

It is worth noting that since an institution cannot be “high performing” (Liket, Rey-Garcia, & Maas, 2014, p. 175), it is important to define an explicit dimension – like growth or financial health – relative to which achievements are assessed. Regarding arts organizations, it is recommended to view different aspects of cultural production during appraisals, as commercial activities are limited, preventing stakeholders to completely rely on market signals. Hence, to estimate the value of arts production, the development of performance indicators, “virtual measures” (Pignataro, 2011, p. 332) are needed.

The thesis is organized as follows. After the introduction, the theoretical background necessary for the investigation is summarized. Within this, three sections can be identified. The first consults literature on motivations for cultural support, the second introduces the selection procedure, while the third is a detailed account on performance measurement. In the latter, special emphasis is on the Balance Scorecard, a framework frequently used in non-profit institutions` performance assessment. Developed by Kaplan and Norton (2001), it consists of multiple dimensions – four plus three – that renders an organization`s immaterial assets more visible. The framework was selected because it evaluates the performance of various units within an institution, as suggested by Liket et al. (2014), through performance indicators. As these indicators are not solely restricted to measures of currency, the Balanced Scorecard proves to be a suitable tool to examine art organizations and their activities.

The third chapter introduces the methodology of the study. For the exploratory research, the qualitative approach was chosen. Ten interviews were conducted with expert representatives of private and non-private sector funding organizations, to make a comparative study. Additional documentation provided by informants were used to triangulate findings, hence, content analysis was also employed.

In the fourth chapter, the results of the research are assembled. First, the data deriving from private firms are analyzed, successively the findings of non-private organizations. Both sections build on the logic of the theoretical framework. The results are brought into dialogue with literature which furthers the theme`s understanding.

In the final part, all results come together by briefly comparing the motivations and selection decisions expressed by respondents. The research questions are answered, highlighting the characteristics of performance measurement methods for private and non-private sector funders separately. Then, the main differences are pointed out through comparison. Recommendations on future research directions end the thesis.

The study aims at contributing to the knowledge of arts sponsorship and philanthropy, by bringing the issue of cultural performance assessment into the analytical context. Arts establishments and managers could also become more well-informed about the variables most likely affecting funding decisions, which aids them in acquiring financial support for future endeavors. Additionally, it offers insights to funders who are to embark on performance measurement or who wish to refine

their methods. However, it is important to bear in mind Jackson`s (1994) notice: “performance measurement is [...] necessary for accountability and control but it is also essential for organizational learning” (p. 158). Funders are encouraged to help museums through their assessments, whose primary goal is to improve organizational performance.

2 Theoretical framework

2.1 Introduction

This chapter assembles the theoretical background of the research. It gives an overview of the notions linked to support provision for the arts – philanthropy, sponsorship and creative partnerships. Within this, the first step is to understand the motivations for funding the arts. A motivation is a state which induces actions, providing reasons to be involved in certain activities. This is instrumental both in selecting cultural initiatives to support and embarking on performance measurement. Following this section, the decision-making process of funders will come to the fore, which is based on a rational set of considerations. The succeeding subsection introduces the necessity and practice of measuring and evaluating performance. Taking a more refined analysis, the methods how non-profits and museums communicate results to funders are outlined. Central to the theoretical background is the section about the Balanced Scorecard, as it provides a holistic context to interpret museum performance. Possible augmentations of the framework are proposed, and a final summary of the main points concludes this chapter.

2.2 The nature of and motivations for giving

In its most basic and all-encompassing definition, corporate contribution arises when a firm or investor establishes a link with an external event, with the hope of having an impact on the audience through the alliance. There are different definitions of corporate giving. However, two constant components are detectable: the exchange of resources deriving from the contributor – in-cash or in-kind (products, services or expertise) – in exchange of promotional value; the contributor's affiliation with the recipient of the support (Kirchberg, 2003; O'Reilly & Madill, 2012).

Upon analyzing the business motivations for corporate funding, scholarly volumes customarily take a binary approach by taking the definitions of philanthropy and sponsorship as starting point (Lewandowska, 2015). Schuster (1996) claims researchers' task in separating corporate philanthropy and corporate sponsorship is a problematic but necessary undertaking, as the motivations and decisions related to them are distinct in many countries, owing to regulatory policies.

2.2.1 Corporate philanthropy

According to O'Hagan and Harvey (2000), corporate philanthropy stands for providing support for non-profits, without a direct link between the endowment and the activities of the firm, where tangible benefits don't accrue for the funder (Daellenbach, 2012).

The motivations for engaging in corporate giving can be divided into four frameworks. Firstly, the neoclassical or corporate productivity model, identical to sponsorship, whose chief purpose is to enhance returns to the firm (O'Hagan & Harvey, 2000). The most immediate objectives

range from generating product sales, enhancing corporate image, raising employee morale, signaling to competitors that the company is performing well economically, all with the aim to yield profits (Kirchberg, 2003).

Secondly, the ethical or altruistic model that centers on cultural and social responsibility and on ethical conduct. The underlying idea is that corporations and the communities they function within are interdependent (O'Hagan & Harvey, 2000). Under the banner of "good corporate citizen" (Kirchberg, 2003, p. 146), powerful companies enrich the local cultural milieu and cement community relations with the population, other economic agents and the local government. The CEO's personal values or management culture may be considered among the drivers of this orientation (Useem, 1987).

Thirdly, the political model, the goal of which is to conserve corporate power and autonomy from public bodies and competitor corporations alike. Firms propagating this view seek to minimize government control regarding their operations in the free enterprise system (O'Hagan & Harvey, 2000). Also, this model involves peer company pressure, as donation norms in the business environment take shape. The adoption of funding can be explained by the business network of the locale, the patterns of which are laid down by corporate leaders. Another rationale underlying this model is that support, for instance, to the arts, not only affects the cultural ambience of the place, but will have an impact on economic and social structuring as well. Therefore, they cast a greater outlook on urban development with the potential to revitalize the neighborhood (Kirchberg, 2003).

Fourthly, and last, the stakeholder model positions corporations not solely influencers but as the influenced agents in the feedback loop, who depend on other interest groups (Kirchberg, 2003). Examples of groups who exert impact on corporations include "workers, managers, customers, suppliers, community groups and policy makers" (O'Hagan & Harvey, 2000, p. 207). Corporations are a part of society at large whose role is to navigate a clear path amid the above opposing stakeholders. In addition, similarly to the political model, corporate support to the arts improves the economic and cultural atmosphere of the locality, which in turn provides qualified workforce or better reputation for the corporate locations they are situated in (Kirchberg, 2003).

Patronage is enveloped within the notion of corporate philanthropy which bestows benefit on society, as the support grants developments to occur, and enables public groups to access high-degree cultural programs (Settembre Blundo, García Muiña, del Hoyo, Riccardi, & Maramotti Politi, 2017). This is akin to what Vesterlund (2006) identifies as a motivation to create public benefit. Since contributions enhance the output of the funded organization – for instance, the frequency or standard of art expositions – which simultaneously benefits others, it is an altruistic demeanor.

Apart from generating public awareness regarding arts, contributions improve the reputation of supporting organizations as well, who aim for societal recognition. Therefore, it is an important public relations strategy, since it generates a positive image of the benefactor (Settembre Blundo et al., 2017). In a more extreme scenario, the choice to give can also emerge to ease a sense of guilt or

avoid the contempt of others. Commitment is another motivator (Sen, 1977), through which funders want to express that “they are doing their share, or that they are able to give back to society for the fortune that has met them” (Vesterlund, 2006, p. 573). Since these motivations benefit the contributor, not the community, they are considered private benefits.

2.2.2 Philanthropy exercised by foundations

Philanthropy has further dimensions to account for, which is not solely limited to the corporate sector, but relates to the activities of foundations. Grant providing foundations are intermediaries between private donors who finance them and the social enterprises which they support, with the aim to create societal value (Porter & Kramer, 1999).

The most notable subtype of this form of support is coined strategic philanthropy, centering on three elements – targeting the change that one wishes to trigger, elucidating internal ideals and strengths and determining external requirements. Within this, grantmaking is strategic because there is a clear aim towards which the cluster of grants should go to (Katz, 2005). Porter and Kramer (1999) state that four overlapping components make up their activities: attaining high-quality performance in an explicit area, unique positioning, carrying out distinctive activities while forgoing certain grantmaking opportunities to emphasize others.

Foundations practicing effective philanthropy “seek to measure [their] impact[s] and by so doing to increase that impact” (Katz, 2005, p. 127). They examine whether grantees have been reinforced by their contribution, how much influence the organization managed to accrue or if the support convinced other grant-makers to subsidize their grantees (Katz, 2005).

Venture philanthropy uses the techniques of venture capital firms – they choose the worthiest recipients to fund, depend on young organizations to execute ideas while being liable to third parties whose funds are utilized (Katz, 2005). Some of the properties of this form of giving is to aid non-profit recipients in developing capacity to engage more people effectively. This is achieved by providing infrastructure and managerial assistance through close and long-term connection with grantees. To reach the pre-determined goals, they jointly establish benchmarks of performance (Kramer, 2002).

2.2.3 Corporate sponsorship

Typically, sponsorship is driven by business objectives, with the intention to establish public goodwill at the same time. Objectives of the sort may range from being more involved with the local community, modifying public perception about the image of the company, generating awareness of the brand, overcoming competition or reaching markets (Seguin, Parent, & O’Reilly, 2010). What is more important is that sponsorship is generally correlated to the promotion of the brand with a

commercial imperative. In fact, in many European countries, sponsorship for the arts must be understood as advertising if the company aims to make its contribution tax-deductible. This legislative undercurrent is what diminished the nature of patronage, paving the way for a more business-oriented mentality (Lewandowska, 2015). Within a sponsorship arrangement, the rights and obligations of parties are laid down in advance which confines the role of the company to communicational activities, while the cultural counterpart, the sponsored party¹, holds autonomy over the artistic context, echoing its core activities (Martino & Herranz de la Casa, 2016).

A nuanced classification stems from O'Hagan and Harvey (2000), who claim that in arts sponsorship, an explicit link between the product of the firm and that of the art organization is not present. Despite this, the sponsor sees the possibility of enhancing the demand for its offerings, as the attendees of the art event are thought to correlate with the clientele of the firm. Firms with such aspirations tend to sponsor national or local art events, depending on where their scope of operation lies. Through sponsorship, media coverage can be obtained, and a valuable opportunity is present for sponsors to provide guest hospitality, create emotional ties with customers via live contact, which all aim at promoting the image and name of the firm.

Supply-chain cohesion is another incentive for companies. Based on this, production in the firm becomes more efficient as costs from industrial relations tensions are decreased, or synergies in the supply chain are reinforced by "improving the goodwill of its own employees or suppliers toward the company" (O'Hagan & Harvey, 2000, p. 211). Meenaghan et al. (2013) state that the latter B2B element is less visible but becoming more significant. Contributing to domestic art events could be an indicator of this motivation, which targets the attention of both employees and suppliers (O'Hagan & Harvey, 2000). This is in line with the claim that sponsorship involves giving back to the supported cause while projecting that the brand exercises good corporate citizenship (Seguin et al., 2010), to strengthen trust with relations.

Rent-seeking behavior may also be an impulse for sponsorship either to increase demand or reduce expenses. Direct rent-seeking involves lobbying important decision makers such as politicians and other civil servants, while its indirect aim is to change the environment in which verdicts affecting the company are established (O'Hagan & Harvey, 2000). Especially arts sponsorship can set the field for connecting with regulators, as the interests of the sponsor and the government representative or regulator is often aligned (Meenaghan et al., 2013).

Finally, non-financial benefits accrued to managers and owners can explain sponsorship, which is particularly integral in arts sponsorship. Within this, lucrative arrangements are not the reason for support, as the motivation is parallel to philanthropy (O'Hagan & Harvey, 2000).

¹ The research will use the words "sponsee", "sponsored", "supported" to refer to fund recipients

2.2.4 Creative partnerships

On the other hand, there are proponents who argue for more dynamic definitions and classifications of art-business relationships, as sponsorship and philanthropy do not map the entire terrain of interactions as such. The last decade saw the emergence of creative partnerships (Lewandowska, 2015). Partnerships represent a symmetrical collaboration between the company and cultural organization where common goals are pursued. It is a long-lasting association that can be identified as the evolution of the sponsorship model, where both parties contribute to the cultural content as well as communicational activities (Martino & Herranz de la Casa, 2016).

Through partnerships, common projects are realized between the business and art organization who unite their resources to maximize outcomes. The motivations of such alliances are to share knowledge, come up with innovative modes of working while serving the public. Inherent to this model is the drive to incorporate creative skills from the arts sector to that of business. From the company's point of view, this entails arts-based training which effectuates creative thinking and productivity for employees, and endorses the firm as utilizing progressive tools, furthering reputation (Lewandowska, 2015).

Overall, the essence is to position the arts as a spring of innovation for the values and conducts of the organization while building quality relationships with the stakeholders involved. Creative partnerships are emerging in importance, representing medium to long-term commitment to the arts, where a relational orientation prevails (Herranz de la Casa, Manfredi-Sanchez, & Cabezuelo-Lorenzo, 2015).

2.3 Selecting museums, decision making

A line of scholarly debate addresses how sponsors select grantees from the manifold of options available to them. As managers in charge of selection are faced with uncertainty when company goals are considered or community expectations, they adopt sensemaking strategies to justify choices (Daellenbach, Zander, & Thirkell, 2016). Sensemaking is "a process of committed interpretation in which behavior is rationalized by referring to features of the environment which support it" (Weick, 2001, p. 12).

By framing donors as rational decision-makers, selection can be influenced by corporate culture and policy. This entails a set of criteria that establishes strategic priorities (Johnston & Paulsen, 2014), with which potential sponsees must comply with. Through an estimation process, sponsors judge the value of the sponsorship opportunity (Daellenbach et al., 2016). These actions rest on sponsorship policies that incorporate strategic goals, evaluation standards, delegation levels to guarantee that selection is a rigorous procedure (Vance, Raciti, & Lawley, 2016).

Organizational frames of reference are useful when justifying corporate contribution by setting boundaries. Three categories make this up, the first of which are cognitive elements, or basic

information categories, reflecting what can be identified as valid information sources. Some organizations make decisions based on subjective experiences, while others opt for more objective information bases that steer organizational preferences (Shrivastava & Schneider, 1984). Relationship operators are the second element, which are schemes, conceptual frameworks, formalized procedures that help organizing data, guiding organizations in sensemaking activities. The reality test is the last component through which comparisons are made between present and past conditions, to provide “rules for the future” (Daellenbach et al., 2016, p. 81) – i.e. what actions to take.

Decisions are also driven by how the link between the company and sponsored institution will help reach their objectives, therefore, the final selection of organizations represent a fit with the sponsor. For instance, a firm aiming to position itself as an innovator would contribute to an arts event known for its innovative character; a sponsor seeking to tap into a specific market would establish relations with an arts institution who allows access to that market (Daellenbach et al., 2016; Turgeon & Colbert, 1992). That is to say, companies make a selection based on image seeking aspirations as well.

According to the relationship perspective, individuals with their idiosyncratic opinions, authority, negotiations and levels of trust are focal. Key individuals, such as managers, board members and the CEO, with their motivations and commitment to support also play into the decision-making process, especially for arts support (Daellenbach, 2012).

Control institutions could encourage whether to finance an art establishment (or to continue with it). Turgeon and Colbert (1992) bring the example of governments and the regulations motivating sponsorship. Tax benefits for cultural donations and sponsorships are incentives in many countries. This could be a reason to support art, although, not necessarily the primary drive for benefactors (Klamer, Petrova, & Mignosa, 2007).

Situational variables can be significant as well, exerted by external players, which denote to competitors` involvement in sponsorship (Turgeon & Colbert, 1992). Funders may imitate the behavior of others or contest to arise as the chief benefactor, considering more or less specific benefits (Di Gaetano & Mazza, 2017).

Counter to the commonly hypothesized claim that sponsors make decisions based on the performance of non-profits, empirical evidence has proved that donors do not find this factor relevant (Charles & Kim, 2016). According to Carman (2009), the reason why organizational performance data has less convincing power for sponsors is because funding decisions are primarily thought to stem from the perceived reputation of the supported organization, strengthened by advice obtained from professional webs of relations.

2.4 Performance measurement and evaluation

Having roots in the field of management and accounting, the need to conduct performance evaluation and research is increasingly on the rise (Chiaravalloti, 2014). Performance can be simply defined as “the sum of all processes that will lead managers to [take] appropriate actions in the present that will create a performing organization in the future” (Lebas & Euske, 2002, p. 68). A performing organization in the present context would operate by taking both effectiveness and efficiency into account. The former means the capacity to create the intended result, while the latter means to produce results in a cost-effective way – to use the lowest amount of resources (Evans, 2000).

Measuring performance, or the level of effectiveness and efficiency, is integral for both profit oriented and non-profit organizations (Peacock, 2003), as they help determining the present status of the program and the level of progress that has been achieved towards reaching specific goals. They provide important information about areas that are underperforming and those that are working well (Behn, 2003). What is more, Peacock (2003) claims that urgency should be given to measuring performances of any organization that delivers services to the public.

A combination of the two gives birth to the definition of performance measurement, which is a form of assessment, a part of managerial strategy, that is carried out to “evaluate, control, budget, motivate, promote, celebrate, learn and improve” (Behn, 2003, p. 588). To embark on any of the above requires a different approach, as there is no single, transferable method that is appropriate for all of them. Hence, managers who perform the assessment must determine for which purpose they seek to analyze the program.

Evaluation is the most common reason to undertake this activity (Behn, 2003), a simple definition of which is “the process of determining the worth, merit, or significance of entities” (Scriven, 1998, as cited in O’Reilly & Madill, 2012, p. 53). A range of evaluation efforts exist, with the intent to measure the impact of programs or to develop performance indicators which pursue broad objectives, for instance (Boris & Kopczynski Winkler, 2013).

Another crucial factor is that measures alone do not communicate results as they require comparison to carry out evaluation. Managers should use certain performance standards deriving from the past, similar organizations, common industry standard or legal expectations to make meaningful estimations and conclusions about future results (Behn, 2003). Some disciplines, such as the arts, however, are void of a universal or objective standard, therefore valuation happens “contingent on the performance of all other institutions operating in similar circumstances, at the same time” (Pignataro, 2011, p. 335).

2.5 Museums and accountability

Within the current economic, political and funding environment, which emphasizes the importance of accountability and performance measurement, non-profit organizations face increasing pressures to validate their effectiveness to their funders (Carman, 2009). In fact, museum funders are thought to have an altered view towards funding since the economic crisis of 2008, which puts an impetus on museums to carry out self-assessment and communicate results to benefactors (Basso et al., 2018). Despite this trend, empirical literature is still emerging with limited tools and metrics identified to respond to these requests (Barraket & Yousefpour, 2013).

Carman (2009) synthesizes some efforts how non-profits adhere to funders` requirements. According to her, non-profit organizations typically present written reports to their benefactors on a semiannual or annual basis which include program descriptions, the costs incurred by those, the number of people served within the grant period, the range and type of services delivered with anecdotal summaries about the experiences of participants and the extent to which the planned projects have been implemented. Basso et al. (2018) follows that one of the prerequisites of benefactors is detailed program planning: information on the financed projects with an assessment on possible returns that can be obtained. Frey and Meier (2006) argue that funders can even exert control over museum programming, directly influencing their policies and posing limitations on their activities.

Apart from these moderate tools, there appears to be a gap in literature how funders engage in measuring the performance of museums. To gain a deeper understanding of potential methods at hand, which is the primary aim of the present research, a synthesis of the theoretical problems concerning with measuring museum performance will follow.

2.5.1 Museums and performance evaluation

Pignataro (2011) formulates that when museum performance is considered, output and outcomes should be accounted for. Output relates to the variety of products or services created, determined by volume, which for museums are linked to their main activities: exhibition, preservation, research and education. Outputs can be measured in numeric terms by determining the number of visitors, special temporary exhibitions, conferences organized, or research projects executed (Taheri & Ansari, 2013). Outputs are created from an array of inputs, such as financial resources, housing area, number of practitioners (Han & Sun, 2016).

On the other hand, outcomes refer to the objectives of arts production – how activities affect society – which is more complicated to measure. It is common for the same output to aim for a multiple set of outcomes, which further complicates the monitoring process. Also, the majority of these are articulated in a qualitative, subjective sense which differ across the stakeholders involved, for instance visitors, professional circles or donors (Pignataro, 2011). This supports Taheri and

Ansari's (2013) observation that using quantitative analysis alone to measure the performance of museums is not a conclusive solution.

Jacobsen (2016) made substantial contribution to the field of performance measurement of museums by listing 1025 indicators. As opposed to the general notion of performance indicators, which he defines as “quantitative formulas such as ratios that measure effectiveness and efficiency of the activities” (p. 17), his database includes content on principles and goals of museums along with perceived values gleaned from end users about the services of museums, to list a few. This entails that indicators no longer speak to quantity but could include descriptive statements as well, which Madden (2005) differentiates as qualitative performance indicators – “language-based descriptions of cultural phenomena” (p. 220).

2.5.2 Critical success factors and performance indicators

As there is a lack of standardized measures to determine the effectiveness and efficiency for non-profit cultural institutions, the richness and complexity of their activities, researchers suggested employing new techniques to extend accountability which take the objectives deriving from the mission as starting point (Boorsma & Chiaravalloti, 2010; Chiaravalloti, 2014). By placing objectives at the heart of scrutiny, theoretical framework proposes the identification of critical success factors (Zorloni, 2010). This approach takes the results of a limited number of areas into account, which upon providing satisfactory results, will lead to fruitful performance of the organization (Rockhart, 1979). Zorloni (2010) suggests establishing three to six key dimensions, to which thorough attention should be paid by managers to acquire goals.

A single performance indicator is not sufficient to evaluate the amalgam of projects a museum undertakes; hence, multiple indicators should be developed (Pignataro, 2011; Zorloni, 2010). However, to mitigate information overload, it is recommended to use a handful of performance indicators in each category, whose foundation are the most relevant objectives (Boorsma & Chiaravalloti, 2010). These indicators are tools to evaluate intended results by juxtaposing the desired outcomes or results with those achieved (Charles & McNulty, 1999).

2.5.3 The Balanced Scorecard as general framework

The Balanced Scorecard (BSC) is an extensively used model to analyze the performance of not only non-profit institutions, but it has served for developing frameworks to evaluate the performance of museums as well. It is comprised of four hierarchical perspectives - namely financial, customer, internal process, learning and growth - which are bonded by cause and effect ties (Kaplan & Norton, 2001). These correspond to the dimensions highlighted by Zorloni (2010) and could serve as base to group performance indicators. The strength of the BSC is that it places the mission and strategy at the

heart of measuring performance by bringing together objectives, indicators and results (Boorsma & Chiaravalloti, 2010), not relying on financial indicators only when performance is measured (Kaplan & Norton, 2001), as to do so would mean that long-term value creation is undermined, intangible assets of an organization would go unrecognized (Boorsma & Chiaravalloti, 2010).

The financial perspective focuses on economic value which can be enhanced by revenue growth and productivity. With revenue growth, new markets and customers are reached and sales are increased. Productivity encompasses improved cost structures by minimizing expenses or using resources more efficiently (Kaplan & Norton, 2001; Parmenter, 2012). Indicators that reflect profitability include cash flows, operating income, the capability to meet the wants of shareholders (Basso et al., 2018), returns on investment and sales (Boorsma & Chiaravalloti, 2010).

The customer perspective highlights how the organization's relationship with customers can deepen through exceptional services, which is a method to differentiate themselves from competition at the same time (Kaplan & Norton, 2001). It is how the organization should be recognized from the point of view of customers in realizing its vision. The indicators related to customers center on generating and retaining customers, increasing their levels of satisfaction (Boorsma & Chiaravalloti, 2010) and loyalty (Basso et al., 2018), identifying who non-customers are (Parmenter, 2012), aggregating complain rates, if available (Anthoula & Alexandros, 2011).

The internal process perspective entails critical organizational activities with which it achieves the differentiated value proposition described above (Kaplan & Norton, 2001), by focusing on those business processes that have the largest influence on customer's satisfaction (Anthoula & Alexandros, 2011). Effective connections with key stakeholders, on time-delivery of the entirety of the program, technological optimization belong to this category (Parmenter, 2012). The internal process includes indicators which communicate what the institution should excel at to reach goals (Boorsma & Chiaravalloti, 2010), like the eminence of booking services and various information systems (Basso et al., 2018), inventory management and logistics (Anthoula & Alexandros, 2011).

The last perspective proposed in the traditional model of BSC is the learning and growth perspective, which stands for the organization's commitment to adapt to change and grow, where employee capabilities and intellectual assets are listed as well as factors related to innovative information technologies (Anthoula & Alexandros, 2011; Kaplan & Norton, 2001). These allow the company to meet the strategic requirements of "internal business processes, differentiated value proposition and customer relationships" (Kaplan & Norton, 2001, p. 94), completing the strategy map. Innovation and learning indicators address the ability how improvements can be made to perfect offerings and procedures (Boorsma & Chiaravalloti, 2010), with examples of investments made in training, equipment and may include staff fulfilment and empowerment too (Basso et al., 2018).

This model proves to be an appropriate starting point to measure the performance of museums with possible performance indicators that resonate with their multifarious nature.

2.5.4 Modified BSC

Parmenter (2012) argues that the BSC is a holistic measure that could be used to measure the performance of non-profits, but it is incomplete, and for this reason extends it by two variables. One is the staff satisfaction perspective, which refers to having leadership, dedicated and honest people working on projects which fall in line with their competencies, and the ability to retain key staff. The other dimension is the environment and community perspective, which endorses the organization as “the employer of first choice” (Parmenter, 2012, p. 19), with the potential to recruit employees in the future, raise staff morale, generate positive press, create collaborative projects while practicing community leadership.

The BSC was initially developed for the private sector (Boorsma & Chiaravalloti, 2010), therefore, modifications of its architecture are required to suit organizations with a non-profit mandate. When the model is transferred to non-profits, the hierarchical upbuild of the model can be rearranged by placing the financial perspective to the bottom, and having an overarching, long-term objective on the top of the scorecard (Kaplan & Norton, 2001).

Others also acknowledge the BSC as a satisfactory scheme to measure the performance of museums, as the multiple dimensions in its schemata capture and reflect the range of activities they are involved with. However, some criticism has risen regarding its inability to incorporate artistic quality (Gstraunthaler & Piber, 2007), which is a significant shortcoming considering cultural products which are comprised of economic and artistic qualities as well (Caves, 2000).

To account for this, Boorsma and Chiaravalloti (2010) incorporated the artistic quality or function into the BSC which is underpinned by the so-called strategic triangle. In this triangle, three artistic values are delivered to different stakeholder groups. The first one is the customer value, where artistic experiences are provided to customers. The second is the societal value which contributes to the constant (re)construction of culture, ensuring that artistic values are spread among social groups. The third is coined professional value, through which an artistic discipline is furthered to develop the professional field. The reputation or role played within the art scene also belongs here (Boorsma, 1993).

2.6 Literature summary

Sponsorship and corporate philanthropy seem to be situated on opposing ends on the endowment continuum. Typically, philanthropy denotes altruistic donations that center on personal values instead of gain, while sponsorship revolves around business objectives. Yet, their exact demarcation is problematic, as the motivations for provision are frequently alike. Additionally, there are more contemporary ways for organizations to establish links with the cultural sphere, reflected in creative partnerships and philanthropic foundations.

A basic grouping of motivations for cultural support is the following. There could be a commercial imperative involved to increase profits, reach new markets, enhance the prestige of the brand and build trust in the supply-chain. Ethical considerations include commitment, generating public benefit and practicing social responsibility. Drives can be linked to the political sphere to distance organizations from politicians' influence, lobby influential representatives or to enhance urban development. Motivations can center on a funding milieu emerging from the collective decision of firms, where they recognize their interconnectedness with the social fabric. A range of motivations may be relevant to a funder; therefore, a combination of these are expected to develop during the data analysis.

Benefactors are rational agents whose decisions rest on external and internal factors. External factors look at governmental regulations, competitor decisions, reputation of the recipient and advice from professional networks. From the internal point of view, they analyze corporate culture, fit with their strategy and image, opinion of key individuals, all anchored by sponsorship policies. For the analysis, the organizational frames of reference will be used to sensibly group internal factors.

Measuring performance is an important endeavor whose common purpose is to evaluate – determine the merit of something. There appears to be a gap in research about what measures funders utilize to evaluate the activities of museums. The dimensions of the augmented Balanced Scorecard – financial, customer, internal process, learning and growth, staff satisfaction, environment and community perspectives and artistic quality - seem an appropriate framework to start developing what performance indicators benefactors consider. During the analysis, the hierarchical cause-effect relations, propagated by the traditional BSC, will not be explored, only the variables and performance indicators. Based on literature, it can be anticipated that both quantitative and qualitative indicators play a role in assessment.

3 Methodology

3.1 Research questions

The aim of this research is to seek how funding organizations measure the performance of museums they provide financial support to. The following research questions have been defined:

(1) How do entities financing museums measure the performance of the activities they support? (2) How do measurement methods differ between private and non-private organizations?

To answer these questions and provide a wider context to unfold the phenomenon, some sub-questions were developed:

What are the motivations for private and non-private organizations to support culture?

What are their most important considerations and criteria in the selection process?

3.2 Research strategy and design

Given the exploratory nature of the research and that the questions formulated are oriented to understand *how* entities providing financial support to museums measure the performance of fund recipients, an in-depth investigation of the organizational procedures is appropriate. As organizational contexts and the methods employed by them may vary, quantifiable data might not give a thorough representation of the decisions surrounding the phenomenon. In situations as such, a qualitative approach is suggested, obtaining information through interviewing (Bryman, 2016).

Additionally, the research follows a comparative design where respondents are ordered into two cases to “allow distinguishing characteristics [...] to act as a springboard for theoretical reflections about contrasting findings” (Bryman, 2016, p. 68). This enables the interpretation of data by using nearly identical methods. One case presents the performance measurement methods of companies belonging to the private sector, while the other case introduces the methods of organizations that do not belong to the private sector.

3.3 Sampling

According to Bryman (2016), qualitative research frequently entails non-probability sampling, where the selection of cases and respondents does not happen on a random basis but follows a strategy that supports answering the posed research questions. A combination of snowball and purposive sampling was used to reach participants in the Netherlands, where the researcher is based, due to feasibility purposes.

In the preparatory phase of the study, the researcher established contact with one company engaged in museum sponsorship. The first participants were requested to propose representatives of

other funding entities having similar sponsorship arrangements with museums, which is the mechanism of snowball sampling (Bryman, 2012). The researcher was clear to establish that respondents fit the following criteria: 1) the firm belongs to the private sector; 2) provides financial support to an art museum. Secondary characteristics are that the company is a financial institution and it is the main sponsor of the museum. Representatives 1-6 belong to the case presenting the results of the said sample, which comprises of 4 companies. Respondent 1-2 represent one firm, so does Respondent 3-4. Respective numerical codes indicate which respondent states the quotation included in the results, while both respondents will signify the firm (namely: Respondent 1-2 = the firm, Respondent 1 or/and 2 = the participant). Throughout the analysis, these informants will be collectively referred to as “companies” or “firms”.

Through purposive sampling, participants of non-private organizations were selected. The a priori criteria which determined the selection (Bryman, 2016) are that: 1) the organization is partially state owned, or the funds are allocated via a foundation; 2) the organization is involved in providing financial support to at least one art museum. An emergent secondary attribute relates to not linking museum support to business objectives. This subsample includes Respondents 7-10 who embody 4 organizations. An exceptional sponsorship relation was established between Respondent 8 and 9, which stand for different organizations. However, through a foundation they jointly finance a museum. Throughout the analysis, these respondents will be collectively referred to as “organizations” or “institutions”. For a complete overview of all respondents, please refer to Appendix B.

3.4 Method and data collection

Qualitative interviewing is the research method employed. Semi-structured, in-depth interviews were conducted face-to-face² with respondents (n=10) - the experts and managers of cultural (sponsorship) relations. Each interview ranges between 30-60 minutes. Semi-structured interviewing ensured that all relevant topics were covered, but it permitted particularities to unfold too. This is apt for an exploratory research, as intriguing responses may be followed-up to uncover nuances and unexpected aspects (Bryman, 2012). The interview guide (Appendix A) was constructed from the literature review and is divided into three parts. Part 1 has questions aiming to learn about motivations for cultural support; part 2 contains questions about the selection process; part 3 investigates performance measurement methods.

Moreover, qualitative content analysis was used to review company documents, application forms and questionnaires designed by respondents. The triangulation approach ensures that interview data is cross-checked, with the potential to augment interview results where needed (Bryman, 2012).

² Except for one which was via Whatsapp phone call

3.5 Data analysis

All interviews were recorded and transcribed verbatim, supplying the base for data analysis. Data was interpreted through a thematic analysis, following the structure of the interview guide by establishing categories and subcategories to answer the research questions. A mixed coding method was chosen – a directed approach to content analysis and open coding. The former refers to the use of an existing theoretical framework with the aim of extending it. Hsieh and Shannon (2005) formulate the deductive approach as one “provid[ing] predictions about the variables of interest or about the relationships among variables, thus helping to determine the initial coding scheme or relationships between codes” (p. 1281). Within this research, the variables of the augmented BSC were used, informed by literature, to ensure all aspects of performance are investigated. Also, through labeling, emergent codes were identified that seemed of theoretical significance (Bryman, 2012). The analysis took place in two stages. Within the first stage, data was analyzed per respondent, followed by the second stage in which responses are compared and combined, lending intelligibility between the variances and similarities between answers.

3.6 Trustworthiness

Some researchers advise that qualitative studies should be judged on a set of criteria to establish their appropriateness. A way to achieve this is to demonstrate the trustworthiness of the research based on four aspects (Bryman, 2012).

Credibility refers to conforming to the tenets of good practice by conducting the research with honesty and having the interviewees` consent to use their results (Bryman, 2012). To comply with this, follow-up questions were asked during interviews to avoid misunderstanding and the transcripts were sent to all respondents for confirmation. Corrections were made to enhance legibility without distorting the original data, and all results derive exclusively from the information provided by them. Triangulation was adopted when access to additional documentation was granted.

Regarding transferability, the purpose of qualitative research is not to generalize; instead, researchers provide “thick descriptions” (Geertz 1973a, as cited in Bryman, 2012, p. 392) – rich elaborations of the investigated case. This enables other researchers to formulate judgements about repositioning the findings to another context. To satisfy this, the research offers a broad picture of those financing museums, not restricting the study to explore performance measurement methods, the primary research aim. It includes motivations and the entire selection process, which contextualize their decisions.

Dependability refers to keeping an overview about the entire research process with necessary documentation that underpin results (Bryman, 2012). This is realized by retaining all transcripts,³

³ For confidentiality reasons, these are not presented as appendices

making the interview guide available along with providing a detailed record what decisions have been made to obtain and analyze data.

Within confirmability, the researcher carries out the study objectively, avoiding the influence of personal values (Bryman, 2012). This is impossible to achieve to a full extent, as data analysis depends on the cognitive capabilities of the researcher; nonetheless, personal biases were prevented by presenting results completely, without selecting favorable or unfavorable responses.

3.7 Limitations

One of the limitations linked to qualitative interviewing is subjective interpretation, which is relevant for both the interviewees – how they understand the questions – and the researcher – how findings are processed. Also, the answers given to certain questions elicit individual opinions on the importance and method of performance measurement, which further reduces the potential for objective standpoints.

The personal characteristics of the researcher or the research agenda could have influenced respondents in providing socially or academically desirable responses. It could have been advantageous to conduct the interviews in the respondents' native language to garner more specifics. Despite their rich answers, some aspects could have been omitted due to time limitations, which weakens the consensus on performance indicators.

Even though generalizability is not the aim of qualitative research, the study would have benefited from a larger sample with more variation in the participating organizations. It could be argued that performance measurement related to museum support depends on the benefactor's organizational context and strategy, which would differ across industries – i.e. financial services, technological, health care.⁴ Variation could have further been established by approaching funders from other countries, as the present sample is restricted to the Netherlands.

⁴ The researcher contacted representatives of the latter two industries as well, but due to unavailability, the proposal was rejected

4 Results

4.1 Introduction

This chapter presents the results of the interviews and additional documents. First, the data from private companies is explored. Then, the information of non-private organizations is processed. Both sections build on the same structure, by examining motivations and selection processes, and providing a general overview about performance measurement methods and a detailed investigation of the BSC variables with performance indicators.

4.2 Motivations for financing culture for private sector firms

4.2.1 Corporate philanthropic motivations

Ethical or non-financial motivations are decisive for all firms, with the majority highlighting the will to make art and culture accessible to a broader audience. For Respondent 6, this is the overall mission of their cultural sponsorship policy, akin to what Respondent 4 says in “want[ing] to open the cultural world for everyone, not only for the elite”. Most have focus on children and young professionals, as they believe the power of art helps to educate young talents, with two firms identifying underprivileged neighborhoods to include in cultural consumption.

Being connected to the art and cultural sector appears as an innate drive for companies while feeling a sense of responsibility towards maintaining cultural heritage. Respondent 3 confirms this by saying they are “driven by the will to do good” which developed naturally for them. Respondent 2 comments that they are a corporate citizen in certain cities and it is “part of [the] responsibility to keep the national heritage ongoing”. Respondent 5 mentions a similar ambition, which is to ensure that culture is “accessible not only for us but also for the next generation”.

There is, however, a difference in the philanthropic nature between Respondent 5 and the rest of the companies, as they don't share the mandate to widely extend audiences for cultural consumption. Their affinity with culture derives from the founders of the company who were avid collectors and art supporters. Therefore, theory is confirmed inasmuch as for altruistic motivations, community involvement, good corporate citizenship and responsibility are essential, but personal values established by management culture play a role in cultural contributions too. What is not mentioned by literature is that apart from enriching the creative environment, the will to sustain culture also factors in the ethical model.

Motivations belonging to the stakeholder model are also implied by two firms. Respondent 4 evokes the feedback loop Kirchberg (2003) pinpoints as follows: “we want to make the city better. And when the city is improving, we are earning money and we can give money back again to Amsterdam”. Respondent 2 is subtler in this respect by adding that their contribution creates

“economic value [to the arts sector] and for society [...], because it’s important for their sustainable growth”. These answers reflect that their sponsorship for arts advances the economic position of their surroundings, which in the former case does influence the company in terms of return, while the latter example does not confirm this.

4.2.2 Corporate sponsorship motivations

The unanimously cited motivation linked to the promotion of a brand or name refers to cultivating relationships with the existing customer base of the company. According to Respondent 2: “We did research into what our stakeholders like most. That for us is the interaction with our customers, [...] something of an economic value, which is highly appreciated”.

For all firms, the method of engaging clients may range from offering special discounts, periodic free museum admission or invitations to events hosted by the firm on the premises of the museum. Distinguished clients and business relations benefit from private previews, programs and hospitality events, which are integral in creating brand experiences. Respondent 5 sees this as an important element of sponsorship of the present, where “experiences, [...], unique combinations of activities and [the] track record” not only put a positive light on how the brand is perceived by clients, but these also set them apart from competitors. These findings correlate with literature stating that motivations can include developing emotional ties with customers, entertaining clients as well as providing shared social experiences. A novel aspect is that through cultural sponsorship, firms can distinguish themselves from competition by generating brand experiences.

Other image enhancing motivations are miscellaneous with Respondent 2 specifying that they do it to “get more recognition, for [the] brand, and have a positive association with [the] brand”. Respondent 6 sees it rather to improve reputation which is:

always on the line because people are very critical about financial institutions, especially banking. [...] We've noticed that if people get free admission or they go to an event that we host in [the museum], their opinion about [the company] is more positive than about [the company] in itself.

For Respondent 4, there has been a change in motivations about generating demand for their products through cultural sponsorship, as a decade ago this was not a goal. Now, due to the new CEO, they seek to reach new clients, make (inter)national business connections through the art institution and to connect to “the new rich, [...] to get into those inner circles”. For the other participants of the research, this is not a motivation. Branding in general does not overpower the artistic content or message of the supported museums. Still, this data shows that branding, extending customer base could be a goal. What appears missing is the direct link between the clientele of the supported art event and the company, which opposes O’Hagan and Harvey’s (2000) observation.

Regarding supply-chain cohesion, all firms try to incentivize employee engagement in the supported art activity by disseminating information about cultural programs, offering free, unlimited entry. Respondents 2 and 6 formulate that this results in a sense of “employee pride”, which strengthens trust towards the firm. Respondent 4 makes it clear that business contacts became more important for them to accrue through cultural ties, which underpins theory that the B2B aspect will gain momentum with respect to motivations, to create synergies.

The most important additional benefit related to business objectives, which is not categorized by the economic theory models, relates to using museum facilities as office spaces, meeting rooms, which is an entitlement for all sponsors. Respondent 1 comments on this as follows:

[Y]ou can have [...] high value – big exhibition spaces in a museum, are like 10 000 Euros - and we can give that to our colleagues here, or to the management board, so that is also financially attractive, because it's [...] an extended office-environment.

4.2.3 Corporate partnership motivations

Respondents 1-2 and 6 have creative partnerships where the company projects more involvement in the activities of the museum. Respondent 1-2 give the following classification in terms of how sponsorship can be arranged with an institution. In the bottom, there is “Ambassadorship” which is a membership in a business club, representing smaller support. Above that, “Exhibition Partner” is situated, where contribution goes to one big show. Finally, on the top, standing for the widest and most profound relationship is “Corporate Partnership”, which are “longer term [...] focus[ing] on a specific area” (Respondent 2). To the researcher's knowledge, literature does not mention such a systematic classification with regard to sponsorship. Moreover, since the study is about corporate support, the “creative” element in the definition will be substituted by “corporate”, deriving from the findings.

For Respondent 6, the overarching mission of cultural sponsoring is to make art and culture accessible, hence, the same applies to the supported museum in their partnership agreement. Respondent 1 also specifies that the strategy of their collaboration is to “attract new audiences, target groups, and put the [museum] brand on the map (inter)nationally”. Therefore, in both instances there is a clear focus i.e. a mission, in the cooperation, as proposed by the theory on partnership. These missions correspond to the philanthropic motivations framed within the ethical/altruistic model, thus, in these instances, the partnership strengthens altruistic motivations.

Another point that deviates from literature is that neither corporate entities have a motivation to interfere with the creative programming of the financed institution, which is also regulated by law:

Every time when you are part of a museum sponsorship, you need to adhere to the Code for Cultural Sponsorship. And there is a limit to what you can do in determining the creative program. What we do is, for example, in the area of audience development, based on the programming of the [museum], we try to think about new tools, how to engage an even wider public (Respondent 2).

These tools can be further categorized as special projects and “activations” (Respondents 2 and 6). Special projects are devised within the partnership, are external to the regular programming of the museum, hence the company can contribute to it creatively. For Respondent 1-2, this is an after-work monthly event with a concept, while for Respondent 6, the most recent project was to recreate the voice of a prominent Dutch artist, the oeuvre of which is represented by the supported museum. Activations relate to communicational campaigns, built around the internal programming of the museum. These take place on social media and websites to which an activation budget is assigned, which is not a part of the sponsorship budget. Apart from inducing action to raise attendance, Respondent 6 claims: “all these different messaging [...] make art and culture available for our clients”, with a further aim to “enhance the sponsor familiarity” between the company and museum. Respondent 2 also mentions that within these agreements, “much more hospitality is involved” and references “brand awareness” about the sponsoring company (them) within the special events is essential. Therefore, besides reinforcing the philanthropic motive, some brand promotional objectives – projecting name, guest hospitality, bonding with clients – also play a role when motivations are considered, which confirms theory that partnerships are evolutions of the sponsorship model.

Knowledge sharing is important in these connections, as the companies offer their expertise on marketing activities to museums. Both cite giving advice on IT, social media usage and data analysis. In exchange, firms can use the museums` artistic reproductions for their activations, and benefit from gaining inspiration from the creative assets of the museum for their own, in-house art projects. Respondent 1 elaborates on this the following way: “you can combine different themes within [the] company to the arts scene” which result in special workshops about management and training sessions for employees. This approves the postulation that through corporate partnerships, creative aspects are built into traditional working patterns. This could be a cost-efficient way to raise the effectiveness (achieved results) of the workforce, resonating with arguments of the supply-chain cohesion aspect of sponsorship literature.

4.3 Selection and decision-making process of private sector firms

4.3.1 External aspects

Competitors have an influence on funding behavior in a way that for each main sponsorship deal, exclusivity is granted which prevents other companies operating in the same sector to get involved with the museum. This applies and appeals to all respondents, as more events can be organized at the museum, for example. The lack of competition on the main sponsorship level may even be a motivational factor to become a head sponsor, as Respondent 5 asserts: “[n]o other competitors are able to do anything [at the museum]. That was for us the main reason to be the main partners, to have that exclusivity”. What is more, the presence of supporters from the same sector on the chief sponsorship level can even deter lower-level sponsoring activities. As Respondent 1 comments: “we think twice if we want to be an Ambassador if there already is a main sponsor which is from the financial sector”, which further amplifies the will of exclusivity.

Governments do not provide an incentive for companies to sponsor museums, as the majority noted. Respondent 5 clarifies: “we are a financial institution, so then you would even need to pay VAT on top of [...] sponsorships because we cannot deduct that from our operating costs”. With reference to governmental regulations, the Code of Cultural Sponsoring national code needs to be respected, which regulates firms’ intervention in the creative programming of the museum, as explained earlier regarding corporate partnerships.

The reputation of the museum is decisive for nearly all funders. Those selected have “a certain status” (Respondent 2), “a big role” (Respondent 3), is the “most important museum of the Netherlands” representing a “famous painter [...] that is very [...] well-known” (Respondent 6), while being recognized “internationally” was also mentioned by Respondents 1,3,4,6.

These findings support that upon observing external factors, situational variables, like competitors (Turgeon & Colbert, 1992), do influence funding decisions, as they can motivate or demotivate the willingness to finance a museum. The examples project the competitiveness of emerging as the main sponsor, stated by theory (Di Gaetano & Mazza, 2017), where companies benefit from organizing more events.

Control institutions, like the government (Turgeon & Colbert, 1992), do not provide a stimulus – tax benefits – to engage in support, contrary to what literature suggests (Klamer et al., 2007). The perceived reputation of the museum is an important factor for sponsors; however, due to the qualitative nature of the study, it cannot be confirmed to what extent is this determinant in opting for a specific sponsee. Other than these variables, no further external factors were mentioned during the interviews that have an impact on funders that was detailed in the literature, such as professional networks outside the company.

4.3.2 Organizational frames of reference

4.3.2.1 Cognitive elements

Embarking on a sponsorship deal does entail a rational set of decisions, which can be organized within the three elements of the organizational frames of reference, proposed by Shrivastava and Schneider (1984).

Within the cognitive elements, basic information categories, two firms appraise sponsorship opportunities by focusing on their available resources. As Respondent 2 argues: “you cannot do everything on the corporate partnership level if you want to [...] dedicate your resources into it, there is a certain limit what you can do”. Respondent 6 remarks that they “want to focus, [...] to do big things in a good way, not [...] lots of smaller things” because “if you do every year something else, nobody will remember”. Hence, both firms suggested channeling their attention to an area, installing limits to their scope of involvement in sponsorship activities in the initial stage, to ensure a sense of consistency.

For the other two respondents, the decision to fund culture derives from analyzing the environment they operate in and with. Having local branches in each city with some levels of independency, in the case of Respondent 3-4, local banks draft a vision “what [...] is important in the city”. Respondent 3 further elaborates that a former director in Amsterdam held the belief “that cultural activities, in a city like Amsterdam, are very important, to get in contact with your clients”, which is strengthened by Respondent 4 as “conquer[ing] Amsterdam through culture”. Respondent 5 also shares an interesting change in their sponsoring strategy:

We did on one point a survey that 50% of our clients were interested in golf and 80% [...] in arts and culture. So that`s why we made a change from sports to museums [...]. Because that would be a better match with the majority of our clients than just sports.

These quotations also touch upon a specific aspect of the environment, namely, clients, whose opinion stimulates funding within the sensemaking process.

4.3.2.2 Relational operators

The other element titled relational operators include standardized selection criteria and policies. These lay down which museums to sponsor and the key stakeholders involved in the decision-making process.

When deciding to sponsor an art institution, most firms mention that the museums and projects they support are in accordance with the strategy of their brand. “[O]ur brand is: You Matter. So, if we can do something that connects with our customers, through cultural sponsorship, then [...]

we like that, it fits” (Respondent 2). Respondent 6 also reinforces this by stating “it always has to match the strategy. So, in helping people. That’s the main thing, [...] and [to] use it for relationship marketing”. Respondent 5 was not as explicit; however, shares that the family-type, intimate atmosphere the financed museum has “match[es] the profile”. Also, “they are both focusing on personal relationships” (Respondent 5). From this, one sees that the fit between the museum and firm derives from the image associated with the sponsor, as suggested by theory. What is more, sponsors value the relational aspect of connecting with people at the same time, which is analogous to their brand.

Another crucial criterion relates to geography, which for all informants take place in the Netherlands. Still, there are some deviations in how they demarcate the chosen locality of support. For Respondent 6 it “has to be known in all of the Netherlands because [their] clients are in all of the Netherlands”. Respondent 5’s decision is tied to a specific region, from which both the museum’s represented artist and the firm originated, while Respondent 2 names a narrower focus in “the big cities where [they] are present”, which count three headquarters. Representative 4 has an exact focus on Amsterdam, as its office is in the capital as well.

Explicit shared values are named that are crucial for firms in selecting museums. “Entrepreneurship” is pivotal for Respondent 4, Respondent 1 also lists it as commonality with the museum they are connected with, while it is alluded to within Respondent 6’s strategy in “empowering people to stay ahead in life and business”. “Rich history” and “shared heritage” (Respondent 1 and 2, 5), “international orientation” (Respondent 1 and 2, 4), “professional environment” (Respondent 1 and 2) and “innovation” (Respondent 6) also constitute parallels between supporter and supported. Hence, apart from fit with objectives (Daellenbach et al., 2016), a fit with shared values are also important.

To emphasize the importance of what they established as criteria that constitute a fit, some firms also share what they are not willing to support, by contrast. Respondent 1 states they are a “neutral company”, therefore “political exhibitions or religious activations” are not financed by them. Also, customer focus and community involvement are essential (enveloped within the brand strategy as well), therefore sponsees must be “non-discriminative”, “not exclusive” and “not for a niche group” (Respondent 2). The latter trait also relates to what Respondent 3 expresses as “not that high-end” which could be interesting for a lot of people. Respondent 4, with a clear emphasis on Amsterdam, stresses that the museum his branch supports is “not a national museum, it’s an Amsterdam museum, founded by entrepreneurs” and continues with examples that they would not sponsor national museums. Respondent 1 touches upon the geographical aspect as well, saying that a museum in the South, where they don’t have representation, would not be logical.

Besides the fit, two companies have further arrangements pinpointed in their policies that reflect the cooperative aspect of corporate partnerships, positioning the museum as an active agent: “the museum comes to us, with the programming, we choose [...] where we can add the most value,

in terms of [...] activation”. Respondent 6 also adds that the museum they are funding receives support from other companies as well, and owing to this, the areas of involvement for the different sponsors are divided by the museum: “we have the area of drawing, [one] has the area connecting, [the other] has lighting”.

The presence of key individuals in selecting museums is accentuated by numerous firms. Respondent 5 names the CEO as the “final decision-maker”, while Respondent 4 mentions the decision lies “only [with] the board”. Respondent 6 has a more extensive network involved: “board of directors from the company group, [...] own board of directors from [...] Netherlands in combination with [...] Belgium, because that is one entity. They all have a say, of course, in the cultural sponsorship, in all sponsorships”. This affirms that higher levels of authority are crucial in embarking on a sponsorship deal.

Respondent 1-2 and 6 stipulate they have the department of compliance and procurement involved; however, the level of scrutiny varies between the two companies. Respondent 1-2 check the board of the museum and they “also look at the financial situation” (Respondent 2). Respondent 6 only views if the museum is “financially healthy, just standard rules that you have for all your suppliers” and opts to use the term “supplier qualification”, rather than “background check”. Respondent 5 indicates that the communications department – the director of communications, and the Sponsor Manager contributed to the decision-making process. However, as advisors, and further notes that finances of the museum were not reviewed, even though the director of the institution had a background check.

This summary underpins that the selection-process is a diligent procedure, not only concerning the highest levels of supervision, as scholarly volumes indicate, but intertwines departments within the organization. It also reflects that due diligence – the financial situation and management of the museum - is an important factor when selecting sponsees.

4.3.2.3 Reality-test

In the present context, the reality-test refers to the period determined in the contract for the support, with possibilities to extend the sponsorship for the future. Contracts are fixed-term, spanning between 2 and 5 years, whose prolongation depends on how well the sponsorship case, or the museum, performed on various aspects.

The most often cited dimension along which success is measured relates to how their clients received the sponsorship connection: “we really measure the amount of activities from our customers and clients” (Respondent 1), “if our clients and our stakeholders like what we are doing” and “how many people we can host events for” (Respondent 6) exemplify this. Respondent 4 mentions “economic refund”, to reach new clients, while Respondent 5 claims “enough return on value or investments” as a principle. These imply that commercial objectives are main considerations, but to

“do something new each time” (Respondent 6), have a “fit with our focus” (Respondent 5), “networking” and “employee engagement” (Respondent 4) are essential too.

Therefore, by analyzing the performance of these areas in the past and summarizing previous experiences, the determinants whether and how relations should be managed in the future are established, which correlates with what Daellenbach et al. (2016) put as “rules for the future” (p. 81).

4.4 Performance measurement carried out by private sector firms

All respondents agree that measuring performance with relation to sponsorship is important, primarily due to financial reasons. Two companies share that assessment is needed as not doing so would be a “waste” (Respondents 2 and 6), since the costs of sponsorships and the activities they devise with museums are considerable. Respondent 4 reveals that since their sponsorship activities not only relate to the museum, but include other cultural institutions, it would be even honest to expect some financial return, as they don’t want to be “the ATM of the city”. These arguments indicate that financial pressures could drive companies to measure performance.

The question whether they have a system or method to determine the performance of museums yields puzzlement in some cases. Respondent 4 formulates its concern that in the past, it was not important, but now it is one of their main issues. They are in the process of developing ways to carry it out; however, notes that they do have regular meetings, six times a year, with the museum to review what happened in the past and what future actions should be taken. Respondent 5 expresses that they don’t have a formal evaluation process, and they do not judge if the sponsorship relation is successful or not. They even question the necessity of measuring its impact beyond their clients. Nevertheless, they gather with the museum every two weeks to discuss what areas are managed well and what could be improved. This culminates in an annual discussion where the contract is also reviewed, with an eye on future actions. Respondent 6 also mentions this method of monitoring, where representatives of the museum and company come together quarterly to see what elements work and what are problematic, how they proceed in the future. These practices are in line with theory, which says performance measurement may happen by identifying what achievements have been made as well as pointing out poorly performing areas (Behn, 2003).

Respondent 1-2, with the most meticulous practices, not only discuss results with the museum but have an interdepartmental system to appraise how well the collaboration performs. The amalgam of appraisers includes the event management team, branding and marketing team and a steering group which evaluates results yearly. Goals are determined, budgets assigned to them with specific, measurable objectives they intend to reach, expressed in numerical terms. From the literature on evaluation methods, this firm opts for developing quantitative performance indicators that target objectives.

Two firms mention applying for a sponsorship award called SponsorRing. It rewards successful sponsorship relations in the field of culture⁵, for which a thorough application material must be sent to be considered for the gold, silver or bronze prize. Both organizations use this award to valorize their sponsorship activities. Respondent 1 implies it generates internal acknowledgement which reflects their laborious efforts, but it can “show that you have made an impact with your sponsorship” (Respondent 5). Moreover, apart from their own measurement techniques and those of the museums, Respondent 1-2 use the SponsorRing criteria to assess the success of their museum relations, extending their measurement tools. Respondent 5 sees it more like a benchmark to compare sponsorship activities with regard to other companies, which resonates with seeking for performance standards among similar organizations (Behn, 2003).

Overall, companies find it a challenging endeavor to embark on measuring performance of the sponsored, as it relates to “art and you're not selling anything, it's more in people's minds” (Respondent 6), with some additional intangible notions such as reputation or brand. Despite this, the interviews and additional materials do reveal some measurable aspects and indicators fitting the BSC framework, which primarily derive from the surveys they conduct with their clients, intuition and observation.

4.4.1 Financial perspective

Within the financial perspective of the BSC, economic value is conceptualized as revenue growth on one hand, and productivity – using funds efficiently, on the other. All respondents stress that they do not measure how museum sponsorship enhances company profit by analyzing the sales of their own core products.

In terms of viewing how efficiently funds are used by museums, there is a divide between respondents. Respondents 4 and 5 remark that they don't monitor how the money provided by them is spent, as they give a free hand for museums to use it as they best see fit. For Respondent 6, it is somewhat important, as upon drafting the contact, the funds are allocated across different subjects in big chunks. Yet, “it's not like we are really into what they do with each penny”, but to have a general overview of future spending patterns. Respondent 1-2 exercise the most control in this area. They ask for transparency on how funds are allocated within the museum program and monitor results of those as well. They bring the example of a one-time summer campaign the goal of which was to attract more visitors. After the campaign took place, they (together with the museum) determined how much the costs were per person and discussed whether the money could have been spent better. To evaluate, they compared visitor numbers of the given year with those of the previous one, when the campaign

⁵ among others

was not carried out. This case is an example of both measuring performance and evaluating, where past performance standards were used as base of comparison.

Two companies also highlight measuring how profitable the museum is by asking for annual reports which show ticket sales, visitor data and the mix of nationalities that visited the institution. Ticket sales are a straightforward way to measure commercial objectives, in line with theory. What is not mentioned, however, is that information regarding the composition of visitors may also be indicative of how the organization managed to reach new customer segments, which could be an opportunity for future profit enhancing endeavors.

4.4.2 Brand perspective

A newly identified dimension, the brand perspective assembles all aspects that contribute to the perception of the sponsoring brand. Within this, the brand familiarity and fit between the sponsor-sponsored can be mentioned as well as the visibility of the sponsor for providing support. From the respondents, two companies have standards to carry this out, while the rest was not specific on measuring this aspect.

Brand familiarity is the basic component of this perspective, which measures whether visitors know that there is sponsorship relation between the firm and museum, in other words - who is sponsoring the museum. The concept is present for two companies. Respondent 6 states they are in the process of measuring this, as it is tied to a specific project which is ongoing. Respondent 1-2 measure this along two lines, both through surveying museum visitors. One line of research is done by the museum, where a question is posed to all visitors: “who is our main sponsor?”. This is augmented by the company’s own research, carried out during special events or projects in which the company is a co-organizer. The narrower visitor base receives a survey which includes both open questions such as “who are the co-organizers of the program?” as well as a multiple-choice question: “which companies from the listed sponsor the evening?” (Respondents 1 and 2), resulting in text-based outcomes and quantifiable results.

The fit, which is an important criterion for firms when museum support is considered, as seen previously, is another component which tests whether the match between sponsor-sponsee is deemed appropriate. Respondent 2 mentions the surveys allocated by them during special events again, where questions like “Do you see the connection with the brand” and “Do the values of the museum resonate with those of the company” can be tools to capture the fit. For example, answers can be given on an ordinal scale, which is a measurable indicator.

There are other, more qualitative sources which can reflect the fit. One is the way the museum positions the company in interviews, as partners. Verbal, anecdotal elaborations of the interviewed can convey a fit between the two parties (Respondents 2,6). Another intuitive indicator is that the clients of the company participate in the events organized by the museum, as they see a connection

between the two organizations. Respondent 4 feels this fit especially during exhibition openings, where the company manages to include sometimes 1500 customers.

Projecting the company brand on websites, published materials and (discretely) during museums events are “noticed” and appreciated by all respondents, with Respondent 1-2 consciously measuring visibility. For them, collecting media materials is the responsibility of the museum, which constitutes an important part of the contract. They calculate the number of articles, reviews and mentions which present also the company name, while looking at the content as well. Online promotional activities are also taken into consideration by calculating the amount of views and likes, monitoring if the company is presented well enough on websites. Therefore, measuring visibility is done via a mix of both quantitative and qualitative tools.

4.4.3 Customer perspective

The aim of the customer perspective is to create a profound relationship with customers through unique services. This is the dimension to which all respondents dedicate attention. They primarily measure this through allocating standardized surveys to their own clients who visited the museum, or the audience who attended their special events. Most companies conduct a small research after each event where their clients participated to inquire how they perceived the museum visit, but some firms do an annual research. This questionnaire does not pertain to whether the museum’s overall vision comes across, as theory puts forth. It rather focuses on their experiences about the program, which is often in cooperation with the sponsoring organization, and measures the perceived ambience of the venue too.

Firms measure their ability to stimulate museum going among their clients by focusing on first-time visits. This correlates with the aspirations of the majority of firms who declare that making art and culture accessible is important to them. Typically, they ask customers if they have been to the museum prior to the event with a multiple-choice question. Respondent 6 adds that for them, not only client engagement is essential, but to generate frequent visitors for the museum, hence it is also crucial to learn if they are from the Netherlands as “otherwise they only get tourists”. Respondent 1-2 also measure the frequency of museum attendance among museum visitors. They are interested in knowing how often visitors have been to the supported museum and how many times they attended any museum in the given year. Answers are provided in an open, numerical format. Consequently, firms measure both their abilities of generating audiences for the museum and retaining customer base.

Customer satisfaction is a focal element for this dimension. All firms measure this by asking if clients or visitors are satisfied with the sponsorship connection, museum, event type. Questions may be detailed and ask to rate the speakers, or to indicate whether the topics presented matched their expectations. Customer satisfaction scores are registered on an ordinal scale, with most companies setting the target for the top two highest ratings. As Respondent 5 demonstrates: “it’s a 1 to 5 rating.

Usually we score 4-5 which is also our goal”. This implies that not only measuring takes place, but goals are determined which create conditions for evaluation as well. One company uses NPS – net promoter scores – which measure satisfaction levels regarding services and quantify customer loyalty by asking if visitors would recommend the event or museum to others.

The survey is designed to ask a limited amount of questions which can be easily completed by providing scores. However, there is also room for text-based feedback. Respondents 5 and 1-2 collect customer complaints in this format, where “tips” and “suggestions for improvement” are welcome. Besides the surveys, Respondents 1-2 and 6 take into consideration social media comments, positive and negative responses, with Respondent 1 specifying further that in exceptional cases they make a guest book available on the reaction site. These examples underpin Jacobsen`s (2016) principle, which extends measuring performance by qualitative indicators such as the descriptive statements of end users.

Respondents 1-2 and 6 analyze the engagement levels of a specific segment of museum visitors - those who are employed by the firm. Both define a successful museum sponsorship case when employees participate in the activities of the museum as well, as it reflects that they are “enthusiastic about what we're doing together” (Respondents 6). Their measuring tools are similar to those of regular visitors or clients. Firms inquire whether employees know who the firm is sponsoring, if they see and deem it is an appropriate match,⁶ which questions measure satisfaction levels. Respondent 1 further highlights that the museum provides information on the numbers of employees who attended the museum, while conducting their own research how these employees are spread across various departments within their organization. These are quantifiable measures. Employee numbers indicate generating museum visitors from their organizations. Specifying departmental involvement is somewhat similar to identifying who non-visitors are within the firm.

4.4.4 Internal process perspective

The internal process perspective is thought to have the greatest influence on customer`s degrees of satisfaction. This encompasses measuring the aptness of technological tools, information systems and logistics. Surprisingly, none of the companies involved in the research are concerned with measuring systematically this aspect and have opposing views about the necessity of appraising this dimension.

Technological appropriacy is not important for most of the firms, with a notable exception of Respondent 4 who elaborates as follows. Regarding their supported museum, it raises concern about the shortage of technological equipment, such as headsets, that add to the experience of museum visitors. Further implied is that digitizing the collection and making it available online should be focal in the future as well. What would be more important for Respondent 4 at present is to develop a more

⁶ also relates to measuring the brand fit and familiarity

effective ticketing system, as the inconvenience of queuing is felt profoundly. By contrast, the informant brings the example of another museum that has no queues because of a well-functioning online ticketing system. Respondent 4 claims that as sponsors, they want to help the supported museum by “introducing them to the new economy, [...] the tech world of Amsterdam to meet them [and] find solutions to their problems”.

Respondent 6 also mentions the issue of the immense stream of visitors the museum receives and the need to adapt to that, adding that it is also important for their clients to know they would “be helped quickly”. However, they see these are more the responsibility of the museum in which they do not interfere, as they “are sponsors, not in the board of directors”. Four times a year the museum provides the sponsor with updates about the improvements they have made in services like ticketing, the level of accessibility for visitors with impairments. Although, this is not what the sponsor asks for, but what the museum proactively reports.

Social media and website management constitutes another angle to the discussion on technology, as Respondents 1-2 and 6 aid museums with workshops and professional advice from their marketing department to enable optimal operation. Respondent 5 does not attach importance to social media either, as their target audience and clientele do not use it extensively.

Respondent 1 assesses the area of hospitality via the surveys they allocate after the events, the results of which are discussed with the event management team of the company. Based on the customer feedback and suggestions of the event management professionals, the firm requests modifications from the museum. The areas in which improvements are sought after are related to catering and logistics - to create more catering options, packages, parking cards, to list a few.

In sum, most firms make value judgements about the areas within this dimension. What most sponsors share in common within this aspect is that instead of measuring to what extent these areas perform well, they rely on heuristics to detect underperforming services and use their expertise to help museums.

4.4.5 Learning and growth perspective

The learning and growth perspective projects that the organization can embrace change and is able to innovate and improve. Akin to the previous dimension, this is also not appraised in a methodical, quantitative manner, as firms rely on their individual observations.

Most firms admit that museums are smaller organizations than theirs with limited budget available to make changes, therefore, they are not demanding in this respect towards museums. Upon contemplating what indicates that museums can change, two respondents comment that this aspect is not important to them, with only the other two firms contributing to indicators.

Respondent 4 have noticed that improvements took place in service-related aspects such as opening a museum shop, developing the restaurant offerings and the welcoming atmosphere of the

museum. To the latter, it is added that “[the museum] has invested in good hosting people” and continues that the presence of a new director or board also implies change for future operations, which resonate with Basso et al.’s (2018) indicators related to personnel development.

Respondent 2 infers the ability to innovate and grow from the projects the museum undertakes. They bring the example of their sponsored museum partnering with IBM to design a technological project relating to artificial intelligence, which they encourage because it is a “good learning curve for the museum”. This supports theory that affinity with information technology could indicate the potential to grow.

Another indicator that a museum is capable to develop and is flexible to change relates to the openness and ability to “deal with unexpected and sensitive issues”. For the sponsee of Respondent 1-2, this also manifested through a project in which the museum confronted the slave history of the Netherlands, in response to the governments` policy on inclusiveness.

With reference to adapting to modernization or regulatory changes imposed by the government, Respondent 2 discloses two options. The first is to follow-up on the museum, how they are complying with implementing changes, offering help if needed, while the second option is to simply “stay tuned and you will notice if they're not [following what is required]”.

4.4.6 Staff satisfaction and community perspective

According to Parmenter`s (2012) augmented BSC, there are two dimensions called staff satisfaction and environment and community perspective. The former focuses on measuring aspects related to leadership and the competencies of the staff to carry out projects. The latter includes projecting a positive image to the environment through facilitating collaborative projects with the community and stakeholders external to the organization. The results suggest that both dimensions center on assessing the personnel of the organization, with the director of the museum in specific. Therefore, these dimensions are merged in the context of firms and analyzed as one by taking an internal focus – how the staff operates within the organization – and an external focus – how the museum interacts with the external environment.

Apart from the element of having appropriate leadership, the aspects of this dimension do not get appraised by companies through a meticulous procedure, similarly to the preceding variables. Despite this, respondents do find it important that museums are governed by trustworthy leaders, have a professional staff and are in touch with their community and other parties, and formulate numerous indicators that illustrate their museums fulfil these requirements, or lack these qualities.

Leaders are assessed formally during the negotiation phase of establishing the sponsorship connection, as analyzed within the “Relational operators” section, most often in collaboration with the procurement department. Respondents 1-2 and 5 elaborate that they investigate if the museum director has any negative items in the media about him/her, with Respondent 2 concluding that this is

customarily not an issue as “in the Netherlands, people are selected to be directors of a museum who are not controversial”. Respondent 1 further adds that they check the “Code of Good Governance” which is available from the museum’s website.

Besides the above formal measures, there are some informal guidelines firms consider. Respondent 1-2 have conversations with the museum directors, both the executive and the artistic, to ensure that the sponsoring-sponsored organizations share the same values. Respondents 1-2 and 4 also emphasize that for them, it is crux that the leader of the organization believes in active partnership, where the sponsorship is not confined to a mere transaction of money and logos. Respondent 1-2 recognize an active partnership as a collaboration between the museum and firm resulting in common projects, while the other understands it rather as creating a “combination of [...] partnerships” (Respondent 4) with the amalgam of co-sponsors of the museum. This implies that a competent leader establishes good links with the environment external to the museum as well.

Based on the positive outcomes of these enquiries, the contract can be created, and leaders do not undergo further appraisal procedures in the future. As Respondent 6 comments, “if we continue to keep up the good work it’s a given that this is well organized”. Therefore, if the continuity of the projects is upheld, it proves unnecessary to assess, as it reflects good leadership.

Respondent 4 has mixed opinion regarding the leader of their sponsored museum. The company remarks that it is salutary that the director makes good connections with other museums globally to create programming, however, is rather disappointed in other networking opportunities:

He is an internal director - someone who's only developing his own internal organization and he's not working for his sponsor partners or the city or the international scene. It's just an internal directory. They only make their program and that's it.

The further elaboration suggests that the museum should leverage the fact that other companies, co-sponsors share interest in the program the museum develops, but at present the museum is not building consistently on this. These partners come together 3-4 times a year at the museum, whereas networking “doesn’t happen in one day”. Hence, a potential solution to the problem would be to devise new content and programs, those beyond the regular creative programming of the museum, that bring these parties closer to each other and the museum as well.

In connection with assessing the staff, Respondent 1-2 annually appraise the project groups of the museum – those departments they collaborate with, related to marketing or the special project, for instance – with the help of their internal steering group. Respondent 1 shares that within this, they try to comprehend how these project groups operate, what needs to change to formalize future discussion by creating to-do lists and checklists. Respondent 6 also refers to a standardized document, the contract, in which agreements were made, tasks delegated. This is a benchmark for determining how professional the representatives of the museum are: “they know what we’ve agreed upon in the

contract. So that's what you have - the contract and then you start acting on it". In this respect, both companies review the effectiveness of the staff, whether they managed to accomplish what was agreed upon, which is based on official documentation. However, both respondents add that flexibility and trust are crucial despite this, as changes could occur.

4.4.7 Artistic quality or function

The artistic quality or function is Boorsma and Chiaravalloti's (2010) contribution to the BSC, tailored to museums, examining the creative program's value. The interviewed firms do not measure the artistic quality or content of museums but infer their value from other stakeholders. The way they make decisions about the museum's artistic program can be understood through the elements of Boorsma's (1993) strategic triangle, which is built from customer, societal and professional value. Based on the responses, sponsors consider the professional and customer values. To both variables, various indicators can be grouped that communicate the artistic merit of the program to firms.

Most respondents explain that to uphold the artistic quality, maintain a coherent program and arrange artworks within the venue is the responsibility of the museum, as their representatives are experts in the field of art history. Also, within the selection process, sponsors have already established⁷ that the museum constitutes a fit with their criteria and is a well reputed art establishment. Respondents are assured of the artistic worth of the museums, characterizing the art housed there as "high quality" (Respondent 1) and "17th century [...] very valuable" (Respondent 6), with "the artist's output" itself" (Respondent 5) offering a unique value proposition. Therefore, the artworks' position within the canon are important indicators for companies, which exemplify their reliance on the professional value of works (Boorsma, 1993).

Further aspects that denote professional value is the institution's ability to add to the professional scene. For Respondent 4, this means not only presenting internationally recognized, "top art", but also providing opportunities for local artists to showcase their work. Respondent 2 mentions external ratings about exhibitions, measured by a five-star scale, which are available in newspapers as something they follow. Akin to what Respondent 5 highlights with reference to the potential to create "a buzz around an exhibition" – garnering general media attention in combination with the amount of live audience taking part at the event. These indicators all acknowledge that the museum stands for professional value.

The ability to supply artistic experiences to customers becomes focal within the customer value. This is not directly stated by firms as a method to assess artistic function, although, it can be extrapolated from their answers in which they elaborate on their client-centric approach. Respondent 4 asks the museum yearly to propose the type of exhibitions they are planning to have, along with identified audience segments which might be interested in those expositions. The link between the

⁷ See section "Relational operators"

program and target audience constitutes value in artistic terms for the firm, as those programs will be selected which could correlate with their clientele's preference. Respondents 5 and 1-2 use the survey sent to clients to inquire about their experience by asking if the visit "was worth their time" or if they "liked the program". Another aspect that suggests how the program is perceived by clients is the demand for various activities. This can be determined by summing up and comparing the applications the different program types received: "if nobody is applying for the tours and everybody's applying for the workshops, then I know we need to make a shift in the number of tours" (Respondent 5). Therefore, if companies can anticipate that clients will forgo other leisure activities to attend a given exhibition, or if they detect demand changes in the supplied activities, the merit of the museum's artistic program could be estimated with quantifiable tools. Also, client feedback on the program projects customer value too.

4.5 Motivations for financing culture for non-private sector organizations

All organizations mention solely philanthropic motivations to support museums, principally corresponding to characteristics that belong to the ethical or altruistic model. The most important motivation for all respondents is to establish a good cultural climate and be connected with the local cultural scene. Through this, they want to give back to society, prompted by the reasons below.

Regarding their support to museums, two respondents explain that their position in the local economy is prominent. Respondent 7 states they are a "rather important employer" in its city while Respondent 9 articulates that "in terms of revenue, it is one of the largest companies of the Netherlands". Thus, they both have high potential to engage in cultural spending. These arguments allude to Sen's (1977) assumption that a reason for giving can be the commitment which arises from one's advantaged position.

For Respondents 8 and 9, the urge to give back is also linked to their main activity which causes somewhat controversial notions. Both organizations are a part of the gas supply-chain, a depletable natural resource. Additionally, owing to the exploitation of gas fields, induced earthquakes have detrimental consequences on the assets of residents living there. The organizations want to project the idea that they are part of the community and want to contribute to the crucial values in the city and region, by providing support to the local museum. This is in line with Vesterlund's (2006) argument that lessening a sense of guilt can reinforce the drive to give back as well, while the motivation of generating societal recognition and a (more) positive image through patronage (Settembre Blundo et al., 2017) is also apparent.

This arches into the logic of compensating for the lack of governmental provisions, which is present for all organizations. Continuing the previous line of thought, Respondent 9 alludes to a sentiment in the earthquake-stricken province according to which "they gave a lot, but didn't receive much in return, in a material sense", as most of the income deriving from gas production was spread

across the country, which caused a political debate. Therefore, to a moderate extent, their participation in local cultural support could be a way to make up for this. A similar extension of giving back stems from Respondent 7, who mentions that cultural contribution is essential, even more so because “politicians are not interested in art and therefore, we have a chance to do well”.

Respondent 10 signifies too that there have been austerities in the arts sector owing to the government’s cultural policy, leading to funding shortages. One of their mandates is then to detect the areas that are not covered by governmental subsidies, paying special attention to art projects that propagate social goals and sustainability. They finance 80 projects or artistic interventions a year that center on the “urgent matters of today’s society” to stimulate change, in which an amalgam of collaborators or participants are included to make culture available to audiences. Since the funding organization wants to enhance the output of museums which in return bestow public benefit on society, altruistic motivations for subsidizing are evident (Vesterlund, 2006). Additionally, given that a clear purpose is articulated to which multiple funds are directed to create societal value, their traits resonate with the concept of strategic philanthropy (Katz, 2005).

It is important to notice that all the organizations do not expect any return on their support, which strengthens their ethical or altruistic conduct. This is predominantly because there are no commercial objectives present in their activities. Statements such as “we have no clients” (Respondent 7) or “we don't have any business interest [...] here” (Respondent 9) underpin this. The same respondents, however, note the inclusion of other stakeholder groups with reference to their museum support is in their interest.

Respondent 7 believes in the power of culture in educating their employees, most importantly in terms of etiquette. In fact, they participate in diplomatic meetings abroad where they are expected to represent appropriately their organization, which is of national importance. The organization receives several complimentary tickets from museums in exchange for the support which they allocate to employees through their Intranet. The museum visit is facilitated by the funder’s in-house specialists by providing tours to disseminate information about exhibitions. This way, the philanthropic activities of Respondent 7 add to the socio-cultural development of employees by providing them access to cultural projects (Settembre Blundo et al., 2017), that, at the same time, reinforce interactions with other economic agents. This is another facet of altruistic motivations (Kirchberg, 2003).

Further stakeholders that have access to the museums’ cultural offerings in return of the support provided by Respondents 7 and 9 are foreign diplomatic representatives that visit the country, local politicians, NGO-s and civil servants. Moreover, Respondent 7 sees itself as an intermediary between the “[organization] and politics in Amsterdam and between the [organization] and the companies in Amsterdam”. They organize gatherings together with museums to get a blend of diplomats, scientists and directors of cultural institutions “to look at problems in a different way” and solve them through art. These examples imply that both organizations’ philanthropic drives benefit

society, since they govern relations among various key stakeholders of (inter)national standing. This is evocative of the traits of the stakeholder model, where funders are a part of society by paying attention to the community (O'Hagan & Harvey, 2000). Although, it is not specified whether these relations bring economic prosperity to the location, from which the organizations gain, as theory indicates.

4.6 Selection and decision-making process of non-private sector organizations

4.6.1 External aspects

Situational variables in the form of competition (Turgeon & Colbert, 1992) do not appear to influence any organization in their decision to fund culture, as most of them do not have competition.

Respondent 9 mentions they are the first supplier of their core product and they do have competitors in industrial sales. However, this is not relevant in considering cultural sponsorship. In fact, the informant adds that the more sponsors the art establishment manages to accrue, the better; and it would not be of concern for them if one of their competitors would be a co-sponsor. Therefore, organizations do not associate cultural funding with competition, contrary to what literature implies (Di Gaetano & Mazza, 2017).

Perhaps surprisingly, no governmental measures – such as tax deductions – constitute an incentive for the respondents to engage in cultural support, which opposes theory (Klamer et al., 2007). In the instance of one organization, VAT needs to be paid on top of their contribution. Three organizations are however partly or entirely state-owned. Nonetheless, in these cases government intervention is not perceived to influence organizations to commence with funding arts and culture, and the sponsorship activity is managed separately.

When the reputation of the museum is considered, some dissimilarities occur. Two respondents imply that their supported museum has a “national, even international appeal” (Respondents 8 and 9), but it is not made clear if the museum had this status before they started financing it, as their sponsorship relation can be traced back for decades. Respondent 7 maintains their financial contribution goes to museums which are “very well known” and adds that no external advisor is needed, as the organization has a broad network in the cultural arena and the city. By contrast, Respondent 10 entirely focuses on museums that work in a non-traditional manner, which are “quite exceptional [...] not mainstream”, yet, with which their institution is familiar. Supposed they don't know the museum well, they seek for a “second opinion”, summarizing what other, external relations think about the institution.

4.6.2 Organizational frames of reference

4.6.2.1 Cognitive elements

The organizational frames of reference developed by Shrivastava and Schneider (1984) provide a contextual frame to understand the decision-making process surrounding cultural support, demonstrating that it rests on a logical set of principles. Cognitive elements stand for basic information sources which channel organizational choices and preferences. Within this research, it represents the starting point of opting for cultural funding.

For Respondents 8 and 9, there is a unique historical relationship with the museum they sponsor. Twenty-five years ago, the companies, which at that time were one entity, wanted to do something for the city's population, hence, they gave a gift to the city in the form of a new museum building. Since then, they established a foundation, a separate legal entity, to manage this sponsorship relation, having representatives from both firms and the museum as well. The arrangement is that both companies contribute the same amount of money to the foundation, and if one company decides to decrease the amount, it must be agreed upon with the other sponsor. The purpose of this foundation is to finance (bi-)annually a larger exhibition, whose success influences the budget of the foundation and its future possibilities to fund the museum. Respondent 8 explains the logic of financing the museum:

It is a kind of pre-financing so that the museum can organize the exhibition. On every ticket from the people who visit the museum, we get some money back into the Foundation. So, it's a kind of revolving fund. [...] If [the exhibition is] very successful, we can sponsor an exhibition the next year. And if it's less successful, we have to wait another year to sponsor exhibitions.

This is an example of how museum sponsorship can happen as a single event, arising from social commitment. Subjective decisions are legitimized which result in an organizational form to govern future working patterns. To ensure the continuity of funding, the income generated through exhibitions becomes pivotal. Hence, a system devoted to the selection of promising exhibitions comes to the fore.

Respondents 7 and 10 are comparable with respect to identifying basic information to make informed decisions. Both have smaller installments available for museum support, as they recognize that the funding budget derives from citizens – in Respondent 7's case, it is tax-payers' money, while Respondent 10's budget stems from those individuals who pay a membership fee to play in the lottery. This puts certain limits to their scope for financing culture. Another similarity is that they both welcome applications from potential fund recipients, thus, the information stems directly from the museums. On the other hand, they differ in decision-making. Respondent 7, as an individual, is a

member of a commission where customarily he decides what gets supported based on what he “think[s] is worthwhile to give some money”. This mirrors that subjective experiences are regarded as valid information streams (Shrivastava & Schneider, 1984). By contrast, Respondent 10 constructs a policy prior to receiving applications, determining to what direction resources should go. They determine a yearly plan by analyzing what the government and other cultural foundations support, to identify and eventually fill gaps, also taking into consideration what their benefactors want, in line with an objective stance in decision-making (Shrivastava & Schneider, 1984).

4.6.2.2 Relational operators

The relational operators assemble formal procedures that ensure the selection process is rationalized. They also elucidate who are the decisive characters in the decision-making.

Delineating the geographical focus of the support is what all organization share in common, with the majority centering on the city where they are located. This can be explained by the fact that all three of them want to contribute to the local cultural milieu while making a statement that they are connected to the city and its community, which is identical to their principal motivation to engage in museum support. Respondent 10 is an exception, as it considers the Netherlands to support museum projects, reflecting wide societal outreach, the informant`s chief mandate.

Respondent 10 has a fixed set of criteria with which professional art practitioners must comply to get funded. The four pillars of its policy are the ability to trigger social “change” within society through the tools of “social practice” - interacting with the community and altering their worldview. “Inclusion”, to reach wide audiences for cultural consumption and “radical imagination”, to reveal other perspectives how the world could exist, with focus on sustainability, are also fundamental. The multiplicity of ideals they propagate with the will to eventuate change again typify strategic philanthropy framed by Katz (2005).

The criteria by the other respondents are not as dogmatic but sustained. Respondent 7 highlights shared characteristics of being “established” and “important national institution” between their organization and one museum they support, demonstrating fit. Pivotal element museums must have are stable governance and finances. Respondents 8 and 9 select exhibitions from the funded museum according to their ability to attract many visitors, i.e. - the bigger ones that many would appreciate. They also choose capital intensive exhibitions⁸, where the support “is necessary for the organization to make a success out of it” (Respondent 8).

Three respondents consider what could interest their stakeholders as well. For Respondent 7, it is a criterion to be able to organize tours for their employees. Respondent 9 indicates organizing events to which they can invite business contacts outside of the city as an important factor.

⁸ Famous, foreign artists whose artworks have to be transported from abroad

Respondent 10 pays attention to a further stakeholder-arrangement when decisions are made. With the lottery, their funding source, they have a VIP arrangement according to which a selection of art projects, such as museum projects, can be visited free of charge by the participants of the lottery – VIP membership card holders. Therefore, most of the respondents think in terms how they can include more people in cultural consumption, who would otherwise, probably, would not go to the museum or visit the city it is situated in.

Accordingly, the majority would not finance specialized museums such as “railroads museum, or the museum for clocks” (Respondent 7), or niche productions which appeal to a small group and seem “too elitist” (Respondents 8 and 9), referring to avantgarde or abstract art, as these undermine the above aspiration.

To finalize the decision which museums or projects to select, the board or CEO`s involvement is mentioned in most of the cases; however, decision-making on a lower level is also prominent. Respondents 8 and 9 have a joint foundation with a board of its own comprising of one delegation from each company, the director and the manager of marketing and communications of the museum. Based on the proposal of the museum`s director, they collectively make decisions which exhibitions to select. Respondent 10 assesses submissions in a team of three, where a narrower selection is researched more in depth by the two managers of the group. The selected proposal goes to the CEO and/or CFO for approval, who are responsible for the final selection. Respondent 7 is an exception, as they receive motivation letters and annual reports from museums via e-mail from which the representative of the art committee picks, without the need to discuss it with anyone else. In case the negotiated amount is higher⁹, the potential support is discussed with the governing board within their weekly meetings.

This summary somewhat contradicts theory according to which organizational decisions and selection procedures are governed by standardized policies (Vance et al., 2016). In the above examples, this is only applicable to one case - Respondent 10. The same organization is the only one who aims for establishing a strategic or value-based fit between their institution and the museum. Despite this, a common aspect is that delegation levels are determined and there are miscellaneous, uncodified features that are prominent for each respondent when selections are made. Moreover, the potential to engage different stakeholders – community, employees, business relations, professionals linked to the city and beyond – seem essential to all.

⁹ 25 000 Euros or more

4.6.2.3 Reality test

The reality test shows direction for the future by analyzing past experiences and defining reality (Daellenbach et al., 2016), which in the research denotes to the continuation of support provision.

Official documentation commonly anchors the bond between funder and funded, albeit, for the respondents this is not limited to a contract. Only Respondent 10 makes use of contracts that are valid for a period. Museums get support for a specific project, typically for a year, with the possibility to re-apply in the future for funding. This can be done by submitting a new project for the organization's consideration along with the results of the previously funded project, while substantiating how the projects are embedded within their organization. Respondent 7 does not use separate forms, recognizing e-mails as contracts that contain all necessary information to proceed, such as the amount, funded period - generally 3-5 years - and name. The decision whether to extend the contribution or not is related to the past, considering important that employees are stimulated to visit the museum within their organized tours. This is seen as a sign of developing the connection between the two institutions. Respondent 7 brings the example of a museum which lost their support because this link was not created, as employees "[didn't] make use of the museum at all". Apart from this aspect, financial reports also get reviewed.

The foundation of Respondents 8 and 9 is established for an indefinite period with the possibility to terminate it. This decision lies with the boards of the two firms¹⁰. Respondent 8 claims there are "no reasons to end the relationship", as it is good. Respondent 9 confirms it but adds that the controversies linked to natural gas production and dissemination could lead to the termination of the foundation if the museum rejects the support, even though this is unlikely to happen. The amount given to the foundation becomes more a subject of discussion, which depends on the idiosyncratic sponsoring objectives of the firms.

4.7 Performance measurement carried out by non-private sector organizations

The abovementioned implies that to varying degrees, museum performance does get appraised by organizations that helps them determine future actions, even though not all of them carry this out in a methodological way.

Respondent 7 reviews annual reports and pays attention to the problematic aspects that occur around the museum, especially when governance is considered. However, generally, measuring performance is not a pressing issue, since they finance established museums and therefore, "the risk of a 'mis-donation' is not very big".

Respondent 8 states not to have a method for this but to have periodic discussions with the board instead. Within these meetings, the museum director takes initiative and proposes the future programming of the museum, and the participants of the board collectively discuss what plans they

¹⁰ through which the funds are provided

welcome, or what aspects could worry them. This is evocative of theoretical observation, which cites non-profits presenting program descriptions to their benefactors as a method of assessment. Although, the funded organization approaches the funder in a proactive way, initiating discussion, which contradicts Carman`s (2009) claim.

Aside from these meetings with the foundation, Respondent 9 adds that their company separately measures the “public activities” linked to the museum funding too via interviews, as they organize special events, tours, often with the museum, to which they can invite their contacts, for instance. Additionally, they annually distribute a survey called “stakeholder dialogue” to measure their reputation - to learn how their stakeholders perceive them regarding a multiplicity of topics, of which cultural sponsorship activities is a section. Based on the outcomes of the survey, they can make priorities within their sponsorship policy.

The most thorough performance measurement methods are used by Respondent 10, who finds it important to measure the outcomes of the funded museum project due to two reasons. On one hand, it helps them in future selection processes when a museum re-applies for funding with a different project, as the results of the previous submission communicate potential results of the subsequent project. This matches Behn`s (2003) view that evaluation could be carried out to foresee future results. On the other hand, they are also accountable to their funders, the lottery, who does an evaluation to determine if they are going to continue supporting them with the same amount in the upcoming five years, or not. As they state: “we need to show our stakeholders that we spend their money wisely”.¹¹ Thus, their organization also should prove itself as a performing organization (Lebas & Euske, 2002), where results should be created by utilizing resources prudently – operating in an effective and efficient manner (Evans, 2000). To fulfil this, Respondent 10 evaluates the performance of the museum projects they support. At the beginning of the relationship, together with the funded museum, they establish the parameters against which performance will be evaluated at the end, using a standardized “report format” questionnaire. Also, they annually commission two independent researchers familiar with the cultural scene to carry out an “impact research”, an exploratory qualitative research, of 10 projects the organization selects to measure the impacts – or outcomes of the funded projects.

4.7.1 Financial perspective

The financial perspective is determined by the ability to utilize resources efficiently – productivity, or the potential to generate more income – profitability. None of the organizations verify how funds are used by museums, as they deem this is the responsibility of the museum. This means that they are not concerned by efficiency. Moreover, the fact they place trust in their financed institution results into less authoritative measures. They would only confront the museum if the structurally provided

¹¹ and by stakeholders, they also mean members of the lottery, as it is their money as well

financial reports were unsatisfying, vague or in one case, the pre-approved budgets showed large deviations.

Financial reports show how profitable the museum is by accumulating the income from visitor numbers. Respondents 7, 9 and 10 prefer knowing what other funding streams the museum gathered, other inputs (Han & Sun, 2016), as it reflects the future directions and viability of the museum and is a method to reduce their risks for being associated with the museum too.

Respondents 7 and 10 add, that since the money they provide is small, there is no need to scrutinize finances further than this. Moreover, one of them prioritizes having social goals achieved through the project, which refer to the outcome of arts production, mentioned by Pignataro (2011). Respondents 9 and 10 state that it is sufficient to know that the finances were used for the proposed project, although they infer this by inspecting if the project has happened or not, through the examination of outputs.

4.7.2 Stakeholder perspective

The customer perspective from the traditional BSC model is replaced by that of stakeholders, since from the motivations for funding culture it becomes clear that the organizations don't have customers or clients in a commercial sense. However, they have varied stakeholders whom they want to reach through arts support. The way museums transfer the vision to visitors is not measured by the majority of organizations, in opposition to what theory states (Kaplan & Norton, 2001), however, there are other indicators at the disposal of respondents that ascertain the satisfaction levels of their stakeholders.

Respondents 7 and 8 do not conduct research but deduce stakeholder participation and satisfaction via observations. For Respondent 7, the museum can meet their requirements in engaging stakeholders if employees attend the tours organized at the museum. This can be tracked by the number of tickets disseminated through Intranet. Additionally, if their diplomatic relations manage to get a private museum tour based on their phone call, on a short notice, the museum fulfilled the funder's expectations in engaging stakeholders. These examples correspond somewhat to the ability to generate visitors (Boorsma & Chiaravalloti, 2010). Respondent 8 concludes that they never got complaints from the community, their main stakeholders; hence, the lack of complaints speaks of their satisfaction with the supported museum.

The other two organizations carry out research with their stakeholders to learn about their perceptions. Respondent 9 measures through interviews whether people are involved within the "public activities" they co-host with the museum. This is determined by calculating attendance numbers, learning "who is visiting" them and "if they are attracted to the event". This is similar to what Respondent 10 deems important, believing that the public should benefit from the support. Instead of acquiring this information directly from visitors, it asks museums to collect visitor

reactions. Nevertheless, the research aim is the same: uncovering where visitors come from, for what reason they come and what they think about the museum. These correspond to the indicators listed in literature such as generating visitor numbers, identifying who customers are and measuring if the event appeals to them (Boorsma & Chiaravalloti; 2010, Parmenter, 2012). Additionally, museums are expected to deliver the “personal experience of the public” which is gathered through open questions, where they unfold what impact the project had on their individual lives with questions such as: “What did it mean to you?”. This is in line with Jacobsen`s (2016) way of extending quantitative indicators by qualitative information - the values of end users.

Respondent 10 further believes that the opinion of project participants – those involved in the creation of the creative project such as artists, collaborators, scientists or residents – is crucial to appraise. This is gathered through the impact research which is based on personal interviews with the participants. The questions aim to measure the loyalty of participants by asking if they would participate again, or if they would recommend others to take part; satisfaction with the project – how they found the project and what could be done better, which are again in line with theory. However, these are registered as qualitative, text-based responses. In addition, and beyond what literature suggests, more qualitative indicators are used. These can be linked to the project participants` satisfaction regarding alternative uses of funds – i.e. “If you were to hand out money to make art and culture possible, what kind of projects would you like to make possible?”. Or, to unfold different methods of execution such questions are asked: “How could art projects connect more with what you find important?”.

4.7.3 Internal process perspective

The internal process perspective holds that technological excellence, the prominence of information systems and supplementary services elevate customer - or in the context of organizations, stakeholder - satisfaction, therefore it should be measured separately. None of the institutions consider evaluating any of the components of this perspective, with only two respondents elaborating further on the technological aspect.

For Respondent 7, technology has no added value in enhancing the cultural experience of their stakeholders, as they receive all necessary information from the guides who lead the private tours. In this respect, more value is attributed to the staff perspective that will be analyzed further. Respondent 9 welcomes technological developments such as headphones-based audio tours synchronized with visual art, or presenting artworks created with digital technologies. The informant takes that into account, as a sponsor, but remarks that personal preferences have an influence on sharing opinions and making decisions about the sponsorship. In conclusion, the museum is responsible for the way it embraces technology, in which matter the funders do not interfere.

4.7.4 Learning and growth perspective

This dimension examines how the institutions can change, learn and enhance their excellence. Apart from one respondent, none of them measure the performance of museums along this dimension. Despite this, they find it important that museums can manage change and recognize opportunities lying ahead of them; but, again, this is the responsibility of the supported.

Respondent 7 mentions that the reason why they give support for shorter time periods¹² is because it is easier to “overlook to the future”. This could be a way to limit the potential of changes occurring in the museum that could affect the supporter too. Respondents 8 and 9 claim they are not involved in the discussions about the museum’s strategy, but they welcome seeing positive directions taken by the museum, which Respondent 9 exemplifies as “[being] open to new developments” in artistic terms.

Within the report format, which is sent to Respondent 10 after the funded project is completed, museums are expected to describe briefly what went well with the project, what unexpected events occurred in its development with an emphasis on how substantial changes were dealt with. Further questions are what lessons were learned and how would this manifest in their future artistic practice, stating how this is a next step forward. All these questions aim at measuring the museum’s ability to embrace change and incorporate past experiences into future actions. As these text-based self-appraisals are registered as idiosyncratic anecdotal summaries, they are considered qualitative performance indicators (Madden, 2005).

Furthermore, Respondent 10 observes another indicator conveying that a museum can manage change. This is linked to how team performance is maintained, or how “projects are handled” after a team member departs, which is rooted in employee skills (Anthoula & Alexandros, 2011).

4.7.5 Staff satisfaction perspective

Parmenter’s (2012) contribution to the BSC, the staff perspective relates to leadership and the performance of the personnel. All organizations find the museum director a critical figure to assess at the beginning of the relationship. Later this does not constitute an area of formal appraisal, even though they are alert to negative measures taken by them.

All respondents associate good leadership with quality artistic content represented by the museum and the potential to come up with innovative ideas for programming. Indicators of this are the CV of the leader, his/her professional record and reputation in the cultural field, as well as the quality and attractiveness of the creative program they orchestrate.

Three respondents further add that managerial attributes and command for economics should be present for the leader as well. Respondent 10 mentions reasoning abilities with regard to not keeping the Cultural Code of Governance or justifying alternative managerial constructions.

¹² 3-5 years

Respondents 7 and 9 stress handling finances – generating multiple streams of funds or using financial assets sensibly. For Respondent 7, the directors` collaborative traits are also crucial both internally – the way multiple directors in the museum collectively coordinate – and externally – their flexibility to accommodate their requests in giving private tours.

Good leadership is also reflected in the staff of the entire organization, different departments and on every level as they carry out their activities enthusiastically, “no posh attitude, just doing the right job” (Respondent 7). Only Respondent 10 assesses members of the project team whether they are professionals by reviewing their academic background or having conversations with key participants to learn about their artistic visions.

After selection, much of the assessment occurs by noticing deviations from the above, such as the inability to create gripping exhibitions or constrained budgets resulting from frivolous spending.

4.7.6 Environment and community perspective

Another augmentation of Parmenter (2012), this dimension measures how the institution - here, the museum - relates to its environment by examining their perception in the media, involvement in collaborative initiatives while establishing a link with the community. Respondents have dissimilar views about this perspective, with some not giving consideration, relating it to another perspective of the BSC, or carrying out extensive measures to determine the performance of museums.

Respondent 7 follows how the supported museums are presented in the media; yet, this is primarily due to personal interest in the art scene. It is not examined whether the museums made an impact on the public, as some museums do specialized exhibitions that are “not for the whole community [...] but [those who are] interested in that kind of art”. Therefore, it is not a concern for the informant to measure museum performance along this dimension.

Respondents 8 and 9 infer how the museum practices community participation by a quantitative tool, i.e. the potential to attract visitors. Regarding the impact, they have varying opinions, as one of them ties it to how the museum is approved in artistic terms by the profession, whereas the other allocates a survey to their stakeholders¹³. Within this survey, stakeholders can express on an ordinal scale how important they regard that the company provides financial sponsorship in the region and how the company`s performance is on this aspect. There is an open question at the end welcoming individual thoughts; hence, they use a mix of both quantifiable and qualitative data. Even though this survey is not centered on how the community perceives the museum but measures broadly how the company`s activities and reputation are valued, to a moderate extent, it could provide feedback on how the community perceives the museum, which is their “biggest cultural project” (Respondent 9).

¹³ employees, government agencies, shareholders, customers

Quantitative measurements, such as estimating the number of visitors and project participants is an integral part of the evaluation points of Respondent 10, as it shows the extent of community engagement. However, what is more important for them is to measure the impact the art project had on the community. This is done through the report format, filled by the museum, and the impact research, conducted by an external researcher, both soliciting qualitative, text-based summaries.

In the report format, a section is dedicated to how the museum project “contributed to a transition in society” (Respondent 10) with questions such as what is the biggest change that the project brought, how was this achieved and why was it meaningful, with room for three separate changes to be specified. Sharing knowledge and inspiring others is another factor of relating to the community which they measure by asking what insights were disseminated and how, also to whom.

The scholars tasked with doing the impact research are expected to “keep it open and try to see what [the project] brought” (Respondent 10), without communicating exact measurements to acquire information. They get in touch with the 10 institutions selected by the funding organization to reflect on the past project. Not only the representatives of the cultural institution are interviewed, but through an open call, they recruit those participants as well who collaborated with the institution to make the project possible. Through semi-structured interviews, they glean motivations to contribute the program, how they look at their practice differently after the project, how has their perception about art and culture changed following the project and if they would encourage others to embark on similar opportunities.

The assessment method of Respondent 10 exemplifies Pignataro`s (2011) view that to appraise the outcomes of art production - which means measuring the program`s effect on society - a qualitative approach should be favored by taking into consideration the experiences of multiple stakeholders such as visitors and contributors of the program. This calls for collecting descriptive statements - qualitative performance indicators (Madden, 2005).

4.7.7 Artistic quality or function

The artistic excellence of the museum can be determined by how the institution manages to create customer value, societal value and professional value through the art they represent (Boorsma & Chiaravalloti, 2010). Most of the organizations claim it is not their task to determine this, as they are art-lovers but not specialists, confiding in the museum how they make decisions about the creative program. Much of their assessment is based on value judgements, but they also understand artistic quality through the combination of some of the above values.

Professional value is the most detectable dimension along which they consider the art presented by museums, the indicators of which can be categorized internal and external to the museum. Starting with internal indicators, most respondents link the museum`s artistic success to the competencies and professionalism of the directors and curators working there. Respondent 7 lists further two characteristics that communicate museums` ability to add to the professional field. First,

they house artworks that are part of the canon. Second, through their exhibitions, they can introduce a new angle to the subject by presenting unseen artworks or novel information. This matches Respondent 9's belief on art that is worthy of recognition. Innovation is at the core of the museum by incorporating a unique perspective, creating a combination of traditional and new, giving it a "twist". External indicators or agents also play a role in confirming the expertise of the museum. Newspaper reviews with star ratings and recommendations reflect to Respondent 8 that a museum and its program are acknowledged, while Respondent 10 views government funding as "a sign" of professionalism too.

Some institutions also rely on societal value, which shows the potential of the museum to reach broad audiences and spread culture across various social groups. Respondents 8 and 9 mention that visitor numbers indicate the said, while implicit in Respondent 9's answer is that the composition of attendees of their public activities also shows this. Within these programs, they welcome special groups such as school children, or those who usually don't attend museums. Another aspect that enhances societal value is that the museum manages to create a "mix of things that the broader public appreciates and [...] the elite likes" what Respondent 9 calls as "sandwich formula". The more commercial programming attracts an extended audience base that encounters niche cultural productions under the same roof. In this way, the museum can expand its educational mission to those who would not be interested in "more difficult" programs.

5 Conclusions

The goal of the exploratory research was to investigate further the behavior of those supporting museums by formulating two research questions:

(1) How do entities financing museums measure the performance of the activities they support? (2) How do measurement methods differ between private and non-private organizations?

To fulfil this, the research started with a thorough overview of the benefactors, both companies and non-private organizations. By uncovering the motivations for support provision and the selection process, insights were mapped that expected to influence how respondents measure the performance of the funded museum.

5.1 Summary and comparison of motivations

For companies, motivations are grouped into three sections. The first category gathers philanthropic drives which predominantly belong to the ethical or altruistic model, upheld by the mission to make art and culture accessible to a broader audience, especially the youth. Another altruistic aspect, missing from theory, is to maintain national cultural heritage for future generations. References to the stakeholder model are made, with few respondents expressing that their contribution is meant to foster the economic growth of their surroundings. However, only one recognizes the potential of Kirchberg's (2003) feedback loop on their own prosperity.

The second category assembles traits of sponsorship, centering on business objectives, where the promotion of brand becomes crucial for all through strengthening bonds with clients. As an extension of O'Hagan and Harvey's (2000) observation, supporting culture becomes more than providing guest hospitality and entertainment for customers. The manifold of activities firms offer through cultural sponsorship establishes brand experiences as well, which sets them apart from competition. What contradicts scholarly volumes is that firms do not tap into the customer base of the supported museum, but they include their clients in cultural consumption. Positive brand association, reputation enhancement and reaching new clientele are sporadically cited, while all companies try to engage employees to enhance trust in the supply-chain. Consideration should be given to using museum facilities as extended office environments, which emerged as a novel motivational factor.

The third category is devoted to corporate partnerships, the most dynamic involvement of support provision as the collaboration is longer-term, underpinned by a shared mission. Through activations and special projects, firms reinforce motivations of sponsorship – creating brand awareness, hospitality events, knowledge-sharing among companies and employees – and altruistic

motivations – promoting culture. Therefore, it is not only the extension of the sponsorship model, as Martino and Herranz de la Casa (2016) claim, but that of philanthropy as well.

By contrast, for non-private organizations, the choice to support culture only springs from philanthropic motivations, as they have no commercial objectives, clients in a traditional sense that would urge the ambitions of corporate sponsorship. However, similarly to private firms, the properties of the ethical and stakeholder model emerge. Within the ethical model, the most integral drive for all interviewees is to create a good cultural environment and to give back to society. A recurrent sentiment is to compensate for the lack of government attentiveness and support by contributing to arts. Even though these organizations do not have clients, it is in their interest to include their stakeholders in cultural activities. Links are established between employees, economic agents, diplomatic representatives and culture, supporting the idea of the stakeholder model. Based on this, organizations exert impact on society, creating public benefit through their contribution. As opposed to private companies, where economic advancement of the location is implied in the stakeholder model, non-private organizations rather see this as an avenue to govern relations.

5.2 Summary and comparison of the selection process

Within external aspects, the funding decisions of competitors are important for private companies, as they wish exclusivity for their main sponsorship involvement. This can be a motivational factor to fund but can de-motivate lower level contributions¹⁴ in case a museum already has a main sponsor from the same sector. This reflects the somewhat competitive nature of funding, where firms are motivated to arise as the main sponsor for the selected museum (Di Gaetano & Mazza, 2017), in exchange for more exclusive events. On the other hand, non-private organizations don't have competition, making situational variables (Turgeon & Colbert, 1992) irrelevant. Governments do not incentivize support through tax benefits, while a national regulation - Code of Cultural Sponsoring, which is applicable to all respondents - limits benefactors' interference in the creative programming of museums. This contradicts both Klamer et al.'s (2007) view, according to which tax deductions could stimulate support, and Frey and Meier's (2006) assumption regarding benefactors' involvement in museum activities and policies. With one exception, all funders support acknowledged museums, which underpins Carman's (2009) observation that funding decisions are linked to the reputation of the organization.

To arrange internal aspects in a logical sequence, Shrivastava's and Schneider's (1984) theory on organizational frames of reference is used, augmented by insights of Daellenbach et al. (2016). Firstly, cognitive elements, basic information sources that determine the direction of cultural support are identified. Private companies consider objective factors such as their available resources, upholding consistency by paying attention to what the environment they operate in and with

¹⁴ See Ambassadorship and Exhibition partner on page 22

necessitate, of which client engagement is pivotal. For organizations, a mix of subjective and objective factors are present. One case represents a single, subjective funding decision arising from social commitment, while two cases continuously welcome proposals and are aware of their budget limitations. Regarding the latter two, one relies more on subjective factors – own decisions – while the other takes a more objective stance by examining the policies of other foundations and the government too.

Secondly, relational operators govern the decision-making process through standardized measures. Private firms seek museums that fit their brand strategy in which a (customer) relational aspect is embedded. The geographical focus is most often aligned to their operational scope – national or local. These reflect a match with brand image which aid reaching their objectives, as literature states. Equally important is the fit with shared values, the most commonly cited of which are entrepreneurship, heritage/history and international orientation. Some companies accommodate museums` needs too by seeking where they can add value, or by complying with their thematic schema. The board and CEO continue to be decisive in selection, but what also emerges from the interviews is that departments like communication and procurement are actively involved too, as due diligence, financial and managerial qualification of museums are desired.

By comparison, non-private organizations do not follow standardized criteria of selection, apart from one who established a mission to create societal values, corresponding to the definition of strategic philanthropy (Katz, 2005). The fit relates to geographical location, but as opposed to fulfilling business objectives through it, as Daellenbach et al. (2016) suggest, it is in line with their principle motivation to support culture – relating to the local community or having a wider societal outreach¹⁵. Most respondents select established museums which attract visitors, with two adding that they consider museum projects where their financial contribution is pivotal for success. This resonates with one of the private companies` selection criteria – where they can add value. In three cases, the potential to include a variety of stakeholders is important. Compared to private companies, the board`s and CEO`s presence do not seem as dominant, since responsibility spreads to the lower-level. However, the combined effort to make decisions appears here as well.

Thirdly, the reality-test summarizes past experiences which help determining future actions, which in this context refers to the extension of financing the selected museum. Private companies all have fixed-term, 2-5-year contracts which are renewed if the collaboration is successful, with most highlighting if their main stakeholders - clients - receive the sponsorship connection well. In contrast, only one non-private organization uses fixed-term contracts, while the rest rely on other formats of official documentation. One established a separate legal entity, valid for an indefinite period, while the other respondent uses personal correspondence to certify the support, valid for 3-5 years. The majority points to their stakeholders when deciding to continue funding. However, all have their

¹⁵ in one example

individual focus: if their employees are engaged, how the participants of the supported project manage to (bring) change, if the community is still supportive of the sponsorship connection. These findings imply that some measurement formats are employed by both private and non-private organizations, as their clients` or stakeholders` feedbacks are essential.

5.3 Performance measurement – answering the research questions

5.3.1 Performance measurement by private sector companies

Most financial institutions realize that sponsorship incurs expense and that not measuring performance would be wasteful. Some even claim it would be reasonable to expect return from the investment. All have periodic meetings with museum representatives to overview accomplishments and underperforming areas, which is a common method to evaluate (Behn, 2003). Measuring performance is of importance to varying degrees among respondents – for some it is not a priority, for others it is or would be imperative.

Each respondent allocates surveys to their clients to receive feedback on museum activities, some distributing them also to employees. One company extends this by developing an interdepartmental appraisal arrangement considering other variables. Within this, quantitative performance indicators targeting objectives are developed, akin to what Boris and Kopczynski Winkler (2013) describe as a form of evaluation.

Sponsorship awards might also stimulate firms to evaluate, whose criteria can be useful for companies to measure the performance of the collaboration beyond the application procedure. The award valorizes sponsorship activities, providing internal acknowledgement for the effort invested in managing sponsorship constructions. It also signals externally that the sponsored-sponsor construction made an impact. These create benchmarks among similar sponsor relations regarding performance standards (Behn, 2003).

Besides these measurements, firms review the reports compiled by museums and make assessment based on heuristics. The findings are assembled below within the BSC variables with respective performance indicators. It is important to note, that the order is not based on the degree of importance, nor the cause-effect upbuild stated by Kaplan and Norton (2001). The former variables are those which mostly get assessed, while the latter ones do not, but may be subject of observation.

5.3.1.1 BSC of private companies

Within the financial perspective, most firms assess the profitability of museums through reviewing annual museum reports. They focus on visitor numbers, ticket sales - qualitative performance indicators, suggested by theory. By analyzing the composition of visitors, firms measure another aspect missing from literature, linked to profitability – the potential to reach new customer segments.

Efficiency is only measured by one firm by computing the cost per person for campaigns, whose benchmark are past performance standards. In general, museums are empowered to use funds as they please and no firms measure how museum sponsorship affects their own profitability.

The study's contribution to the framework is the brand perspective, applicable to half of the respondents. Two components can be measured through visitors and employees. Brand familiarity assesses if they are aware who sponsors the museum with multiple-choice and open questions, registering text-based responses and quantifiable results. The fit, which is the cornerstone of the firm's selection criteria, appraises how visitors and employees perceive the connection between the institutions and if their values align, measured on an ordinal scale. Visibility is determined by counting media appearance, social media responses and analyzing the content in which the firm and museum were mentioned.

The customer perspective is measured by all firms via submitting surveys to their clients who attended the museum. Except for assessing whether the museum delivers its vision to them, firms retain the traditional focuses of the BSC, centering on customer experiences. They appraise if museum going is enhanced among them by inquiring of first-time visits and frequency of museum attendance. Their satisfaction with the sponsorship connection, museum venue and program are captured by quantifiable measures, such as multiple-choice questions and (ordinal) rating scales. Most firms establish targets for satisfaction rates, alluding to evaluation. One firm also measures customer loyalty through NPS, a new BSC indicator. Additionally, some companies collect text-based complaints and other online and offline comments. This sustains Jacobsen's (2016) view that also descriptive, end-user statements are valued indicators.

Staff satisfaction and community perspective in this context refers to the assessment of the director(s) of the museum. This perspective is important to firms, which they primarily appraise once, based on heuristics. According to the internal focus, how the director of the organization operates within the organization, some firms list compliance with the Code of Good Governance which is available on the museum website. Having shared values is another indicator, which is revealed through conversations. It is also important that there are no negative associations linked to the directors' name. Within the external focus, leaders practice active partnership, collaborate with other organizations and are related to the environment they operate in, which manifest in their programming. Regarding the museum staff, two firms monitor effectiveness - if the intended results are created (Evans, 2000), based on to-do lists and the contract.

The artistic quality is not assessed by firms, because during the selection process they already ensured the museum fits their criteria and is a reputed institution. Also, they believe museum representatives are experts and it is their responsibility to manage artworks and the program. However, inherent their answers are that they infer the artistic merit from other stakeholders. The professional value is tied to the art of the established museum and reputation in the artistic scene. Newspaper ratings, general media attention and the buzz around an exhibition also communicate

professional value, as well as the museum's potential to develop the professional field which is indicated by the program. Customer value can be deduced from the museum, which identifies audience segments, or the changing demand for event types. Additionally, it can be directly obtained from clients through surveys by asking whether it was worth their time - making clients think in terms of opportunity costs. Both artistic value variables offer qualitative and quantifiable indicators.

Companies do not measure the internal process perspective with its technological and infrastructural features. One firm receives visitor feedback through surveys regarding catering and logistics, based on which museums are required to make modifications. For most firms, there is a sentiment to help museums if they experience underperformance in this perspective, which they base on observation.

Another unmeasured dimension: firms are not involved in the learning and growth perspective, as they acknowledge that museums have financial limitations that would enable bigger changes to occur. Despite this, some companies mention soft indicators that correspond to literature such as investment in good personnel, resulting in welcoming hosting people, or openness to embrace technology, which manifests in the creative programming. Other indicators that emerge are new or diversified services and the capability to respond to unexpected issues. Intervention is only mentioned in case museums must comply with regulation changes passed by the government, but even in this event the "assessment" is based on observation.

5.3.2 Performance measurement by non-private sector organizations

Non-private organizations implement performance measurement methods to varying degrees. Periodic meetings with museums are a way to review performance of different activities. To an extent, Carman's (2009) thought holds true that museums present program descriptions; however, in some instances this derives from the museums' initiative, which reflect on them as active agents in the sponsorship connection. Some review financial reports and are attentive to changes in governance, noting that the chance of a "mis-donation" is slim, as they fund established museums. Based on these examples, performance measurement is not a rigorous procedure and assessment is based more on heuristics.

On the other hand, there are organizations that measure various aspects of performance through their stakeholders. Interviews, surveys or external consultants facilitate gathering information. Additionally, organizations appraise through forming value-judgements, adhering to a more intuitive method. The results of all organizations are arranged within the BSC variables below. The variables that are taken into consideration or get measured are ordered to the front, while those that do not are grouped towards the end.

5.3.2.1 BSC of non-private organizations

Regarding the financial perspective, organizations review financial reports that show visitor numbers, the profitability of the museum. Nevertheless, they highlight that running the organization efficiently is the responsibility of the museum. Most respondents look at other funding streams, inputs, to estimate the viability of the museum. Others also examine outputs as a form of assessment – whether the exhibitions they funded took place.

From the motivations of organizations, it becomes clear that they do not have clients in a traditional sense but various stakeholders; hence, the stakeholder perspective is a more appropriate terminology to use. To convey the museum's vision is not focal for them, but their satisfaction levels are. Half of the respondents deduct this through observation – the amount of visitors and the lack of complaints – while the other half carries out research. The latter use the measures of the BSC – assembling visitor numbers, identifying who customers are and measuring if the event appeals to them, which they collect through interviews, surveys. The personal experiences of stakeholders become essential, which calls for more qualitative measures, open questions, measuring the impact the project had on their lives – outcomes (Pignataro, 2011). The qualitative impact research, conducted by external consultants, brings new indicators - anecdotal summaries reflecting satisfaction levels by inquiring about alternative uses of funds, different methods of execution.

Within the staff satisfaction perspective, the director of the museum becomes important to appraise at the beginning of the relationship, while they remain attentive to negative actions taken by them throughout the sponsorship relation. A good leader facilitates quality artistic content, which is indicated by the program itself and the professional background of the director. Managerial and economic knowledge is also important, which are reflected by reasoning abilities and coordinating a sound fiscal policy.

The environment and community perspective can be inferred from the museum's ability to attract visitors or the artistic program, which are based on observation. Only one organization measures this dimension specifically by conducting a qualitative impact research. Through semi-structured interviews, commissioned external experts measure the outcome of the art project. This entails how multiple stakeholders view their lives differently after the project and how their opinion regarding art and culture changed. Museums, moreover, describe how they contributed to a transition in society and to knowledge sharing in the community. All these are anecdotal summaries, descriptive statements – qualitative indicators.

The artistic quality is not appraised by respondents, as they trust the museum's experts to establish this. They mostly pass value judgements and infer the artistic merit from the variables of professional value – directors, curators and artworks associated with the institution, the innovativeness of the program, as indicators internal to the museum; newspaper reviews and government funding, as external indicators. Visitor numbers, composition of attendees and the

“sandwich formula” (Respondent 9) of programming indicate that the museum reaches broad audiences. Therefore, the art has societal value.

The learning and growth perspective is mostly unassessed, as it is the responsibility of the museum. Also, short-term funding contracts are a way to prevent the risks changes bring. All of them make observations how museums can deal with changes. Only one organization distributes surveys to museums following the executed project to appraise what they learned from it and how it affects their future operations, which they provide via text-based self-appraisals.

The internal process perspective is not appraised, and respondents formulate value judgements about the necessity of the museum’s technological infrastructure, without confronting the institution.

5.3.3 Differences in private and non-private sector organizations’ measurement methods

In line with Taheri and Ansari’s (2013) view, both firms and organizations realize that limiting performance measurement to solely quantitative indicators would be erroneous. Despite this, they seem to employ qualitative indicators (Madden, 2005) to different extents, and some alternations of BSC variables can be pinpointed too.

Considering finances, firms might measure efficiency by calculating ratios related to museum expenses covered by the benefactor. This is not mentioned by any of the organizations, who opt to inquire into other income streams, financial inputs the museum has, or who prioritize inspecting the output produced with the provided sum, to make certain whether the exhibition takes place.

A notable deviation is the brand perspective which surfaces for companies but is absent for organizations. For firms, brand familiarity, fit and visibility are integral due to the business objectives inherent corporate sponsorship – promoting the image or brand. As this motivation is missing for organizations whose giving is philanthropic, it follows that it is not measured.

Another focal dissimilarity lies in their relational aspect. The motivation cited by all firms is to develop strong relations with their clients through cultural sponsorship, which also has implications for decision-making in all three stages of the selection process. Therefore, the perspective of the customer becomes essential. Organizations also view relations, rooted in philanthropic motivations, but this encompasses a wider breadth - employees, community, collaborators, officials - putting an emphasis on the perspective of various stakeholders. In the customer perspective, quantitative measures are mainly used – surveys with multiple-choice questions and scales. For the stakeholder perspective, organizations glean impressions through observation, interviews and data via surveys where there is more room to express personal experiences in an anecdotal, descriptive - qualitative format.

Their views on the staff satisfaction and environment and community perspective differ. Companies associate both with museum leadership – how the director(s) govern(s) internally the

organization while collaborating with their environment, resulting in a merged variable. Additionally, some companies monitor staff effectiveness too. By contrast, for organizations the two remain separate dimensions. The staff perspective underlines the directors' competences, without noting the collaborative aspect. Staff accomplishments are not assessed.

Within the environment and community dimension, the most prominent deviation stems from one organization's assessment method. They commission an external consultant to appraise the impact of art production on a selection of projects, which results in a qualitative research. This corresponds to Pignataro's (2011) claim that since the outcomes - how culture affects society - is hard to measure, the narratives of multiple stakeholders could be examined.

Benefactors agree that determining the artistic quality is the responsibility of the museum, however, they rely on some indicators that convey the artistic merit of the program. A dissimilarity here is that companies understand it through the customer value, which again reflects their customer centricity, measured primarily by quantifiable tools. Organizations detect societal value, a broader scope, with quantifiable and more qualitative indicators – for instance, the structure of the program.

Internal process and learning and growth perspective are not measured overall, with some exceptions from both sides. Both center on questionnaires, however, with a different focus. One firm assesses internal aspects through customer feedback and requests changes. The organization involved with the learning and growth perspective appraises how the museum project added to the organization's development. This only has consequences if the museum re-applies for funding – it can be a decision in favor of future support.

Besides these, the sponsorship award and the variety of departments involved in performance measurement can further motivate and refine assessment procedures for firms, which is not applicable to organizations. However, no firms commission external consultants to appraise performance of museum activities, whereas one organization does.

5.4 Concluding remarks

Donor and sponsor behavior in the arts have triggered academic curiosity for long. The main focuses of scholarly research are motivations to support art, the criteria and process for selecting fund recipients. Since there appears to be a gap in research regarding performance measurement and evaluation of the supported, the researcher was prompted to respond to this shortcoming.

The present study might be the first attempt to find answers to a practical managerial issue – how to measure the performance of museum activities, from the funder's perspective. It is not limited to introducing the said methods but includes motivations and selection procedures as well. Through this, a more complete panorama of cultural contribution is established within one research.

The central tenet of the paper is that the entire process of art funding rests on client or stakeholder satisfaction and involvement, putting forth a relationship perspective. This orientation shapes funding decisions, strategies and evaluation methods.

An interesting result is that despite this goal, financing entities do not consider aspects that could further elevate client or stakeholder – visitor – experiences in museums. Internal processes, services, logistics, technological infrastructure and the potential to develop are rarely a concern for them. This makes one wonder how museums will keep up with the pace of changing times which are based on these components, if they do not receive feedback and assistance from their benefactors.

On a more positive note, in the present research, none of the funding organizations interfere with the creative programming of the institution, a feared element linked to museum support (Frey & Meier, 2006). What is more, funders entirely rely on the experts of the museum to devise their own policies, not only in artistic but financial terms. This proves that cultural support does not breed an authoritative environment but empowers museums to make decisions they deem necessary to fulfil their potential.

5.5 Suggestions for future research

The method adopted for the present research was suitable to unearth the way how the performance of a museum is measured and evaluated by their benefactors. BSC variables offered an appropriate starting point to explore what aspects are of importance, and what are less measured. Future research could structure hierarchically the variables based on their significance, extent of applicability, or cause and effect relations, taking a more quantitative approach.

It is further plausible that the variables would take a more concrete shape when applied to particular organizations. Based on the proposed perspectives, case study research could be useful to develop autonomous performance management systems by assigning goals, objectives and target levels used for evaluation.

The limitations of this research offer opportunities as well. The scope can be extended to include other supported art establishments, such as those belonging to the performing arts; comparative studies with other geographical locations could be approached. Another promising research agenda would be to juxtapose performance measurement and evaluation methods of cultural and sport sponsorship. Finally, the perspective of the evaluated institutions – in the present case, the museums – could be taken into consideration by investigating their role amid the appraisal and what actions or improvements follow.

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Appendix A

Interview guide

Motivations

- 1, When supporting the arts sector, what are the most important economic/financial motivations for the company/organization?
- 2, What are the non-financial/non-economic motivations for providing support for the arts?
- 3, How does the government influence your decision to support art?

Selection

- 4, When selecting museums to sponsor, who are involved in the decision-making process?
- 5, If you could pick just three aspects that are crucial in your decision-making which museums to fund, what would you name?
- 6, How do the sponsorship activities of your competitors influence your decisions to fund?
- 7, How do you see your role in the (creative) programming of the museum?
- 8, Are contracts for definite periods? If so, what factors determine if you want to extend the collaboration/funding or not?

Performance measurement related to museum activities

- 9, Are you as a(n) (art department/sponsorship department/board) accountable for the ORGANIZATION NAME/its shareholders on how funds are spent on the support? How do you comply with that?
- 10, What system/method do you use to OR How do you determine the performance of the museums you sponsor?

BSC

Financial/economic dimension

- 11, What suggests that museums managed to
 - A, use the funds provided by you in the most efficient way
 - B, strengthen themselves by your financial contribution
 - C, reach new audiences/markets (that are also of interest to you)

Customer satisfaction/environment/community dimension

- 12, What indicates that the museum manages to deliver their vision to their visitors?
- 13, How do you assess the impact the museum/project makes on the community/visitors?

Internal process/staff satisfaction dimension

- 14, What is your impression about the working milieu of the museum?
- 15, How do you determine if the museum has appropriate leadership?
- 16, How do you perceive the technological aptness of the museum? (why is it [not] important for you?)

Learning and growth dimension

- 17, What factors indicate that the museum can adapt to change? (why is this [not] important for you?)
- 18, How do you see if the museum has made improvements in their services/activities?

Artistic quality/creativity dimension

- 19, How do you interpret the quality of the art presented by the museum/the project?
- 20, What makes the sponsor case/the projects you select exceptional from a creative point of view?

Appendix B

List of interviewees

Organization	Interviewee	Position	Date	Length
Rabobank Nederland	Verily Klaassen	Head of Art Affairs	04/04/2019	00:31:11
NN Group	Els Drummen	Senior Advisor Art & Culture	05/04/2019	01:05:57
NN Group	Fleur Hudig	Head of Corporate Citizenship	05/04/2019	01:05:57
BankGiro Loterij Fonds	Sarah Marinussen	Team Collaborator	23/04/2019	00:56:51
Van Lanschot Kempen	Sander Kloots	Sponsor and Event Manager	24/04/2019	00:33:39
De Nederlandsche Bank	Alexander Strengers	Chairman Art Committee	25/04/2019	00:43:08
ING	Eline Overkleef	Sponsor Manager Cultural Sponsorships	29/04/2019	00:52:58
Rabobank Amsterdam	Eric Traa	Senior Relationship Manager	29/04/2019	00:53:39
Gasterra	Anton Buijs	Chief Communications Officer	30/04/2019	00:47:06
Gasunie	Cees Pisuisse	General Counsel	04/05/2019	00:30:01