

## *Entrepreneurial Orientation among Arts Managers in Western Australia*

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**ABSTRACT:** As a region, Western Australia is the largest and most isolated state in Australia, and supports a community of vibrant arts organizations. The arts is widely recognized for its creativity and innovation, but what about the managers of these organizations, are they equally innovative, or entrepreneurial? Rusak (2016) explored this question and found that their Entrepreneurial Orientation (EO) matched the three core dimensions of Innovativeness, Proactiveness, and Risk-taking, but the study did not include the other two EO dimensions of Autonomy and Competitive Aggressiveness. It did however observe that “arts companies don’t generally try to take offensive postures or aggressive responses to competitive threats and rather work collaboratively.”

There are at least two possibilities here: it could be a passive aversion to competitive aggression, or a more deliberate counterbehavior of collaboration. Either of these would appear to contradict the EO construct, in particular the expectation that all EO dimensions covary, which makes it interesting from a theory perspective. This paper explores this challenge to the EO theory in some detail, using software-aided analysis to tease out the finer nuances in this dimension of Competitive Aggressiveness. While the sample size and its geographical confines limit the generalizations that can be made, there is evidence that in this sample of Arts Managers, the Arts could be a powerful contextual modifier to the expectations of EO theory. In this context, the dimension of Competitive Aggressiveness has not simply been altered or toned-down, it has been replaced by a polar opposite.

**KEYWORDS:** Entrepreneurial Orientation, Corporate Entrepreneurship, arts management, collaboration, Western Australia.

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## Introduction

This article follows on from a previous study focused on Western Australia which found that arts managers exhibit many of the traits of entrepreneurial managers (Rusak, 2016). This pilot study used the established construct of Entrepreneurial Orientation (EO) but explored only the three most salient dimensions of innovativeness, risk-taking, and proactiveness, given the context of Corporate Entrepreneurship (Rauch et al., 2009), and found clear indications of entrepreneurship among arts managers.

While this result would not surprise those who are familiar with arts managers and their organizations, the article also suggested that unlike entrepreneurs, managers in the arts are more likely to collaborate instead of competing with each other. Collaboration, however, runs counter to the fuller EO construct, which expects that entrepreneurial companies will compete aggressively to win their space in the market. Lumpkin & Dess (1996) express it as: “the distinct idea of ‘beating competitors to the punch,’ suggested by Miller’s (1983) definition of an entrepreneurial firm.” They also note that this EO dimension “was highly correlated with entrepreneurship across all levels of risk.”

Rusak’s (2016) article sought to identify the presence and extent of entrepreneurship, but the suggestion of cooperation rather than competition challenges the EO theory—a challenge that remains untested, since this was outside the focus of that study.

This research will therefore extend to all five dimensions of EO to get a better overall perspective, and to identify whether certain of these EO dimensions stand out or are perhaps less frequently observed in the specific context of arts management. In particular, competitive behavior will be explored in more detail (Hughes-Morgan, Kolev, McNamara, 2018), as will its possible contrast with collaboration. To increase the depth and rigor of this study, a software-based thematic analysis (Campbell, 2020) will be employed to help tease out the finer details in the data.

## Research Aim and Objectives

The aim of this research can therefore be stated as:

To explore the behavior of arts managers in established arts organizations in terms of the five dimensions of Entrepreneurial Orientation as well as the extent to which this behavior agrees with the conventional expectations of an Entrepreneurial Orientation.

The objectives are then:

- To examine all five dimensions of EO in the context of arts organizations using software-based thematic analysis
- To determine the relative presence of each of the five EO dimensions
- To examine the EO dimension of Competitive Aggressiveness among arts managers, in particular its substitution with collaboration as suggested in previous research
- To compare the behavior of arts managers with the expectations of the EO theory

Before continuing to the analysis section of the article, the following sections provide some

contextual background to the research project.

## Entrepreneurial Orientation

In the field of entrepreneurship, Entrepreneurial Orientation (EO) has become a useful and well-established construct. Anderson, et al. (2015) summarize it thus:

Entrepreneurial orientation (EO)—a firm’s strategic posture towards entrepreneurship—has become the predominant construct of interest in strategic entrepreneurship research.

EO has been used to identify entrepreneurial activity across a range of contexts (Dess & Lumpkin, 2005; Lumpkin & Dess, 1996, 2001), and its underpinning construct has five dimensions: Autonomy, innovativeness, risk-taking, proactiveness, and Competitive Aggressiveness (Covin, Green, & Slevin, 2006; Dess & Lumpkin, 2005; Morris et al., 2011; Rauch, Wiklund, Lumpkin, & Frese, 2009). Within these five dimensions are three core dimensions originally posited by Miller (1983): innovativeness, risk-taking, and proactiveness. These three dimensions were later extended (clarified) by Lumpkin & Dess (1996) to include the dimensions of Autonomy and Competitive Aggressiveness.

## Arts Management and Cultural Entrepreneurship

Arts management and Cultural Entrepreneurship are different in that the latter creates new businesses that are centered around art and culture, while the former begins to emerge as the organizations grow and mature. The two concepts, however, start to overlap when considering the Entrepreneurial Orientation of arts managers. Rather than focusing on the artists being managed (who are undoubtedly innovative and creative), the focus of this research is on the managers themselves and the ways in which they are creative and innovative as they manage and grow the organization.

Corporate Entrepreneurship (CE) is also known as intrapreneurship or corporate venturing and differs only in the organizational context where managerial innovation and creativity are observed. While entrepreneurship typically refers to the creation of a new venture or startup, CE involves innovating within the strictures of an established organization (Morris, Kuratko, & Covin, 2011). It therefore provides a bridging framework within which to investigate these twin concepts of arts management and cultural entrepreneurship. This echoes the observation by Konrad, et al. that “it may be necessary to act managerially to overcome established structures in an arts organization, whether new or old, or in a small or medium-sized enterprise. . . [which] calls for integration of entrepreneurial and managerial thinking in the context of arts and culture” (2018, p. 3).

In this study, the aim is to examine the management of established arts organizations and to explore the extent to which arts managers display an entrepreneurial flair in their management style. The aspect of entrepreneurship is certainly in focus, but the topic is also firmly located in management. This is distinct from either the creative startup arts company or

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the creativity and innovation that is evident in a range of art forms, not least in the performing arts.

Introducing the concept of entrepreneurship is not new in the arts, as the creation of art is an act of innovation in itself. A new work of art or even the remounting of an old work in a new context is an act of “creative destruction” (Schumpeter, 1942) and while artists may not be thinking in an economic paradigm, arts managers, in bringing the work to public attention, may well be. Discussions of entrepreneurship have entered the arts marketing discourse with a focus upon the role of creativity and innovation (Fillis & Rentschler, 2005; Konrad et al., 2018; Rentschler, 1998, 2001, 2002; Rentschler, Radbourne, Carr, & Rickard, 2002). Throsby (2010) highlights the importance of entrepreneurial rhetoric associated with the economies of the creative industries, and the economies of creative industries have become the focus of arts policies, with the emphasis on new technologies, creativity, and innovation (Aageson, 2008; Charles & Franco, 2000; Florida, 2000, 2004, 2006, 2018; Landry, 2012; Leadbeater, 1999). Arts entrepreneurship literature and courses on how to promote oneself as an artist are abundant (Beckman & Essig, 2012; Hausmann, 2010; Henry, 2007) with the entire journal *Artivate* and associated conferences dedicated to entrepreneurial theory and practice.

Thus, while the role of entrepreneurship is becoming increasingly important in the discussion of arts leadership and strategy (Bilton & Cummings, 2010; Brown & Palantine, 2004; Colbert, 2003; Hagoort, 2003; Hagoort & Kooyman, 2011; Preece, 2011), the concept of entrepreneurship within the arts is still ubiquitous and colloquially understood, and to focus it academically, it is important to use well-established theoretical frameworks. EO and CE are therefore useful extant constructs in the literature that help delimit the research boundaries effectively.

### Context of the Research

In addition to introducing the terms *cultural entrepreneurship* and *arts management* as defined above, the context of this research is more clearly delineated by separating out the management functions in arts organizations and disaggregating them from the more creative or entrepreneurial functions that are also found in arts organizations.

Arts entrepreneurship can be considered as consisting of four main functions:

- The creation of a work of art
  - This requires creativity, skill, talent, practice, dedication, insight, and many other things; incorporates collective activity (Becker, 1982)
- The creation of a new business venture in the arts
  - This is entrepreneurship, also termed new venture creation
  - Particularly in the arts, this could include social or cultural entrepreneurship, where value creation and business success are not simply measured in dollar-terms
- The management of an established arts organization
  - Requires experience and training in traditional management skills

- Management skills: accounting, marketing, economics, legal, organizational behavior, funding, communication, digital skills, management theory, etc.
- This function also requires an appreciation of (passion for) the arts
- An Entrepreneurial Orientation to the management of an established arts organization
  - This goes beyond good management, and requires innovative approaches
  - It requires entrepreneurial management approaches, but within the confines of an established organization
  - This the field of Corporate Entrepreneurship (intrapreneurship)
  - Only this function is the focus of this research

The term *established arts organization* locates this paper firmly in the field of Corporate Entrepreneurship and also helps to place the creation of either a new arts venture or the creation of a new work of art outside the research focus.

## The Research Sample

The organizations for this research were chosen using purposive sampling, to select expert views across the diversity of arts management activity in Western Australia (WA), with a range in size and role to reflect the cultural landscape of this state. Those selected for the study were senior managers of established companies in WA who had held influential positions in the arts for more than two decades. Being key arts managers, these subjects not only contribute the richness of their own personal experiences, but their outlooks are also to some extent an aggregate of the views of the many organizations, roles, and stakeholders with whom they interact. The leaders represented have considerable influence within the WA arts scene, and their years of national and international experience in major arts roles range from twenty to thirty years. A fuller description of the research cohort is provided in the appendix at the end of the article.

Prior to working in the organizations mentioned in the appendix, members of the sample group have also had previous experience in a range of other organizations including: Perth Festival, West Australian Symphony Orchestra, State Government of WA, Australia Council for the Arts, Ausdance, Australian Business Arts Foundation, Australian, and Yirra Yaakin, to name a few. They have worked as arts-industry leaders in the areas of management, advocacy, business development, corporate relations, cultural policy, and orchestra experience. The long-standing nature of the arts organizations above also fits within the context of Corporate Entrepreneurship for this study.

The in-depth interviews were semistructured and lasted thirty to forty minutes each. Ethics approval for the research was provided by ECU ethics committee and the participants were required to provide informed consent. Information provided to interviewees outlined the process and topic of the research, which was defined as Corporate Entrepreneurship in WA arts organizations. It also outlined the research aim, which was to identify what innovations may be occurring in arts management in WA to overcome challenges faced by arts managers. The

participants were offered the opportunity to review transcripts for accuracy and ultimately provided only minor corrections. They were also offered the opportunity to remain anonymous or to withdraw at any stage; all agreed to be identified with no participant withdrawing. The data was gathered for a conference paper and publication, and the participants were informed that the data would provide the basis for future research.

At this stage, it is important to reiterate that it is the creativity and innovation of arts managers being explored, as distinct from the creativity and innovation of the performers they manage. Again, the focus of this study is the entrepreneurial behavior of the managers, which needs to be clearly delineated from the artistic process inherent in the arts.

### Analysis

The researchers created a searchable database containing full transcripts of the in-depth interviews, for a total of thirty-seven pages of transcripts and nearly twenty thousand words. Using NVivo<sup>®</sup> software, they analyzed the database for the presence of the five EO dimensions, also using the software to assess the extent to which each dimension was represented in the text.

To properly identify the dimensions of EO, clear and unambiguous definitions of each are required. These are summarized in Table 1.

**Table 1.** Dimensions of Entrepreneurial Orientation

<b>Dimension</b>	<b>Definition</b>
<b>Autonomy</b>	Independent action by an individual or team aimed at bringing forth a business concept or vision and carrying it through to completion.
<b>Innovativeness</b>	A willingness to introduce newness and novelty through experimentation and creative processes aimed at developing new products and services, as well as new processes.
<b>Proactiveness</b>	A forward-looking perspective characteristic of a marketplace leader that has the foresight to seize opportunities in anticipation of future demand.
<b>Competitive aggressiveness</b>	An intense effort to outperform industry rivals. It is characterized by a combative posture or an aggressive response aimed at improving position or overcoming a threat in a competitive marketplace.
<b>Risk-taking</b>	Making decisions and taking action without certain knowledge of probable outcomes; some undertakings may also involve making substantial resource commitments in the process of venturing forward.

Sources: Covin, J. G. & Slevin, D. P. 1991. A conceptual model of entrepreneurship as firm behavior. *Entrepreneurship Theory and Practice* 16(1): 7-24; Lumpkin, G. T. & Dess, G. G. 1996. Clarifying the Entrepreneurial Orientation construct and linking it to performance. *Academy of Management Review* 21(1): 133-172; Miller, D. 1983. The correlates of entrepreneurship in three types of firms. *Management Science* 29: 770-791.

During the analysis itself, more complete explications, which have several paragraphs on each EO dimension, were used to calibrate each meaning more rigorously. Based on the founding EO literature (Lumpkin & Dess, 1996, 2001; Miller 1983; Covin, Green, & Slevin, 2006; Dess & Lumpkin, 2005; Morris et al., 2011; Rauch, Wiklund, Lumpkin, & Frese, 2009),

short summary descriptions of each EO dimension are extracted below.

## The Five EO Dimensions

### **Autonomy**

The freedom of individuals and teams to exercise their creativity and explore promising ideas. It is the independent action that is key here, which includes the ability and the will to be self-directed. These are actions that are free of stifling organizational constraints and show an independent spirit that drives initiatives through to completion. Sometimes it can be observed as organizational support for new ideas or just the freedom to think and do things differently without undue organizational intrusion.

### **Innovativeness:**

Innovativeness engages in and supports new ideas, novelty, experimentation, and creative processes that may result in new products or services. Innovations can be quite radical, or less so, but all innovations embody a departure from existing practices and transcend the current state of the art.

### **Risk-taking**

Risk has various meanings, such as: venturing into the unknown, committing assets, or borrowing heavily. All of these embody a sense of uncertainty and could be personal risk, social risk, or psychological risk. The essence of this EO dimension is that one is taking action, seizing an opportunity, despite the very real possibility that the outcome will not be successful, but always with the entrepreneurial hope that it will in fact succeed.

### **Proactiveness**

The focus here is on taking initiative and anticipating future trends and developments. It is useful to consider the opposite behavior, being *reactive*, where only when things change does the manager take action. In contrast, entrepreneurial proactiveness looks at the future of the organization and its environment, and then puts in plans and actions to reduce potential risks and, more importantly, take advantage of anticipated future developments.

### **Competitive Aggressiveness**

This EO dimension describes an aggressive stance and intense competition. Competitive aggressiveness means intensely challenging competitors in order to outperform industry rivals. This may be head-to-head confrontation, entering a market that a competitor has identified, or lowering prices as a competitive challenge. There is also a willingness to use unconventional methods of competing, such as analyzing and targeting a competitor's weaknesses.

Identifying EO Dimensions in the Data

The detailed definitions of the five EO dimensions (Lumpkin & Dess, 1996, 2001; Rauch et al., 2009) were used to identify possible passages that matched the theme of the particular EO dimension being sought. Once NVivo<sup>®</sup> had identified all potential passages associated with a particular dimension, the researchers then sifted through all the identified passages to determine whether the software had properly identified an appropriate passage. This involved careful checking of the context of the passage in the transcript and critically examining the meaning against the applicable EO definition (Campbell, 2020).

If the passage was found to be a match with the EO dimension being sought, it was coded (marked) within the document and stored in what NVivo<sup>®</sup> identifies as *nodes* (or themes). While this approach to thematic analysis is simpler than other forms, the convenience and efficiency of software markup does not affect the rigor of thematic analysis since the researcher's critical judgement is still central to the process.

After all the applicable passages had been identified and coded, five nodes were thus created from the data, each containing a number of passages that aligned with the five individual dimensions of Entrepreneurial Orientation.

Relative Significance of Each EO Dimension

Shortly after the paradigmatic article on EO was published (Miller 1983), it was generally accepted that the dimensions of EO would covary—so in a given context, all dimensions would be observed as equally high, or all would be low (Stetz, Howell, Stewart, Blair, & Fottler, 2000). However, Rauch et al. (2009) later highlighted the possibility that contextual factors may modify the relative significance of specific EO dimensions. In that paper ,they examined firm size, industry context, and national culture in an attempt to identify possible contexts that might modify individual EO dimensions.

Given the possibility of contextual modifiers, the relative significance of the 5 nodes identifying the various EO dimensions in this qualitative database is now examined. The results are shown in table 2 below.

**Table 2.** The five dimensions of Entrepreneurial Orientation

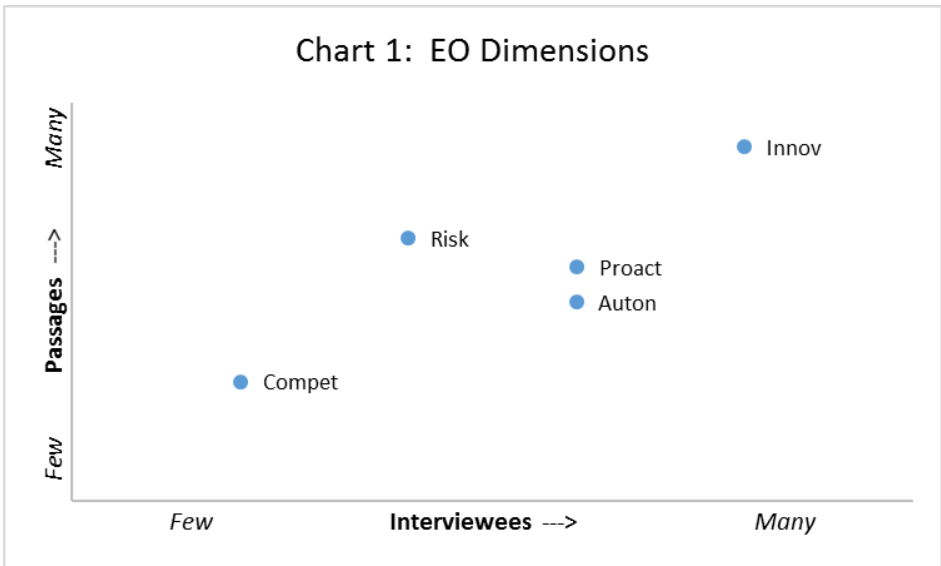
<b>Node</b>	<b>Passages</b>	<b>Interviewees</b>	
<b>Autonomy</b>	10	5	less significant
<b>Innovativeness</b>	60	6	very significant
<b>Risk-taking</b>	21	4	significant
<b>Proactiveness</b>	15	5	significant
<b>Competitive</b>	4	3	not significant
<b>Aggressiveness</b>			

The column labeled “Passages” indicates the number of passages that fit the definition of each EO dimension. As it shows, Competitive Aggressiveness is very much less prevalent than



any of the other EO dimensions. This result is in strong agreement with notions suggested by Rusak's (2016) research and is a compelling indicator that the arts-management context modifies the EO landscape quite significantly. Autonomy is the next-least prevalent dimension, and the restrictive nature of a Corporate Entrepreneurship environment would be a contributor to this result. Both of these findings will be discussed in more detail later.

The next column labeled "Interviewees" indicates how many of the interviewees mentioned that particular EO dimension. So, for example, four of the interviews mentioned the EO dimension of risk-taking across a total of twenty-one passages. This provides a further indicator of the relative significance of the EO dimensions. Graphing the two columns in table 2 helps to illustrate the significance of all the EO dimensions relative to each other, as shown in chart 1.



The bottom left corner of the chart shows few passages and few interviewees mentioning the EO dimension and therefore represents weak support from the database. In contrast, those in the top right corner show strong representation from the data—there are many passages representing those EO dimensions and many of interviewees have mentioned them. Relative significance therefore increases diagonally from bottom-left (lesser significance) to top-right (higher significance) on the chart (Campbell, 2020).

From the compact representation of the results in Chart 1 it is clear that Competitive Aggressiveness is not well represented when compared to the other EO dimensions. In contrast, Innovativeness is unmistakably a dimension that stands out from the rest, showing a strong prevalence among these arts managers.

Overall, most of the EO dimensions are prevalent in this database, and importantly the core three—innovativeness, proactiveness and risk-taking—are clearly observed. It is therefore evident that the arts organizations represented by the interviewees display a strong and widespread Entrepreneurial Orientation.

## Competitiveness versus Collaboration

Chart 1 indicates that competitiveness appears to be an insignificant factor in managing arts organizations. At first glance, one might be tempted to think that perhaps a number of industries rely on collaboration, which seems to be more prevalent within the arts and finds expression in the many associations, advocacy councils, and affiliations in the arts, especially in the creation of works of art (Becker, 1982).

However, collaboration among competitors does not accord with normal models of management or entrepreneurship, particularly within the extant construct of EO. Trying to imagine any sort of cooperation and mutual support in the fast-food industry, for instance, quickly makes it clear that arts companies are in a very different relationship with each other. Whereas a ballet company and a nearby theatre company would likely try and coordinate their individual events to avoid a clash, in contrast to this, fast-food outlets would typically go out of their way to compete head-on by co-locating, staging price wars, and generally trying to convince customers that their offering is better than anyone else's. Rusak (2016) observed this difference as "arts companies don't generally try to take offensive postures or aggressive responses to competitive threats and rather work collaboratively." Many authors in the arts have referred to the presence of collaboration in the arts (Becker 1982, Colbert 2003, Konrad et al 2016) but this is typically during the creation of art, rather than in the management style of organizations.

It is also important to point out that the type of collaboration typically examined occurs among arts companies trying to attract the same kind of customer—someone with an interest in the arts. So this collaboration happens despite them being in competition for the arts-lovers' custom. However, the view appears to be that if someone can be attracted to attending, for instance, a baroque music concert on one evening, they will be more likely (not less) to visit an art gallery on another occasion.

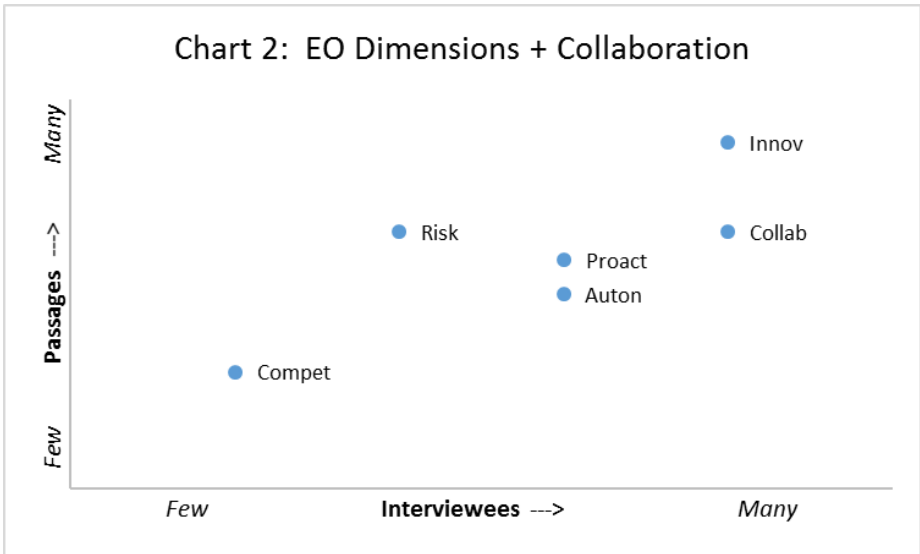
### Additional Analysis—Collaboration within the Arts

In order to explore this atypical collaborative behavior a bit further, a second phase of thematic analysis was conducted on the same qualitative database. This time it was to discover whether there was empirical evidence that the interviewees directly mentioned this sort of collaborative practice, or whether it was simply that competitiveness was very seldom mentioned. In other words, was there simply a passive absence of competitive aggression, or was there a more active presence of collaboration? It is important to make this distinction, as active collaboration would indicate a significant difference between arts organizations and the expectations of conventional competitive entrepreneurship.

To reexamine the qualitative database, the researchers again selected suitable search words that might identify passages in the transcripts that indicated collaborative behavior specifically.

While examining possible passages for collaborative activity, it quickly became apparent that there was a lot of collaboration going on, but that some of it concerned collaboration with corporate donors and private sponsors. This sort of collaboration with funding organizations,

banks, and so on is typical of any business, and this is not the sort of collaboration that is of interest for this specific aspect of the research. It therefore became necessary to narrow the concept of collaboration so that it made sense in this particular research context.



The rationale for seeking out collaborative activity here, was to contrast it with the EO dimension of Competitive Aggressiveness (Hughes-Morgan, Kolev, and McNamara 2018) to determine whether this dimension would set arts organizations apart from the rest. The focus in this second part of the analysis, however, was to contrast collaborative behavior with the EO dimension of Competitive Aggressiveness and to seek out possible evidence of collaboration among arts companies competing for the same customers. As explained above, in essence, these arts companies are competing for the same dollar from someone interested in the arts. The evidence being sought, is that they choose to collaborate, rather than to compete aggressively against each other for that dollar (as EO theory expects).

With this definitional distinction clarified, the search for collaborative activity among arts companies in the database resumed. As before, each passage identified by NVivo<sup>®</sup> was critically examined to see if it matched the meaning—in this case “collaboration among competing arts companies.” Those that matched were coded into a new node called *collaboration*.

In all, twenty-one passages identified the type of collaboration among arts companies that was being sought. Significantly, all the interviewees mentioned this theme as well, and the previous chart is now redrawn to include this second-phase result. As is evident in chart 2 below, this places the new node, *collaboration*, on par with all of the EO dimensions that were found to be significant, and even ahead of some.

In the context of the EO construct, this is an unusual finding, and one that therefore differentiates these entrepreneurial arts managers from entrepreneurial managers found in other industries, so a careful examination and discussion is called for.

## Discussion of Results

In analyzing the question of an overall Entrepreneurial Orientation among arts managers in Western Australia, the resounding verdict is *yes*—there is a distinct entrepreneurial flavor to the way these arts managers operate their established organizations. They are innovative, proactive, and autonomous risk-takers. The results showed a pervasive confirmation of the EO construct among the interviewees, albeit some dimensions of EO were less significantly represented than others. EO itself is a robust construct, tried-and-tested over decades of research in diverse contexts, and therefore a reliable instrument on which to base this positive verdict (Rauch et al., 2009, Anderson, et al 2015).

Governments at all levels—local, state, and federal—go to great lengths to support entrepreneurial activity in their regions, and the benefits are widely acknowledged (e.g. Luke, Verreyne, & Kearnis 2007). The economic benefits are readily observed in two broad areas, namely wealth-creation and growth (Throsby 2010). Wealth-creation results in employment and increased living standards, and this applies to arts organizations as much as any other business context. However, for arts organizations, the concept of growth goes beyond the financial aspects such as revenue and profit and includes a range of nonfinancial or social benefits. The arts industry is well-recognized for the value it brings to society (e.g. Florida, 2000, 2004, 2006, 2018) and in terms of growth this could be growing the audience for that artform into a new sector, targeting a new demographic, or increasing customer engagement. However, what is not so well-recognized is that arts companies also have the potential to stimulate economic growth in financial terms. Particularly in the economic recovery efforts after the COVID-19 pandemic, governments are looking for ways to stimulate growth and employment, and entrepreneurship is one of the major solutions that has a track record of successful economic growth (Aageson 2008, Throsby 2010, Luke, Verreyne & Kearnis 2007).

While it is not possible to infer from our geographically limited sample that all arts managers are entrepreneurial, casual observation at both national and international levels suggests this may well be true. What we can say, however, is that the findings of this research present the Western Australian government with an opportunity to grow the economy by investing in and supporting the arts in this state. These WA arts organizations are entrepreneurial, and nurturing them would encourage economic growth, bringing with it not only wealth-creation but also growth in nonfinancial societal benefits. In the context of a post-pandemic recovery, it could be argued that the social benefits are in fact more important than the financial benefits. Future research will be required to confirm if this Entrepreneurial Orientation is more widespread among arts managers. If that is true, then arts organizations could present all levels of government with an opportunity to simultaneously grow the economy and repair the societal damage resulting from the COVID-19 pandemic.

Finding that these arts managers are entrepreneurial affects both the practicing arts managers and their boards alike. For the boards who oversee and authorize these creative and innovative advances, this is a confirmation that the risks are paying off in new interventions which are keeping the organization viable and in the public eye. For the arts managers, it is a

validation that they are doing admirably in innovating and managing their organizations creatively, and their skillsets are up there with the world of wealth-creating entrepreneurs. It appears that managing creative people in turn requires a creative and innovative management style—intuitively understandable, and, more importantly, empirically evidenced in this research sample. It was previously noticed that Autonomy has a lower significance when compared to the other EO dimensions, which can be confirmed by looking at the charts. This result can be explained by the corporate context of entrepreneurship in arts management. As noted by Morris, et al. (2011) the corporate environment of an established organization is not always receptive to new creative ideas or innovative changes to the way things are done.

Despite these arts managers fitting the entrepreneurial profile exceptionally well, there is one particular aspect that sets them apart from the mainstream entrepreneurial manager—they collaborate with organizations that could be regarded as their competitors. This is certainly not a trait found among entrepreneurial management styles at all (Kuratko, 2016). There are of course many approaches that encourage collaboration within one particular organization, but collaboration with rivals is certainly not the norm in traditional management or even mainstream entrepreneurship (Dess & Lumpkin, 2005; Lumpkin & Dess, 2001; Rauch et al., 2009).

Returning to the four functions of arts managers introduced earlier is useful in this discussion. These functions are:

- The creation of a work of art
- The creation of a new business venture in the arts
- The management of an established arts organization
- An Entrepreneurial Orientation to the management of an established arts organization

This paper focuses on the last of these functions, namely introducing the concept of entrepreneurship into the way an established arts organization is managed, involving risk-taking, being proactive, and innovative. The presence of collaboration among arts companies is however a differentiator from the norms of an *Entrepreneurial Orientation* and the EO construct.

In contrast to the entrepreneurship literature, authors who explore the concepts of arts management and cultural entrepreneurship have long embraced collaboration as part-and-parcel of the culture within arts organizations. Becker (1982) laid the groundwork for this, and many authors have since fleshed out these concepts (e.g., Colbert, 2003; Hagoort, 2003; Aageson, 2008; Chong, 2010). This type of collaboration in arts organizations originates as part of the creative functions—those that first create the artform and then the new business venture that will convey the value of the art to the consumer. This concerns the first two functions of arts managers listed above.

The particular focus of this paper is however the business-development function that renews and invigorates the management of established arts organizations. While it is true that in smaller arts organizations these functions may reside in one person (Albinsson, 2019), it is nonetheless helpful to separate them out as distinct functions for the purposes of this discussion,

in the context of established arts organizations.

Further examining this focus on the entrepreneurially driven collaboration among competing arts organizations, Loots, et al. (2018) also finds that arts managers collaborate more than their peers in other industries. Their article examines the creative industries in general, and from an economic perspective, but the conclusions are quite similar in many ways to the findings of this research. First, managers in the creative industries certainly do not regard Competitive Aggressiveness as the only option, with cooperation seen as an equally viable option. Second, the article identifies a plausible link between cooperation and a sense of self-confidence, while a sense of superiority is less likely to be associated with collaboration.

The arts industry is very much a community, and being creative people, arts workers are more inclined to be egalitarian rather than hierarchical (Becker, 1982, Shaw, 2015). Placing this egalitarian milieu within the findings of Loots, et al. (2018) could help explain the preference of arts managers for collaboration rather than competition. In an egalitarian environment, success is more likely to come to those who are self-confident and collaborative, rather than to those with an air of superiority and who choose not to cooperate.

Contextual modifiers were mentioned earlier (Rauch, et al., 2009) and the results of this research find a behavior of collaboration, which is an antithesis to EO's Competitive Aggressiveness. In this way the behavior of these arts managers is a powerful challenge to the theoretical expectations of EO. Rauch, et al. (2009) explored the role of national culture as a possible contextual modifier but did not find this to be significant. They comment that: "specific EO dimensions (such as Competitive Aggressiveness) may be less valid in certain cultural contexts that frown upon high competitiveness" (Rauch, et al., 2009, p. 779). The findings of our research suggest that it could be the culture within the arts that is the contextual modifier of EO rather than a national culture. Also, the research by Loots, et al. (2018) raises the possibility of extending this EO modifier to encompass the broader context of the creative industries as a whole.

The same article identified two other contextual modifiers that affect the dimensions of EO. They found that nontechnical firms were less likely to display Competitive Aggressiveness than were technology-based firms. They also found that Competitive Aggressiveness was less prevalent in micro-organizations, which they defined as having fewer than fifty employees. While arts organizations of course use technology in many ways, they could certainly not be classified with firms that are technology-based, typified by those originating in Silicon Valley. Most arts organizations are also a far cry from the large bureaucratic firms that are typically the site of Corporate Entrepreneurship, such as Microsoft or Google. So, arts organizations would appear to match both of these contextual modifiers as well. The diminished presence of competitive aggression among the arts managers interviewed for this research therefore fits well with the findings of Rauch, et al. (2009). Moreover, the antithetic concept of collaboration (with competitors) was found to be a much more prevalent behavior among the arts managers surveyed for this research. Finally, while collaboration certainly differentiates these arts managers in many ways, it is important to reiterate that the core EO construct is very strongly represented in this cohort. So, despite this difference, the overall organizational culture is still

fundamentally entrepreneurial.

There are key benefits and significant implications of the Entrepreneurial Orientation among arts managers in this sample from Western Australia, which the authors argue might be applied to general management in any arts organization. Such an orientation goes beyond good management and initiates significant benefits such as business development, economic growth, and wealth-creation. This proactive, initiative-driven, risk-taking approach has an impact on the arts organizations themselves, requiring commitment from the managing boards to uncertain outcomes of creative projects. In terms of the overall concept of Entrepreneurial Orientation, this small sample demonstrates key traits typical of the theoretical construct developed and tested by a significant body of entrepreneurship scholars cited in this paper. However, the one exception in their entrepreneurial behavior was their inclination to collaborate with one another, despite competing for the same scarce dollar. This tendency was found among all of those surveyed, and thus presents a fundamental challenge to one of the key five dimensions of EO, namely Competitive Aggressiveness. This is a significant finding and a clear distinction from the paradigm of the commercial entrepreneur whose motive is profit-driven, and for whom the literature on EO has identified the centrality of Competitive Aggressiveness. The fact that this dimension is missing from the analysis of this sample warrants further investigation on whether this is unique to the sample or a more general feature of EO in the arts and creative sector. Questions surrounding the collaborative nature of the industry despite the scarcity of resources, particularly in a society after COVID—which has ravaged the industry—require further investigation.

## Conclusion

This article has explored the presence of an Entrepreneurial Orientation among arts managers in Western Australia and found it to be a well-embedded behavior among the key arts managers polled for this research. So, alongside the creativity and innovation evident in the people they manage, these arts managers display, to a high degree, a distinct form of creativity and innovation in their management style. The added dimension of collaboration within the arts managers' skillset is a novel and differentiating behavior, and one that could be valuable in managing the arts and perhaps other industries.

While the sample size and its geographical confines limit the generalizations that can be made, there is solid evidence that in this sample of arts managers, the extant theory of Entrepreneurial Orientation is presented with a fundamental challenge to one of its key five dimensions. Specifically, we found that the dimension of Competitive Aggressiveness has not simply been altered or toned-down in this context, it has been replaced by a polar opposite—collaboration among competitors in the arts space.

The presence of collaborative behavior by arts managers could be important for a range of stakeholders. For arts organizations, their managers, and their boards, it is useful to know that while this does not fit the typical entrepreneurial profile of competitiveness, in the arts this is not only acceptable but an important behavior in driving the success of an organization. To

management and entrepreneurship scholars, collaboration among competitors in the same industry is likely to be an interesting quirk at least, and possibly worthy of further research and investigation.

The low prevalence of Autonomy is perhaps also something for arts organizations to consider. After all, this result is somewhat expected in an environment of Corporate Entrepreneurship, which is typified by long-standing policies, procedures, and habits (Morris, et al., 2011). So, are the current policies and procedures still valid, or do they need to move on with the times? Does the arts manager have sufficient Autonomy and organizational support when new initiatives are floated? Is the board itself being proactive in generating new ideas, or suggesting novel means of delivering their art form? These sorts of forward-looking questions will support the entrepreneurial arts manager in achieving success for the organization to the benefit of all concerned.

There is certainly scope for future research, first in extending this study beyond its geographical context, second in expanding the study to other creative industries, and third to increase the scope of factors that are distinctive to the management of the arts. Overall, the results provide useful insights for both academics and practitioners who inform and support the arts organizations that so enrich and inspire cultural environments. These arts managers and their organizations are entrepreneurial and therefore help to grow economies. This is a valuable contribution by the arts not often recognized as part of the innovation and entrepreneurship that creates wealth and adds new employment to the economic landscape.

So while this is certainly a case of Entrepreneurial Orientation being identified in arts management, rather than finding the competitive aggression expected by extant models of entrepreneurship, there is a twist—we find a culture of collaboration among arts organizations, despite competing for the same arts-lover's dollar.

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## **Appendix 1: Interviewees: Some Background**

The bios below are provided to give the reader a better understanding of the senior arts managers who informed this research. The organizations chosen for the interviews represented a range in size and role to reflect the cultural landscape of Western Australia. The leaders represented here have considerable influence within the WA arts scene, and each has experience ranging from twenty to thirty years in major arts roles.

Peter Kift is general manager of a small-to-medium indigenous theatre company, Yirra Yaakin. He comes from a background as an accountant and musician and has had deep involvement with the arts. Some of his previous roles include: state finance director, YMCA Victoria; business manager, Film and Television Institute; finance and business manager, Department of Economic Development; and president of Kulcha Multicultural Arts WA.

James Boyd is state manager WA and SA for Creative Partnerships Australia, a service organization for arts business development through sponsorship and philanthropy. His experience spans member programs, philanthropic giving, sponsorship, public relations, marketing and managing the arts. Some of his previous roles include Australia Councils arts support officer, and executive manager of development at the West Australian Symphony Orchestra. He is a graduate of Western Australian Academy of Performing Arts (WAAPA; arts management) and Stanford University Executive Program for Nonprofit Leaders, a BHP Biliton postgraduate scholar, and holds a graduate certificate in social impact from University of WA.

Paul MacPhail is executive director of the state government statutory authority for regional arts development, Country Arts WA. He has provided leadership in companies and projects in WA for over thirty years in youth, regional, and indigenous performing arts.

Jenny Simpson is general manager for a small-to-medium youth theatre company, Awesome Youth Arts. She has extensive experience as business manager, festival director, performer, and teacher. Prior to joining AYT, she was director of the National Folk Festival, ACT. She has been treasurer of Canberra Arts Marketing, president of Kulcha Multicultural Arts WA, and musical director of choir Mighty Camelot in Mosman Park, WA.

For many years Shane Colquhoun AM managed the Black Swan State Theatre Company. During that time, he was responsible for its transformation from a small-to-medium company to a state theatre company and member of the Australian Major Performing Arts Group. Following an international career as a professional ballet dancer, he turned to arts management after graduating with a degree in arts management from WAAPA over thirty years ago. He has since held positions as director of arts funding WA Department for Culture, WA government policy advisor, and general manager at West Australian Ballet.

Henry Boston was executive director of the industry advocacy organization for cultural policy, business development and research, Chamber of Arts and Culture WA. He had previously been general manager for the Perth Festival, director of the Australia Business Arts Foundation, and WA director of Creative Partnerships Australia.