

Managing Swedish Art Organizations

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#### **Abstract**

In Sweden, there is both the political will and the state finances to give funding to arts organizations and institutions. Despite this support for arts and culture, there is still unmet demand among crucial demographics in many cities and regions across the country. Helsingborg is a middle sized city in Southern Sweden that is representative of this problem. This begs the question of how to create and sustain arts organizations that can cater to this demand

Arts organizations can help foster the growth of creative communities and economies, but efforts to create and support such art organizations have had mixed results in Helsingborg. Many variables can contribute to the success or failure of such organizations, but this paper looks specifically at two art organizations in Helsingborg, and analyzes what role constraints and incentives have on the managers of these organizations. To what extent is the success of art organizations in Sweden dependent on managerial capacity for organizational change?

Keywords: Cultural Policy, Arts Management

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### 1. Introduction

Helsingborg is a middle sized city in Southern Sweden. There has traditionally been only one organization in the city dedicated to the arts, and this has been the city's art museum. Within this large institution there are several smaller divisions with different functions. One division is an organization that is intended for artists to create and share their art, and it has a particular emphasis on attracting a younger and more participatory demographic with this initiative.

Another organization that is also aimed at attracting artists and art consumers has just opened in the city, but this organization is not attached to a longer institution. These two organizations are the subject of this thesis and will be referred to as Organizations A and B. These art organizations are similar in size, goals, and market segment, but differ in rates of participation, funding, and in many other significant ways. The difference that this paper focuses primarily upon is their differences in managerial capacity for change, and asks what role this plays in their different levels of success.

# 1.1. Market Background

Traditionally, the central government's Ministry of Culture and Swedish Arts Council were largely responsible for managing the support of arts and culture initiatives throughout Sweden. However, there have been many efforts over the past few decades to increase the diversity of options by supporting the arts on a more local basis (Paquette, 2012). Local governments have their own arts councils that have become largely responsible for the arts in their jurisdictions. The department of culture for the city of Helsingborg is primarily responsible for supporting the arts in the city, then secondarily the Region of Skåne, and then lastly the central government offers considerable funding as well.

The main political parties polled for the last national election agreed that funding for arts and culture should be maintained or increased from the current 0.8% of the national budget (Kulturanalys, 2015). There is broad political will and agreement that the arts should enjoy continued support from both regional and central governments. However, different parties have competing theories and models for what is the best way to support arts and culture, and this means that the funding of particular arts organizations and institutions are still vulnerable to changes in governments. In times of economic downturns, history has shown that spending on arts and culture, and other forms of discretionary spending, are among the first areas to have their budgets reduced. Therefore, it is still advantageous for organizations to not be entirely dependent upon funding from the state.

In Helsingborg, the large cultural institutions are not at a great risk of losing their funding. (Ferm & Åsa, 2015) These institutions are well appreciated and attended by the older and

more affluent citizens of the city. These institutions do not, however, satisfy the demand of several other demographics. Many young professionals move to nearby metropolises of Malmö and Copenhagen, and cite the increased cultural options of those cities, and the lack of such options within Helsingborg as a primary reason for their move. There is, for example, no longer any venue for live music in the city. The creative class are typically attracted to cities that offer creative economies and cultural communities within which they can participate. The city's efforts to manufacturer a supply of culture for alternative demographics have had mixed results.

Perhaps in recognition of this shortcoming, the culture department of the city unveiled a plan, called *Visionsfonden*, to increase funding and support for smaller cultural initiatives. This was part of a larger initiative called Helsingborg 2035 that aims to introduce various initiatives to make Helsingborg a creative, vibrant, global, equal, and balanced city by the year 2035 (Stadsdirektörens, 2015). The Visionsfonden awarded up to 100,000 krones to new culture projects upon their completing their primary objective. No further support or control was included in this fund. This fund can be seen as facilitating new cultural projects, but not creating nor managing them directly.

Grants, funds, and other sorts of non-directive forms to independent arts organizations has commonly been found in other countries, such as the United States, but has been relatively rarely in Sweden. This new form of funding can be seen as a shift in cultural policy at a national and local level, as a more diverse range of arts projects and organizations has been increasingly seen as beneficial. This increased support for new methods in supporting "free culture" may stem from a growing recognition that encouraging the the growth of creative communities is very valuable, as it is a method of stimulating innovation in a mature economy, such as Sweden's (Forman & Creighton, 2012).

### 1.2. The Two Cases

This research paper analyzes the management of two art organizations in Helsingborg, which are examples of two common types of art organizations in Sweden. One represents a more recent approach that attempts to operate privately with a mixed source of revenues, while the other represents a more traditional organization that receives stable financial support from the state. This difference in financial stability also brings a difference in independence, as the organization that is supported by larger cultural institutions is also closely managed by the them, while the other organization is free to succeed or to fail as it chooses. Both can be said to represent a different form of organizational structure with different internal and external relationships and politics, as well as different methods of symbolic meaning-making.

Organization A is largely independent, but received its upstart capital from the city in the form of a grant. However, Organization A has no further formal attachment to the city, and thus must develop a revenue model that is not dependent upon their support. This organization has many plans and anticipated sources of revenue, but it is still uncertain

whether it can establish a sustainable business model, as many questions about revenue and funding are still uncertain. The grant has essentially awarded them a three month grace period to get established, but after these three months they must be able to generate at least enough revenue to continue paying their rent. This uncertainty is a source of stress amongst the managers, but has been a major incentive for them to invest large amounts of their own time, energy, and money into the project.

Their risk-taking approach seems to have paid large dividends in the first stage of their existence. Interest has been very high with many people and organizations supporting them in material and non-material ways. This entrepreneurial spirit permeates their story and is essential to their meaning-making, and is a large factor in what has inspired others to work for them without material compensation and for others to consistently attend their events. This inspiring method of connecting with the community and the city has allowed them to do a lot with very few resources.

This organization provides a stark contrast with Organization B. Organization B has stable funding, has existed for several years, and has ample resources available to it for an indefinite period of time. Unlike Organization A whose existence is entirely the result of and dependent upon the vision and entrepreneurial zeal of a few founding managers, this organization has stable job positions that are occupied by individuals who stay for short periods of time. This organization is similar in size, aim, and fundamental concept, but this organization exists within a larger museum, and the management of Organization B is primarily an employee of the museum. The museum has a clear vision for what this room is supposed to contribute to the museum's overall value and offerings, and this among many other more minute elements of this organization's structure, politics, and meaning is not debatable or changeable by the management.

This paper hypothesizes that the relatively low level of interest for this organization displayed by low attendance is partly a result of this lack of freedom or incentive to change and improve. The manager and the organization also struggle to inspire others to invest their time and energy in the place, because the organization and managers lack a meaningful message or connection to a larger community. Their revenue model exemplifies the strengths and weaknesses of their organization, as it is not allowed to sell anything, much less make any profit, because there are other areas of the museum that are responsible for such activities. Food and drinks can be bought in the museum's restaurant, while books can be bought in the museum's bookshop, tickets can be bought at the museum's exhibits, and various miscellaneous items can be bought at the museum's gift shop.

Another reason for not allowing them to generate any revenue on their own, besides that it might cannibalize sales from the museum's other divisions, is that they wish to attract visitors by being free and affordable to all. This is part of this organization's meaning-making message, but somehow this meaning has not translated into enough interest from people for them to visit this space on a regular basis. In fact, this lack of ability to increase revenue presents a structural challenge to the manager's ability and motivation to improve the space

and its offerings. The lack of the permanence to the manager's position also removes economic or career incentive to risk much or make major changes, because it is not a long-term project or property that investing in can give greater rewards in the future. The frequent changes in management also means that personal connections and relationships are often disrupted for the organization, and that the community a manager may have attracted is disrupted when they leave.

The details of these art organizations and the management of their communities, their stories, and their revenue models are explored in this research paper. These different elements work together in a variety of unique ways, but these situations share similarities with others, as they exist within a similar cultural policy landscape as other cities in Sweden. Therefore, their lessons can be valuable to other researchers, art managers, and cultural politicians. Many theories from many different disciplines are used to analyze and understand the Helsingborg and Swedish environment of art organizations, and therefore the literature review is somewhat cross-disciplinary.

## 1.2. Aim and Objectives

The first research objective was to understand what constraints and incentives the managers of these organizations faced. The second research objective was to determine the life-cycle of these art organizations, and to predict and reflect on their development. This life-cycle question mainly concerns the growth and decline of community and customer participation for the organizations. The third research objective was to determine how much having the necessary power to change the organization was correlated to its success at different stages in its development.

These objectives assume that the environment and community surrounding these organizations are constantly changing, requiring these art organizations to constantly change and adapt. However, it also assumes that the managers of these organizations have some power to change their environment and community. The two art organizations were chosen for comparison based on their similarities in size, target demographic, and purpose, as well as their representativeness of other such organizations in Sweden. The aim of this research was to neutrally discover the reasons for these organizations' successes and failures.

## 1.3. Research Purpose

Sweden is experimenting with new models of supporting the arts, and examining the results of these efforts can prove useful to future efforts. Understanding the reasons behind both recent successes and failures of art organizations in Helsingborg can help predict and prepare for future challenges and opportunities. This knowledge can then be used by the managers of other art organizations in Sweden and abroad, as well as by policy makers who wish to develop a cultural policy that facilitates the sustainable growth of creative economies in their jurisdiction.

Another purpose of this research is to document the relative success of a less common form of art organization and funding that is emerging in Sweden. Organization A, and the Visionsfonden that provided its startup capital, are examples of a new direction for cultural policy in Sweden, and it is a purpose of this research to analyze what advantages and disadvantages might arise from these new models. Organizations B can be said to represent the type of art organizations that can be found with the traditional cultural policy and funding, and therefore these two organizations offer a useful basis for comparison.

#### 1.4. Research Limitations

A fundamental limitation of this research is the short timespan over which it has been conducted. This is particularly problematic for the new Organization A, because it has been open for a very short time. Therefore, many of the observations and conclusions about the benefits and shortcomings of this model must be about its potential and what can be reasonably anticipated based upon preliminary interest, support, and investments from important stakeholders in the organization and the surrounding community.

The different organizations also exist at very different stages of their life-cycles. This presents several challenges and limitations to the collection of the data and the analysis of it. For instance, the original managers of Organization B are no longer there and were unable to be interviewed. Therefore, it is difficult to determine whether or not age is a crucial variable to success. Perhaps, Organization B was as successful as Organization A at its beginning, but now the novelty has faded and it has grown to be complacent over time. However, accounts from other people who were there at that time, and other anecdotal evidence, suggest that this was not the case and it had not been much more remarkable at an earlier time.

Despite these limitations however, this research is qualitative and the interviews are largely reflective, and therefore this is a snapshot of the perspectives of these managers at this time. Moreover, organizational structure and patterns, and the capacity and motivation to change them, are foundational to organizations, and therefore these variables can be anticipated to remain constant throughout these organizations' life cycles.

#### 1.5. Outline of the Thesis

There are six chapters of this thesis. The introduction has outlined the basic purpose and content of this thesis about arts management in Sweden. The literature review will introduce the theoretical framework that is used to analyze these cases. The methodology will detail how and when the qualitative data was collected. Then, the results and analysis chapter will describe the cases and compare them in their basic factual components. The discussions chapter will offer some theoretically motivated analyses and conclusions about these different cases. Finally, a conclusions chapter will reflect on the research process and the overall implications of the research conclusions.

## 2. Literature Review

The literature and theories of many different disciplines can be relevant to the study of these cases, but only a few theories have been chosen to make sense of these organizations. The basic questions is what are the basic elements of an organization and how do they fit together? To answer this question theorists often look organizations from a few basic perspectives. The theorists Bolman and Deal proposed looking at organizations and organizational change from four frames: the structural frame, the human resources frame, the political frame, and the symbolic frame (Bolman & Deal, 2008). For this research, the four frames were modified to the three, because the the political and human resources frames seemed so intimately linked that they did not need to be separated. Therefore, this thesis will consider organizations' relationships and human resources to consist primarily of politically motivated stakeholders.

Theories related to the understanding of the larger context of the organizations are also needed to understand how they operate. Therefore, literature related to the cultural policy landscape of Sweden is discussed and informs the conclusions. The broader impact of these efforts is also discussed, as research has revealed that vibrant art communities can have a significant impact on creating innovative economies that are very beneficial to society at large.

### 1.1. The Structural Perspective

Henry Mintzberg is perhaps the most referenced theorist on the different types of organizational structures and designs. He originally listed five basic types of organizational structures, and then later added the missionary type as well (Mintzberg, 1980). The adhocracy and the missionary type of organizational designs are the two most relevant for the art organizations studied in this thesis. The sizes of these organizations are relatively small, they are typically under the management of one leader, and typically operate in somewhat unstable markets. If the organizations are considered as sub-units of larger political and societal organizational structures, then more types would be relevant to consider, but the scope of this paper is basically on a micro scale, and on this scale these two are most pertinent.

Because art organizations operate in unstable markets, they must be able to adapt quickly to changes. Cultural tastes, fashions, and trends are inherently dynamic and constantly changing. Therefore, art organizations must maintain an adhocracy structure that can react quickly and can flexibly make organizational changes that can adapt to the constantly changing demographics, tastes, and styles of cultures. Example A operates primarily as an independent adhocracy, but Example B is better understood as a division of a museum that employs a divisional form

# 1.2. The Stakeholder Perspective

The Stakeholder Perspective used here incorporates perspectives that theories sometimes refer to as the relationship, human resources, and political perspectives. These mainly consider the relationships that the organization cultivates internally and externally with those who find value and have a stake in the organization. The quality and quantity of these relationships define the larger context and network of the organization. Organizations big and small involve many stakeholders with different interests and perspectives, and it is the role of managers to consider how the interests of stakeholders should be strategically brokered.

Scholes (2001) developed a method for mapping the different stakeholders (see below) based upon their power and levels of interest. He argues that these two factors determine who the most relevant stakeholders to consider are and whose interests are most important to address. This division of stakeholders and levels of attention by managers is necessary, because as an organizations increase in size and complexity, the manager's time and energy become increasingly scarce resources. Therefore, only the stakeholders that are most interested and have the most power are those who can get the most personalized attention and consideration. For art organizations the key players might be the managers, the artists, and the funders. The general public might be on the opposite side of the spectrum, as they have low interest and little power. They are still, however, stakeholders in the organization, because they are still potential customers and members of the community.

Stakeholder Mapping	Low Interest	High Interest
Low Power	Minimal effort	Keep informed
High Power	Keep satisfied	Key players

Relationship marketing is another relevant theory to discuss from this perspective, as relationships internal and external to an organization are considered essential to its marketing. Grönroos (1994) discusses the paradigm shift away from thinking about marketing strategies in terms of the classic marketing mix towards the more modern approach that considers the relationships between the customers and organizations as the most fundamental and important factors to consider. The classic approach to marketing used impersonal methods of persuasion to attract consumers for a one-time purchase, but relationship marketing is a more holistic approach that results in long-term relationships where all parties involved are stakeholders in the organization. Art organizations and storefronts that primarily sell experiences, events, and community must consider maintaining positive relationships with their customers as necessary to their sustained existence.

## 2.3. The Symbolic Perspective

The symbolic perspective considers the role of the manger to be somewhat of a storyteller. In this way it could be related to the structural understanding of art organizations being designed as Mintzberg's missionary organizational structure. This type of structure is permeated with

values, and these values can orient and motivate people towards action with less of a need for concrete incentives. A leader with a vision of the organization's value and meaning, and who can persuade others of this value is likely capable of leading the organization to success.

The success of an organization is dependent upon how motivated and invested people are in its success. The value and purpose of the organization is not determined simply by the facts of what there is, but also by how its existence is interpreted, given meaning, value, and purpose. The persuasion necessary to convince others of this value, this meaning, and this story can be said to require establishing credibility, common ground, compelling evidence, and meaningful connections with others. Conger outlines these four principles of persuasion as necessary for leaders who wish to inspire others to act and perform at the best of their ability for the organization's cause (Conger, 1998).

These four factors of persuasion must be carefully considered to establish a credible organizational structure, a common ground for relationships, compelling evidence of its value to stakeholders, and meaningful connections and relationships between the different people and the larger causes of the organization. A structural perspective is necessary to consider because it provides a coherent framework for understanding how the different elements of the organization fit together, but so is the symbolic perspective important for the same reason. The symbolic perspective considers how each person and part makes sense together, and is in fact necessary for the larger mission of the organization. A leader must persuade the stakeholders that the success of the organization is necessary and that their participation is necessary to its success.

The study of communication and persuasion is ancient and is discussed in the book *Arts organizations between uses and abuses of managerial rhetoric* by Luca Zan (2006). This book discusses the many cultural challenges that arts organizations face when trying to bring the values, terminology, and methods of economics and business to arts organizations and artists. Although the author puts some blame on the artists and public sector elements of the organizations for being too sensitive to the "economization of culture", he also criticizes overly simplistic attempts to "cut and paste" the canon of business management theory on art organizations. Simply calling for privatization and greater efficiency and more competition he criticizes as being overly simplistic and reductive. This is a criticism and trap that this research and analysis will diligently try to avoid.

### 2.4. Swedish Cultural Policy

Swedish governments of all levels have arts councils for their jurisdictions. Regional governments and politicians must align themselves with their parties' policies, but have increasingly gained autonomy from the Nation's central art council. Regional art councils direct funding for the arts in their areas, and release reports, which outline their efforts and the nature of their support. The criteria these agencies base their choices upon for bestowing their funds and grants can have a large effect on how arts organizations operate to meet these

funding criteria, and can determine what organizations are able to exist within that city or region.

Government support still exists for the arts and culture, because it is understood that it is an imperfect market (Heilbrun & Gray, 2001). A way of framing this problem can be that there is an oversupply of artists and art organizations. It is also argued that the mass market demographics are not knowledgeable, sophisticated, or cultured enough to appreciate the fine arts and thus these arts must be preserved and protected by the state. The imperfect market can also be characterized by the demand problematically assuming that the arts should be free, and more than ever the free access to arts that can be consumed via a screen is easier and cheaper than ever. These are reasons that the state supports the arts. These questions and reasons are also reminiscent of debates generally surrounding how much social welfare the state should provide to support and protect people from difficulties and inequalities. Social welfare consisting primarily of the concept that sometimes people and groups need support, and that the state can offer this support to some extent.

In her book, Jennifer Craik (2007) compared the different models that different nation's use to support the arts. Broadly categorized, the four types include the engineer model, the architect model, the patron model, and the facilitator model. Along with much of the rest of Western Europe, Sweden has traditionally employed the Architect approach primarily. However, it has also used techniques that are more commonly favored by Patron and Facilitator models.

### International Models of Funding for Arts and Culture Organizations



Increasingly Swedish arts councils have employed more methods of supporting the arts that are characteristic of the Facilitator role (Regional kulturplan 2013-2015). The Visionfond that the Art Council of Helsingborg introduced in 2015 is an example of this trend. What distinguishes this approach from traditional efforts of supporting the arts is the lack of control and accountability that the government demands over the projects that it supports. Sweden has traditionally taken the Architect and Patron model and so has had a very close relationship with and control over the arts organizations within the country.

Nothing has existed to expressly prohibit independent organizations to exist, but a certain expectation that the state can sufficiently support these activities seems to have dominated the national culture and thought until recently. Taxpayers already give generous support to the government and might assume this to be enough. Higher taxes also mean there are fewer wealthy philanthropists to donate money in idiosyncratic ways. Relatively low civic participation, as evidenced in Hofstede's research that compares the variations in cultures and

values between countries, means that individuals might not be as inclined to donate to organizations as in other countries.

Another theory is that the high expenses of operating such an institution or organization within a market that is small and where resources are expensive is too discouraging for any independent organizations to operate without government support. It is undoubtedly difficult for an art organization in Sweden to make a profit without additional funding. Therefore, the state is well funded and more essential for supplying arts and culture in Sweden than it is in many other countries.

#### 2.5. Urban Revitalization

The city of Helsingborg is quite segregated and politicians recognize that a better mix of income levels and ethnicities would be beneficial for the city's overall sense of cohesion and equality. Furthermore, the city of Helsingborg has declared equality as one of their five top priorities for their vision of development for the city by the year 2035. This is an opportunity for artists and art organizations to leverage support for their efforts, as artists are often the first who are willing to move to distressed areas and to initiate projects of envisioning new possibilities for them. Some discussions (Ley, 1996) consider the arts moving to cheaper parts of cities primarily as examples of gentrification, or at least the beginning of the process.

The term gentrification is often used negatively as a process that exacerbates inequalities, as eventually the process can result in increased property prices that make rent there unaffordable for people with lower incomes. However, increasing the value of distressed areas of cities is often a result that politicians aim to achieve. Establishing and supporting organizations that are attractive enough to draw visitors to lower-income areas from high-income areas is one way to create more mixed communities. This is politically and rhetorically important for art organizations to consider, because understanding how to frame the broader impact of their efforts can increase their perceived value. If they seek support from the state then they must understand the right language to use. Their project or organization can mean very different things and inspire very different results based upon how its intentions and values are framed and presented.

A term and concept that has been popularized with concern to the positive effects that art organizations in particular can have on urban revitalization is that of "creative placemaking" (Markusen & Gadwa, 2010). The emphasis of this concept that has been popularized by the NEA (The United States National Endowment for the Arts) is that the public and private sector partner together to create inspiring areas that can improve local business viability. Arts organizations can be useful in attracting the artists and the art community necessary to undertake this ongoing process of creative placemaking. By animating places with art and testaments to creativity, the livability of the area increases, and thus a diverse range of jobs and people become attracted to living and working in the area. In this way, art organizations can lead to a boost in and fundamental transformation of the local economy.

# 2.6. Chapter Summary

The theories related to the operations and management of organizations are countless. The literature and theories presented here cover the primary elements of an organization, the roles of a manager, and the ways that these different parts fit together. The theory related to the broader context and impact of these art organizations is also discussed here. Swedish cultural policy is particularly generous, and this support from the state can sustain art organizations and can lead to creative placemaking.

# 3. Methodology

# 1.1. Research Approach

Helsingborg is examined here as a case study of different types of art organizations in Swedish cities. I began my research of Swedish art organizations by approaching the managers of these two organizations, as well the managers of another, and asking permission to interview them and use their answers anonymously. They happily obliged my request and were very open with me from the beginning. My focus shifted from comparing these three organizations, to the final two, and at times just looking at one of them. The third organization was ultimately too difficult to compare, because too many variables differed from the others.

I visited these organizations and talked to the managers to discover their strengths and weaknesses and to discover what issues were most relevant to research and compare. It became clear that there were different levels of success, I tried to identify what variables were most relevant to determining this success. Once I developed my hypothesis and research question, I formally interviewed the managers of the three organizations about this issue of managerial capacity for change. They agreed that this was perhaps the largest difference between them, and might have accounted for some different levels of interest from the public.

# 1.2. Research Design

Organization A has three managers, and I had structured interviews with each of these managers separately on two different occasions with a different research question in mind each time. I also spoke with them informally on different occasions to determine what issue was the most relevant to discuss and research. I also attended four different events that they held, followed their updates on their social media pages, and compiled every mention of them in the local newspapers. I also studied the press releases and reports on the visionfonden, and looked at other recipients of this grant to see if they were also relevant to research.

Organization B has one manager who has been there for three years and is responsible for this organization as well as several youth directed activities in the city. It also has another manager who is dedicated to the operations of this room. I interviewed both the current operations manager and the former. I had structured interviews with each of the managers on the final research question once. I also attended three of their events, followed their social media page, and collected articles in the newspaper about this organization and the larger museum that it is responsible for it.

Interviews with the upper management of the museum and the policy makers of the city's culture department would have been ideal, but time was limited, and an initial request was answered ambiguously. The difficulty of accessing these upper management individuals was a large reason for choosing to focus the research on issues of arts management, as opposed to managing cultural policy. However, the opinions and perspectives of relevant politicians and government agencies have been gleamed from newspaper articles and interviews, as well as government agency reports.

#### 1.3. Data Collection Method

Each structured interview varied between twenty and forty minutes and included the same, six basic questions that are listed below. I had already met and informally discussed some of the issues with all but two of the individuals, so the interviews also naturally included some discussion of topics that were beyond my questions. These interviews were all recorded on camera. I also recorded two events from Organization A, and one from Organization B. It could be interesting to produce a short documentary of this footage, but that might breach the confidentiality agreements.

Many more unstructured interviews were conducted with others working in the creative industry about cultural policy, but were not actually managers of the art organizations in question, and thus their insights were not directly relevant to include. However, these interviews largely coalesced to prove that there was an unmet demand for more cultural options in the city, and that there was a greater demand for a somewhat integrated, and innovative arts community.

Cultural politics are regularly discussed in the local newspaper, Helsingborg's Dagbladet, and therefore all articles that were published relating to this topic in the past year were collected. These articles provided further understanding of how the local politicians and change makers operate and consider the research area. Also, governmental reports from the city, region, and state have been gathered and analyzed to understand the larger context of cultural politics and policy. Analyzing these policies is essential to understanding how art organizations operate within the city and country, because state funding is typically their largest source of revenue.

The formal, structured interviews with the managers of each art organization were conducted with the following questions:

- 1. How much freedom have you had to make changes at the organization?
- 2. What changes have you made and why have you made them?
- 3. What have been obstacles to change?

- 4. What have been incentives for change?
- 5. Have these changes had an effect on participation and attendance?
- 6. Have there been any changes in participation and attendance? If so what do you think have been the drivers of these changes?

# 1.4. Data Analysis

An ongoing research process of the theoretical background of this research area contributed to my constantly evolving understanding of the arts organizations and the larger Swedish context of cultural politics and policy. The theoretical contributions in the literature of arts management and cultural policy were of direct importance, but so were theories from business management, marketing, and accounting. These different theories helped frame the data, questions, and conclusions of this research.

# 1.5. Validity and Reliability

The descriptions of events in this research are valid and reliable, because they have been discussed with and confirmed by each of the participants. Preliminary questions and conclusions were also discussed, and the interview subjects were largely in agreement with the perspective expressed in this research paper. Furthermore, anonymity was guaranteed and thus the subjects were able to speak freely about their challenges and shortcomings without fear of embarrassment or reprimand.

#### 1.6. Chapter Summary

Thankfully the managers of these two art organizations cooperated and were readily available to participate in my interviews. Also, it was advantageous that this topic written about frequently in the local newspaper, because this allowed me to gain insight into the upper management and their perspective on city's cultural policies. Informal discussions lead to structured interviews that lead concrete data that I could analyze and discuss with theory relevant to the cases.

# 4. Case Analyses

# 4.1. Organization A

# 4.1.1. Background

The managers of Organization A applied for and received 100,000 krones from the Helsingborg's Department of Culture via their new grant called Visionsfonden. This grant was introduced and began accepting applications in late 2014. Three managers applied for the grant then, and received the good news that they had been awarded the grant in January of 2015. It's goal is to facilitate the growth of a greater variety of cultural options within the city. It is a part of a larger initiative by the city called Helsingborg 2035 that is a collection of plans to reach various goals by the year 2035.

Upon learning that they had received the grant, they searched for and found a storefront. They have used this initial funding primarily for their first three months of rent. They were able to find a sympathetic landlord who would rent them a storefront for a reduced price in a lower-income part of the city, but the rent for the space is still their highest expense. Their rent is 30,000 krones each month for a storefront with large windows for all passersby to see the 230 square meters inside. It is located in the Southern half of the city where most of the residents are recent immigrants who have not shown much interest in their organization or storefront, but it is on a central street nonetheless, and therefore is easily accessed and visible to all.

#### 4.1.2. Managerial Relations

The three managers share equal responsibilities and control, but tensions arise amongst them because they have not divided their work and functions systematically. This results in one individual doing less work than the other two, and the other two frequently being upset with him. These internal issues of managerial relations can likely be solved, if they divide the work and tasks more equally and systematically. They agree that these issue arises not because of a lack of commitment or responsibility, but because they are still figuring out the best pairing of skills and tasks.

The founder has a background in marketing and thus is often responsible for communicating the vision and spreading the word. The other two do these functions as well, but to a lesser extent. The second partner is an artist with a wide network of friends whose support is crucial for the organization, and the third partner works in the design industry and also has many potentially useful connections in the region's creative industries. The three of them have lived in the city and have spent time at the relevant organization's and events related to culture and

arts, and have managed to spread the word about their organization to those who are likely to be interested via these networking activities.

Organization A's external managerial relations are organized around a marketing strategy that considers what value they offer to their different stakeholders. Therefore, when they communicate with city officials who might eventually invest more money in their organization, then they talk about urban revitalization, democratizing the arts, building community, and other issues they find valuable. The city, the region, and the state art agencies state their objectives clearly, and the organization has familiarized itself well with these goals, so as to understand the demand from the state financing. In this case, the city government has several aspects they wish to improve by the year 2035, and are taking various measures, including the Visionsfonden, to reach these goals. The organization has effectively aligned their values with the cities thus far, and if they prove to be continually furthering these goals, they hope and expect the city, or perhaps a particular politician will give them continued support, as they are then by extension seen as taking efforts to help reach these larger values and goals that have been established.

There are more stakeholders than just the managers and the city officials though. Key players with high interest and high power regarding the organization's long-term longevity also include the artists themselves. Without the artists, there is no community of artists. These artists can gain a great deal of value from having a place to exhibit and sell their work, find partners to collaborate, and generally to have a community where people can share opportunities, insights, and support. Already the organization has exhibited the work of many artists and sold more than a dozen paintings and photographs.

Other organizations can be key stakeholders that the managers must keep good relationships with as well, as these organizations might find uses for the community or the space, and choose to invest in the organization. Collaboration with or support for the organization might bring visibility and good-will. For instance, art schools have rented the space to show the final exams of their students there, and local businesses have donated their drinks and other visible materials for events, as a part of their marketing efforts. The managers are open to innovative ideas such as pop-up restaurants, and performances. The space might not be ideal for such events, but people have said they will pay to hold their events there, because of the symbolism of the place as being accessible and interesting.

In the presentation of their organization that the managers of Organization A use to apply for grants and to potentially interested business investors, they describe an array of anticipated activities that can both attract customers and raise revenue. These include innovative ideas, such as "hack-a-thons" for artists, which is a type of event that has been pioneered in the video game industry. The idea would be that the organization provides the necessary materials and then over a predetermined amount of time people gather in the space and generate as much as possible. Potentially participants could pay a ticket to participate or perhaps buy drinks and food there as the day progresses. Also, such an activity could create relationships with the organization that would exist beyond the event in question.

Related to this event, would be that they could host art competitions for artists around the city. The hope for private sponsorship is at the core of many their events, as the competition and prize could be sponsored by a company as part of its marketing or its corporate social responsibility. Besides event based sponsorship, they also hope that private organizations might provide capital donations, and they would then have their name on a certain part of the space. A certain room might be named after a bank, or company, or maybe a video projector or sound system.

#### 4.1.4. Revenue Model

Organization A intends to generate revenue in a variety of ways. The contents of the organization will change continuously, and thus so will the source of their revenue. The 100,000 money they received from the Visionsfond will cover the first three months of their basic expenses, but they hope to cover the 30,000 krone rent and then their incomes, by making profits from various types of sales. They have already sold several paintings, each valued at over 3,000 krones, and for which they receive 30% of the sales. They currently negotiate a different deal with each artist, but are developing a policy that they can use to refer to as a standard deal.

Several events have been hosted there, and thus these institutions and groups have rented the space for an evening. In the case of the art school, they rented the space for an entire week. At events and during normal business hours they are open for visitors to come, sit, and work for free, but these visitors can also buy coffee and other drinks. Pop-up restaurants and other temporary installations can all operate on this shared revenue model that not only generates profits, but also benefits both parties in marketing, relationships, and community building. Overall, they hope ticket sales for their own events, income from when people rent the space, and sales of art and drinks can cover their costs and they can make a profit. However, they also reserve hope that they can receive further funding from the state, if they prove that they are valuable enough to the community and to the city. They also hope that bigger businesses might continue to donate free materials as promotions for their products, and maybe even sponsor larger installations for their marketing campaigns or their corporate social responsibility efforts.

# 4.2. Organization B

# 4.2.1. Background

Organization B was opened in 2010 to attract a younger demographic to Helsingborg's main art museum. This organization is intended to be a place where people can share and learn how to create art, as opposed to the rest of the museum's divisions, which are primarily for consuming art. Located near the entrance of the museum, the organization has several rooms full of equipment and materials at its disposal, and is easily visible and accessed by all visitors of the museum.

In the organization's central room there is a large stage with ample seating space, and sometimes this stage is used by the museum and other groups to host certain events and shows. The organization also hosts its own events sometimes in an attempt to attract visitors and participants from its own community. The events that are hosted and organized by the museum and other groups are often well attended, but those events that are run by the organization sometimes have no attendants at all.

# 4.2.2. Managerial Relations

The larger museum is under direct control of the city's arts council, and the organization is under direct management of the museum's board of directors. The extended hierarchy and organizational structure that connects and coordinates these different organizations is complex. Objectives, guidelines, and goals are often administered by each of these levels of power. Managers of the lower organizations must try to align their own objectives and efforts with those of their superiors to demonstrate their cooperation and effectiveness at furthering these goals and values.

The manager who is responsible for this organization is also responsible for other activities in the city for the demographic of 18-30 year olds. This manager handles many of the administrative tasks and has been working there for three years, but another operational manager is responsible for the exhibits and events that the organization organizes. This temporary project and operations manager has two assistants who work at the room and assist visitors. This operational manager is a temporary position, because the upper management wants to keep the organization dynamic and to always be representing new ideas and perspectives. These operational managers tend to be artists themselves, and in this way it reflects the concept of an artist in residence.

The external relations of the managers are largely maintained via their social media pages on Facebook and Instagram. They create event pages on these social media platforms and invite all of those who are technically members of their group, but these invitations are not personal, and perhaps this is why they are often ignored. Their best attended events are their poetry slams and their open mic nights, which are held once a month and sometimes have up forty attendants. The main stakeholders seem to be those in their community who wish to try

performing on stage. Sometimes they hire professionals to do short courses in the space for video editing, photography, and for other skills, but these usually have less than ten attendants.

The larger museum often holds speeches and debates on their stage, which can have almost one hundred attendants. For example, during the last election they invited members of each political party to sit on stage, watch politically motivated short films, and to debate their meaning and significance. In these cases, the museum does the marketing and uses its community relations to attract visitors. The managers of Organization B are not responsible for hosting these events in their space.

#### 4.2.3. Revenue Model

Organization B does not generate its own revenue. However, the managers can apply for the money necessary to purchase what they need. The managers and employees of Organization B are technically employees of the museum, and by extension, of the city. They can apply to the director of the museum for the finances to invest in new equipment and materials. They can also apply directly to the city's Department of Culture to have the extra costs of their events reimbursed.

The Department of Culture offers this to non-profit organizations in the city to encourage them to host events that might not otherwise be affordable to host. The manager mentioned that the few times they had applied for the funds, they had received at least some of what they had requested. However, it was not dependable, because the process involved applying before the event and then receiving confirmation or denial of reimbursement after the event. This makes counting on these funds difficult.

The budget of the museum changes on a yearly basis and thus the amount of the budget allocated to Organization B also fluctuates on a yearly basis. Different political parties have different ideas of how much to support the museum and the arts generally, and thus the museum saw a slight budget cut after the last election. The managers feel, however, that there is no imminent threat of any significant cuts to the organization's funding.

# 4.3. Chapter Summary

Organizations A and B share similarities in size, location, and target demographic, but have very different backgrounds. Organization A is a privately funded and operated art organization that has just opened with a great deal of attention from its target community and demographic. Meanwhile, Organization B is a part of a larger state funded museum and it struggles with attracting an audience or community to attend the events that it organizes. The internal and external managerial relations of the two organizations operate very differently,

and so do their revenue models. Partly due to the differences in organizational structure, the managers in each organization have different approaches and roles.

#### 5. Case Discussions

## 5.1. Managerial Relations

Analyzing and comparing the two organizations reveals a correlation between managerial capacity for change, and an organization's ability to succeed in attracting consumers. In the case of Organization B, managerial capacity is constrained by the need to apply for funding and they are also discouraged from changing the physical layout too much, because larger events are held in their space. This appears to be a cause of lacking organizational innovation and initiative. It can also be hypothesized that this is indirectly a cause of lacking consumer participation for this organization and its events.

The managers are not very inspired, and thus cannot give a passionate reason for others to be interested in and value spending their free time there. Meaning-making is important for an organization, because without it there is no personality or identity that others can develop a relationship with. An already inspired artist might visit the space occasionally to use their free materials, but without an identity or inspiring message the organization cannot persuade others to go there, as the perceived value of the organization and its events is low. Potential customers must understand what value the organization offers and must know who the organization is and what values it stands for so that they can develop a relationship and attachment to it, and only then will they invest their time and energy there.

Organization A's relative success gives credibility to many of its practices, including its balance of freedom to adapt while still operating within the limitations of a self-imposed, core identity that does not change. They have concrete goals and values that permeate their organizational meaning making that they bring to their relationships and that inspire a certain work ethic and investment from themselves and others. Their entrepreneurial spirit and attitude is what remains constant through their changing revenue models, exhibits, and external environment. However, this may not be the variable for their success. Another variable that correlates to their particular success is their ability to network.

Organization A has received considerable attention since it has opened from newspapers writing articles, politicians posting pictures and encouraging words on their social media profiles, and many people joining their online Facebook group. This has translated into very high turnouts for each of the eight events held there thus far. The location is in the Southern part of the city where most of their customers do not typically just walk past and stumble upon their events. However, in spite of this, they have managed to fill the space they rented with art from local artists, and over a thousand unique visitors in total for their different events.

The organization engages in the modern way of marketing via social media, as well as by an older way of actually sitting at the local cafe and talking to people about it. The people they know and are friends with in person or on social media are the first to hear, but then they invite and mention it other people they think might be interested. This word of mouth spreads quickly in a small city, and the people who are interested in the arts can quickly become informed of an event if others are inspired to attend and talk about it. Also, they always have a photographer at their events who then posts the pictures later and tags people in the pictures, so that they and their friends can then see the event and the place. Such efforts reach people who just want to do something new on the weekends, but are not particularly interested in the arts otherwise.

#### 5.2. Revenue Models

Organization B is funded and operates with the traditional model of supporting the arts in Sweden. It is a non-profit and receives direct funding from the state, and can apply for further funding from the Department of Culture. Organizations A also received some support from the state, but the managers were neither employees of the state nor entirely certain that they could access additional funding.

As long as Organization A is listed as a for-profit company, they are not eligible to apply for the reimbursements that the Department of Culture offers for events and other such extra expenses. One issue that all cultural organizations face in Sweden is that in order to receive this welfare support of their organizations, they must not make any profit. This institutionalizes the ideological value that culture and art should not be about making a profit, or at least the art that the government support should not be. The creative industries manage to make profits in Sweden, but they do so largely without support from the state.

Organization A, however, is committed structurally, politically, and rhetorically to the goal and business model of being a for-profit art company, and organization. The distinctions are not simply rhetorical, semantic, or legal. A structural difference, for example, is that they would like to have additional funding from the state, but are not anticipating that they will or depending upon it. They actually intend to make a profit. However, this is not the only way they frame their intentions. Their political and meaning-making framing is that they are creating value for the city, the community, and their consumers. A shift in rhetoric is a significant break from the traditional language used for the arts in Sweden.

Simply by speaking in terms of customers, as opposed to attendants or participants, it is noticeable that they are considering their organization as a business, and that they are open to using and learning from the many strategies, theories, and techniques of generating interest and consumption that the business and economics disciplines have developed. Furthermore, what exemplifies their entrepreneurial spirit most is the amount of initiative and the variety of methods to make money that they employ.

In their formal presentation of the organization they outline their various anticipated methods of generating revenue, and also their different ways of generating value for the city, potential business partners, and investors. They state that they intend to make culture and art more accessible, more participatory, and collaborative for ordinary citizens of the city. The positive results of their activities are divided into short-term and long-term goals. The short-term goals include creating a more active cultural life in the city, facilitate collaborations between creators, inspire more consumption of the arts, establish more collaborations between arts organizations and artists in the region, and to create new connections and relationships in the city for a greater sense of community and belonging.

They also define long-term goals of bringing greater economic growth to the Southern part of the city. They also outline how they aim to help grow the recognition of the city as a cultural hub in the region. They also discuss modernizing the cultural offerings of the city, which is related to their target demographics of those who are twenty to forty years old. The main perceived failing of the large institutions is that they cater primarily to an older segment of the population, and fail to adapt and attract this younger audience. However, keeping these younger and more innovative members of the population is essential to having a thriving creative class within a city, and to growing its creative economy.

The primary target group for the organization is artists and people who actively seek out and consume art. Their secondary target group might overlap somewhat with their first, as it is from 15-70, and includes anyone who is open to and curious about new activities and events in the city.

These goals and plans are at the core of their identity. This is how they presented themselves to the city to receive the initial startup funding, and is now largely how they have begun to operate. This language and presentation is also how they were able to negotiate a reduced price on the store from a landlord who was inspired by their vision and felt sympathetic to their values and cause. In this way the organization could also be described somewhat as a missionary organizational structure, as Mintzberg suggests might be a more common type of organizational structure moving forward. Their mission and identity is flexible to any number of projects, but is centered on community, collaboration, and relationships. If the community does develop and can sustain itself around their storefront, then they will have repeat customers for their tickets at events, repeat customers for the art they exhibit, and for any other such project that they wish to do.

Organizations B had some of the same basic goals, the same target demographic, the same size of physical spaces and numbers of employees, but Organization A has garnered far more excitement nonetheless. However, this attention and their ambition could fade as time progresses, ultimately reaching the same placid status as Organization B. This is not necessary though, as there is not an inevitable life cycle that every art organization must repeat. Organization A has the entrepreneurial spirit and their need to generate their own income will not go away, unless perhaps if the managers were to receive steady employment from the city.

It can be hypothesized that by choosing to support non-profit art organizations, the state indirectly discourages the growth of for-profit art companies, because they are forced to choose a riskier path that is without the support of a safety net and funding from the state. The traditional Swedish model for supporting arts organizations and for culture generally is very generous and well-intended, but increasingly the state and private organizations are recognizing the value in having a more commercial set of values some of the time. The comparisons between these two organizations reveals the importance of balancing the capacity for change along with the capacity to maintain some fixed identity and values that can continue to inspire hard work and innovative participation.

Organization A's initial success is evidenced not just by the large turnout for their events, but also the stories and examples of people and companies donating their time and materials free of charge, because they believe in the organization's value. This perceived value inspired the local brewery to provide 250 drinks on and for two different occasions, and an ice tea company to provide several cases of their drinks as well. Many friends came to paint the walls and volunteered to help fix the old space without any expectation of material compensation. Established artists offered to paint a permanent mural in the corner of the main room, as it helped bring art to the organization, and also, as in all relationships and communities, it benefits them to be a part of something that has the potential to grow. This is precisely why people are willing to invest their energies in this organization and community, because they expect that it will and should continue to exist and to thrive in the future.

Organizations B did not inspire a sense of growth, change, and ambition to become something greater. The managers were not free to grow the organization or to change the space considerably. Without a sense of growth and without the expectation that the organization and the community will continue to exist it is difficult for many people to justify investing their time, energy, and money. A positive story for an organization can be used to frame their vision of the future, and in this way effective storytelling is central to the meaning-making and the politics of operating such an art organization in Helsingborg, in Sweden, or anywhere else.

#### 5.3. Chapter Summary

Comparing Organizations A and B reveals that they have had very different levels of success and interest from the arts community and that this difference is in spite of their many similarities. Is Organization A the model of the future for art organizations in Sweden? Even if it is a successful model that could be successfully emulated in other Swedish cities, the key component of driven, entrepreneurial leaders who are willing to invest in building real relationships and communities is not something that can be mandated from the top-down by the state. Thus, the creation and sustaining of such organizations is reliant upon individuals who are willing to risk failure, work hard at building communities around a clear vision, and who are flexible enough to adapt to the rapidly evolving trends of art and culture.

#### 6. Conclusion

#### 6.1. Research Aims

The larger aim of this research was to understand the strengths and weaknesses of different types of Swedish art organizations. These organizations, their leaders, and the context of this city's cultural policies are not entirely unique, and therefore the research, data, and conclusions about their activities can be generalized to other Swedish cities and organizations. This Swedish context can also be used for comparison to the contexts of other countries. Questions of organizational change and the barriers and incentives to effective action are not unique to these circumstances, and through this research other organizations can compare their situations to this and learn from the mistakes and successes presented here.

## **6.2.** Research Objectives

The first research objective was to understand what constraints and incentives the managers of these organizations faced. The second research objective was to determine the life-cycle of these art organizations, and to predict and reflect on their development. The third research objective was to determine how much having the necessary power to change the organization was correlated to its success at different stages in its development.

The original research objectives and questions were answered to some extent, but some of the initial hypotheses were proven to be incomplete explanations of the successes and failures of these organizations. The capacity for change in Organization A was seemingly a benefit to the organization, but as the data and interviews were analyzed it can became clear that there were other equally important factors that determined the different degrees of success that these organizations reached.

The research objective of finding what constraints the managers of these organizations had was more pronounced in Organization B. In this organization, the ability and freedom to change were very much constrained by the larger institution and upper management that controlled it. Meanwhile, Organization A was mainly constrained by its own innovativeness, willingness to risk investing its time and energy, and by a lack of resources. The tradeoff seemed to be that stable funding meant a more stable organizational structure.

The second objective of understanding the life cycle of these types of organizations was difficult to determine from these two cases, because they did not begin or operate in exactly the same way. Also, data on the early days of Organization B was hard to collect. Therefore, a complete understanding of the life cycles of both organizations was not able to be collected in this research. Organization A is young and its future is uncertain, and Organization B is

mature and its first years are somewhat uncertain too. However, the strengths and weaknesses of both organizations seem to be structural, and not temporal.

The third objective was once again related to the question of how much having the power to make necessary changes was predictive and correlated to an organization's success. The research found that other factors such as community building by politically cultivating relationships was equally important. Relationships needed to be maintained with the producers of art, the organizers of events, the companies who might sponsor them, and with the state who might fund and support them. Another element that was very important to success and was essential to these relationships was the process and capacity for establishing an identity based upon values, goals, and meaning. The power to change and adapt the organization was an important factor for these other important attributes as well, because the flexibility and willingness to host the events of others can be important for such an organization to build relationships and to sustain a community.

The meaning-making capacity was what inspired people to contribute their time, energy, and resources to Organization A. Organizations B failed to have an inspiring story and meaning, and therefore it was difficult for them to attract others to their cause. It had vague goals and impersonal values that the managers themselves failed to identify strongly with. They lacked the incentives and vision needed to really develop and adapt the organization in innovative ways. One essential difference in Organization A's language and identity was its conscious break from the various traditions of Swedish art organizations. They actively chose words and defined themselves as being opposed to these older expectations, and spoke more in the business terms of commercial markets.

## 6.3. Practical Implications

There is a perhaps a trend in Sweden at the moment that favors a more business oriented approach when establishing these art organizations, and the relative success of Organization A can be both an inspiration and a practical example of how to operate and build upon this organizational structure and meaning-making.

Because cultural policy in Sweden is increasingly trying to grow its "free culture" offerings in its cultural landscape (Malmberg, 2015), such issues of how to balance funding with ample controls to ensure a return on investment are going to be of interest to policy makers and managers of art organizations. This has been the first year of the visions fonden, and therefore policy makers will be watching to see if the organizations this fund has supported are succeeding.

Also, Organization B demonstrated some of the pitfalls and shortcomings of a more traditional model of art organization that is common throughout Sweden. This can also be relevant for managers of art museums, institutions, and organizations of all sizes to consider. These organizations exist within the unique Swedish context, but face many of the same fundamental challenges and opportunities that can be found in other countries, and therefore

this research has practical implications for not just art management and cultural policy in Sweden but also internationally.

#### 6.4. Future Research

Future research can be done to establish if some of the correlations between success and failure found in this research can in fact be established to be of a causal relationship. This research suggests that perhaps it is a balanced approach of flexibility and stability that is essential, but does not prove this because there are so many variables that differ between the organizations and there are so many other factors that could have been more or less determinant of their degrees of success, and therefore more research could be done to determine whether these factors were indeed of a causal relationships or not.

Also, more research could be conducted in the area of change management and of how these innovative ideas of Organization A could applied to established institutions such as Organization B. Could Organization B be given more managerial capacity for change, and then as a resultant of being more flexible, become more innovative and successful at attracting customers? This is of great relevance to many institutions in and outside of Sweden, and thus further research should be done to determine the feasibility of applying these different organizational structures to these more mature, traditional, and established institutions

## 6.5. Chapter Summary

During the course of this research project, many areas of managing art organizations in Sweden have been discussed. From the beginning of examining these organizations, it was apparent which organization had been more successful than the other, because Organization B had very few attendants for their events. Also the fact that they were not allowed to sell anything was a red-flag that the organization had very little freedom. Organization A, however, was clearly receiving a great deal of attention and support from many different sources, and was able to accommodate many different interests and formats because of its relative flexibility.

The managers of Organization A used their potential weakness of lacking stable funding as a meaningful strength that motivated their identity as an entrepreneurial and innovative organization. These values and this identity are at the core of their relationships and community, because people understand what the organization is doing and it inspires them to help, because they are sympathetic to the cause. These relationships are with customers, collaborators, investors, and other stakeholders who have an interest in working with the organization and community. Art communities are considered to be very important by policy makers today, because they can help contribute to a more local and creative economy that can attract and keep the creative class within the city or region.

Because Sweden has a mature economy, it is especially vital that its cities keep the creative class, and can develop a creative economy. The creative class lives and works where there are cultural options and communities that can stimulate and contribute to well-rounded and fulfilling lives. The arts have been recognized as important to society for millennia, and a society without a creative community will still consume the arts, but will need to import it. In the case of Helsingborg, it will need to important its culture from Malmö, Copenhagen, Stockholm, or further abroad. This devalues the city and the people who live within it, as they collectively forfeit an identity to producers of art and culture from somewhere else. Creative placemaking of art organizations and communities is thus the first step to developing a creative economy populated by the creative class (Florida & Tinagli, 2004).

If it is accepted that this is what a Swedish city needs, then it is the responsibility of the creative class in these cities, as well as that of the state, to help foster this development. The question then becomes what is the best way to foster this development. The question is pertinent for policy makers who wish to incentivize and develop this from the top down, and is equally pressing for members of the creative class who wish to develop their local culture with their own efforts and values. The two cases presented in this study are representative of two different types of approaches to managing art organizations in Sweden. Understanding the present selection of art organizations is important for anticipating how creative development will proceed and for strategically managing better organizations and policies in the future

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