

# The Evaluation of Cultural Institutions and Policies— Toward a Framework for Creative Evaluation

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Interest is growing in the evaluation of public cultural institutions and policies. Evaluation systems already exist for general administrative policies at the policy, guideline, and operating levels. Many local authorities use this framework to assess the performance of cultural institutions. However, such conventional evaluations are not always appropriate for cultural institutions and policies.

This paper examines the evaluation of public cultural institutions (including programs, activities, management and organization) and policies from three perspectives. First, we discuss evaluations that have been conducted at domestic cultural institutions. Then we review the recommendations of our survey commissioned by the Japan Foundation for Regional Art-Activities (JAFRA), *Study to Improve the Policy Evaluation of Public Cultural Institutions*. Finally, we look at a set of performance indicators for arts policies compiled by the Arts Council England.

## 1. The Difficulty of Evaluating Cultural Institutions

Typically, performance evaluations in the public sector focus on management efficiency and financial indicators such as attendance, utilization rate, and operating income, while omitting indicators and criteria that assess cultural value. But consider the following hypothetical comparison—performance A boasts a 90% attendance rate and high customer satisfaction, while performance B achieves only 50% attendance and mixed customer reviews. Clearly, from an operational perspective, performance A scores higher. But let us further explain that performance A is an entertaining musical concert by a television star, while performance B is a life-altering drama for some people in the small audience. Should the evaluation reflect these factors as well?

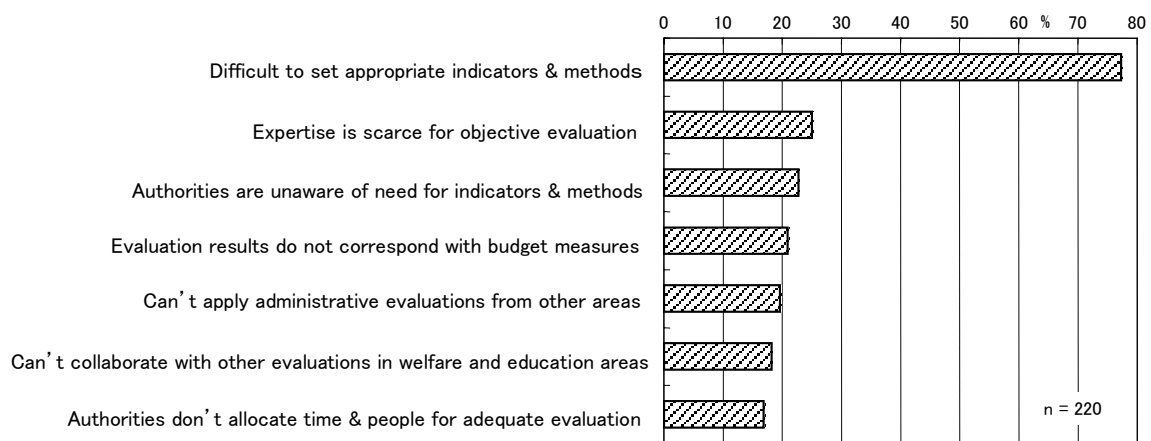
If the answer is yes, we would need to shift the focus of evaluation to the public nature of the institution and social value of the cultural project. Otherwise, public cultural institutions would specialize in A-type performances like profit-seeking private theaters. Few people would deny that the *raison de etre* of public theaters is to support artistic values and cultural activities in a non-profit environment.

Still, even public cultural institutions cannot ignore business and market realities. Performance B might be faulted for failing to draw a bigger audience. Thus the difficulty of establishing a set of criteria consisting of two value vectors—public and cultural values on the one hand, and management efficiency and business values on the other—complicates the task of evaluating public cultural institutions.

Another problem is how to evaluate the public value and cultural value of activities. There is no clear measure for the public value of cultural projects that corresponds to management efficiency and financial indicators such as attendance, operating rate and income.

According to a survey last year by JAFRA, while most local governments recognize the need to evaluate cultural institutions, almost 80% have trouble setting appropriate performance indicators and methods (Figure 1).

**Figure 1 Issues in Evaluating Cultural Institutions and Cultural Administration**



Note: Shows the top seven responses from local governments.  
 Source: JAFRA, *Study to Improve the Policy Evaluation of Public Cultural Institutions* (March 2005).

## 2. Evaluation Case Studies

Recently, however, several public theaters, halls, and museums have been developing their own self-evaluation method. Below we introduce case studies from two theaters and two art museums.

### 1. Kitakyushu Performing Arts Center

When the center opened in August 2003, managers immediately began performance evaluations by surveying audiences on their attendance patterns, satisfaction with performances and with

management, and degree of support for management policies.<sup>1</sup>

In addition, they compared facility operating rates and status of projects against national averages, and revenue and expenditures against similar theaters. They analyzed operating data such as attendance and attendance rate, and even calculated the amount of free publicity and advertising received based on the size and number of news articles about the theater.

The basic evaluation framework contains four axes: (1) achievement of mission and strategic goals, (2) evaluation of operating condition, (3) evaluation of management, and (4) derivative effects of theater operation. After evaluating the first fiscal year of operation, they identified important issues to be addressed.

The survey was repeated in fiscal 2004 year. In the future, they plan to expand the evaluation to include questionnaires and focus groups of participants in the educational and outreach programs, as well as round-table talks led by experts and economic impact studies.

## **2. Setagaya Public Theatre**

We evaluated the theater for the first time in 2000 as part of an overall performance evaluation of the Culture Life Information Center. The theatre was in its fourth year of operation.<sup>2</sup>

Specifically, we surveyed and analyzed three years of operating performance from multiple perspectives: (1) operating data was sorted and analyzed (status of projects, operating rate, attendance, operating income, etc.); (2) interviews of theatre users, outside experts, operating staff, etc.; (3) questionnaires of audiences and the general public; and (4) analysis of related institutions in Setagaya-ku.

The evaluation criteria were drawn from Setagaya-ku's comprehensive operating plan compiled in 1993, under which the center and theater were founded.

The overall plan contains specific operating guidelines for institutions including their mission and concept, basic operating guidelines, and characteristic operations. Results obtained from the four sources mentioned above were compared to the goals of the overall plan, and major items were evaluated on a four-point scale.

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<sup>1</sup> Survey commissioned to NLI Research Institute by the Kitakyushu City Foundation for Promoting Arts and Culture, *Performance Evaluation Survey of the Kitakyushu Arts Theater (I)*, March 2004.

<sup>2</sup> See Mitsuhiro Yoshimoto, "A Performance Evaluation of the Setagaya Public Theater," *PT Public Theater*, no. 12, July 2001.

### **3. Shizuoka Prefectural Museum of Art**

In fiscal 2003, the museum set up an evaluation committee that included outside experts. In cooperation with the museum and prefectural government, they studied various evaluation methods before implementing their own.<sup>3</sup>

Ahead of the committee's establishment, a working group on evaluation was set up within the museum in fiscal 2001 and 2002, and various studies were conducted by experts.

Specifically, they conduct a variety of surveys on a continuing basis: survey of needs for the prefectural art museum, survey of planned exhibits and special exhibits, questionnaire of the museum's association members, questionnaire of visitors to each project, and questionnaire of volunteers. In addition, operating data is sorted and analyzed.

From the accumulated results of these surveys, the museum has established benchmarks for evaluation. First, they identified five "art museum capabilities" based on their mission as an art museum—ability to create and expand collections, operational ability, management ability, public impact, and community contribution. Each category entails strategic goals and methods, and almost 80 benchmarks have been defined using quantifiable indicators.

In June 2004, the evaluation committee released an interim report, *Recommendations for Achieving a New Public Museum (NPM)*, which includes a discussion of future issues in shaping the specifics of the evaluation system.

### **4. The Museum of Art, Kochi**

In fiscal 2003, the museum was evaluated from four perspectives,<sup>4</sup> including long-term outcomes of art museums and public cultural institutions: (1) foundations of museum activities, which are not apparent to general visitors; (2) exhibits, performances and similar services that directly relate to visitors; (3) impact on the art appreciation activities and daily life of visitors; and (4) impact or contribution to the community, including non-visitors.

Surveys included questionnaires and focus groups of visitors, along with focus groups of high-frequency visitors with one-year passes for two straight years, steering committee members of the museum's association, and disinterested local residents.

In addition, based on a comprehensive analysis of these survey results, recommendations were made regarding operational issues and future direction. The museum responded by reviewing its

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<sup>3</sup> Shizuoka Prefectural Museum of Art Evaluation Committee, *Interim Report: Recommendations for Achieving a New Public Museum (NPM)*, June 2004. The final report was released soon after this paper was written.

<sup>4</sup> Nakako Kawashima, associate professor at Doshisha University (commissioned by Kochi Culture Foundation), *Report of*

role and operating policy, and making specific changes that were reflected at the operating level. In this way, evaluation results have led to real improvements in operation and management.

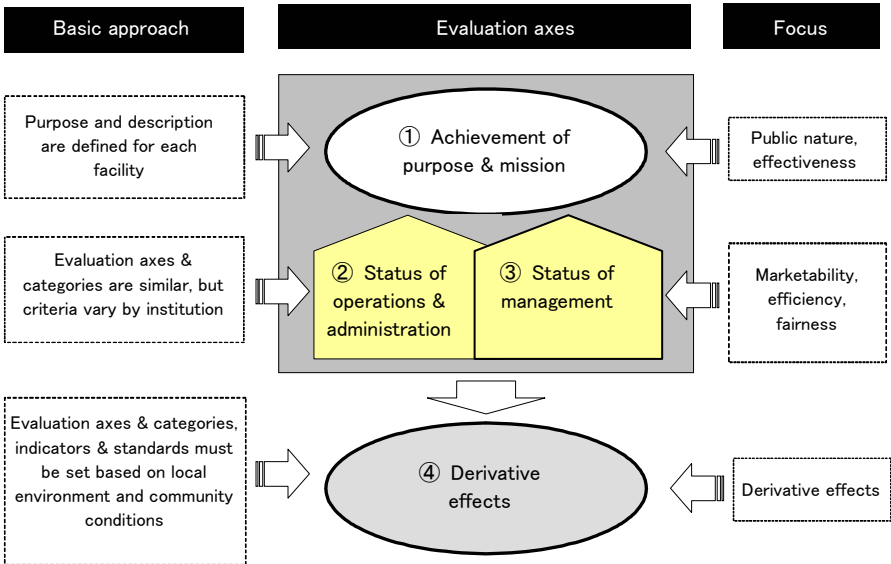
### 3. Basic Approach to Evaluating Public Cultural Institutions

Drawing on existing research, a panel of experts at JAFRA has compiled a basic approach to the evaluation of public cultural institutions.<sup>5</sup> The four evaluation axes and their main focal points are as follows (Figure 2).

- (1) achievement of mission and purpose—creative, appreciation, informational, etc.;
- (2) operation and administration—user or visitor services, facility management, etc.;
- (3) management—operating income, management efficiency, etc.;
- (4) derivative effects—economic impact, publicity effect, enhancement to community or city.

Of the four axes, the first is most important. This is because the defined mission and purpose determine how we evaluate the public nature of cultural institutions and the social value of cultural projects.

**Figure 2 Evaluation Axes and Focal Points of Public Cultural Institutions**



Source: JAFRA, *Study to Improve the Policy Evaluation of Public Cultural Institutions*, March 2005.

*the Performance Evaluation Project*, June 2003.  
<sup>5</sup> NLI Research Institute (commissioned by JAFRA), *Study to Improve the Policy Evaluation of Public Cultural Facilities—the Designated Administrator System*, March 2005.

A key point is whether the mission and purpose of institutions are well defined. Some institutions perform conventional roles such as providing venues and opportunities for artistic and cultural appreciation, and for cultural group activities. Today, institutions also promote creative activities in the performing and fine arts, disseminate the arts and culture through outreach programs, and nurture new leaders in development programs.

Each public cultural institution needs to have a distinct mission. This is because each institution faces unique circumstances in local environment, community needs, and local guidelines for cultural policy. Unfortunately, public cultural institutions often tend to have vague missions, making them prone to fail the first evaluation axis.

Defining the mission and purpose of a cultural institution is left up to the local authority. Unlike the curriculum guidelines for schools and welfare institutions, no clear standards apply to the operation of cultural policies and institutions. Indeed, the lack of standards is a major problem not only in evaluating cultural institutions but in operating them.

#### **4. Cultural Policy Evaluation (England)**

We next examine an approach to evaluating the cultural policies that define the mission of cultural institutions. The following describes the content of *Local Performance Indicators for the Arts* (March 2003), a report compiled by the Arts Council England in cooperation with the Audit Commission, Local Government Association, and other organizations (Figure 3). To convey the depth and breadth of the indicators, we take the liberty of quoting extensively from the report.

The report offers performance indicators for local authorities to use voluntarily depending on local circumstances. The indicators provide a consistent framework for comparison that:

- \* recognizes the diversity of local government arts services while allowing ready benchmarking where appropriate;
- \* identifies standards of services provision and supports the flexible self-evaluation of arts services, locating them more securely within the framework for comprehensive performance assessment;
- \* makes explicit the ways in which the arts support corporate policies and objectives;
- \* encourages a consistent approach with partners' performance assessment frameworks, to simplify reporting requirements for arts organizations;
- \* meets the needs of elected members for performance indicators which are readily understood by the public;
- \* recognizes the need to maintain a realistic balance between quantitative measurement and more qualitative and outcome-based evaluation;
- \* reflects local authorities' enabling role within a complex picture of arts provision which includes the voluntary, independent and commercial sectors. (*page 2*)

**Figure 3 Performance Indicators for Arts Policy (Arts Council England)**

Performance indicator	Remarks
<b>Strategic objective</b>	
① Adoption by local authority of a policy, strategy & action plan for the arts	Graded scale
② Range of support provided for artists, arts groups and other organizations	Graded scale
③ Contribution to strategies for educational achievement and lifelong learning	Graded scale
④ Contribution to strategies for economic development	Graded scale
⑤ Contribution to planning and environmental policies	Graded scale
⑥ Percentage of population attending or participating in arts activities at least once a month	
⑦ Capacity of arts performance and exhibition space in the local authority area by 1,000 population	Seats per 1,000 population; floor space of galleries & workshops
⑧ Number and membership of voluntary arts organizations, per 1,000 population	
<b>Cost / efficiency</b>	
⑨ Spending per head of population on the arts (excluding construction cost)	Measures total net annual cost of operations, cultural projects, grants & subsidies
⑩ Leverage by the local authority's investment in arts facilities and activities	External funding as % of internal funding; operating income as % of total income, cost per participant
⑪ Level of usage at local authority funded and managed arts facilities, by facility type	Calculated by facility type
<b>Service delivery outcome</b>	
⑫ Number of local authority funded arts events, and attendances at these per 1,000 population	
⑬ Attendances at local authority funded/managed venues per 1,000 population, by venue type	Calculated by facility type
⑭ Number of new commissions, and annual spending on commissioning new work per 1,000 population	includes music, choreography, public art, literature, screenplay, etc.
<b>Quality</b>	
⑮ Satisfaction ratings of users of individual arts facilities, events and services	
⑯ Percentage of residents and target groups satisfied with the local authority's funded arts activities and facilities	For all residents, and by employment status, ethnic origin, disabilities of target groups
<b>Fair access</b>	
⑰ Local authority has strategies to promote fair access to the arts for disabled people and people from minority communities	Graded scale; also related to strategic objective
⑱ Attendances at and number of educational, training and participatory arts activities per 1,000 population	Also related to service delivery outcome
⑲ Attendances by target group at local authority funded arts activities and facilities per 1,000 population of target group	Also related to service delivery outcome; by age, disabilities, ethnic origin of target groups

Source: Arts Council England, *Local Performance Indicators for the Arts*, March 2003.

The 19 performance indicators are grouped into five categories developed by the Audit Commission. Most interesting to us is that the broad-ranging set includes both quantitative and qualitative indicators. Qualitative indicators include self-assessments of the contribution to fields outside of the arts such as education and continuous learning, economic activity, and urban planning and environmental policies (indicators 3, 4, and 5). They also measure satisfaction ratings of both users and the general population (indicators 15 and 16). An interesting quantitative indicator in the service delivery outcomes category is the number of new works commissioned (indicator 14).

Each performance indicator contains a rationale explaining the purpose and definition. For example, the rationale for the first performance indicator (adoption by the local authority of a policy, strategy & action plan for the arts) is laid out as follows.

- \* Effective local authority arts services are grounded in a policy and strategy which has been developed through research and consultation, responds to local priorities, is integrated with corporate strategies, and is linked with other service provision.
- \* This is a process indicator, to be considered in conjunction with other more specific input, output and outcome indicators.
- \* It is intended to provide a measure of comparison between authorities and to assist continuous improvement by setting down routes for progression. (*page 5*)

Moreover, the indicator entails specific assessments across eight criteria.

- (a) There is a clear policy, strategy and action plan, endorsed at a corporate level.
- (b) The strategy is widely scoped and integrated.
- (c) The strategy is linked to national, regional and local equalities legislation and policies.
- (d) The strategy is adequately researched and regularly reviewed, with effective review procedures.
- (e) Implementation is led by a specialist officer.
- (f) There are effective external partnerships to support implementation.
- (g) The service is accessible and inclusive, with a clear sense of target groups (as defined by local priorities) and relevant and appropriate for local residents.
- (h) Financial resources are used to support agreed policies and priorities. (*pages 5-7*)

Each of these criteria contains specific guidelines for self-evaluation on a three-point scale: advanced (3 points), established (2 points), or emerging (1 point). For example, the first criterion (existence of a clear policy, strategy and action plan) is graded as follows:

**Advanced:** An arts policy and strategy or service plan exists with aims, objectives, clear and measurable outputs and targets, and an action plan for implementation. There is a set procedure in place for annual report of achievements against targets and revision of action plan for following year. Endorsed and committed to at a political level by the Council, Cabinet or relevant policy forum.

**Established:** An arts policy and strategy or service plan has been developed with aims, objectives, strategies and targets, and an action plan for implementation. The strategy has been endorsed at a political level.



**Emerging:** An arts policy and strategy or service plan has been developed with aims, objectives and a broad timetable for implementation. There is no formal approval for the strategy beyond officer level. *(page 5)*

The eight criteria for the performance indicator are then tallied—a total of 18 to 24 points is considered advanced, 12 to 17 is established, and 11 or less is emerging. Other qualitative indicators are graded in a similar way.

Importantly, the guidelines are designed to lead the way to the next level of improvement. Thus the evaluation process itself encourages local authorities to recognize priorities, develop specific strategies and policies and action plans, evaluate yearly progress, and implement improvements in the next year.

Readers interested in learning more details are encouraged to peruse the document for themselves. We close by noting another essential point from the report—the need to coordinate cultural policy with other policies and the community plan.

## **5. Significance of Evaluating Cultural Institutions and Policies**

In this paper, we introduced evaluations efforts at public cultural institutions in Japan, as well as a cultural policy evaluation approach from the U.K. We conclude with thoughts on the necessity and significance of evaluating cultural institutions and policies.

First, we emphasize that evaluation is not an end in itself, but rather a means of clarifying problems and challenges and initiating improvement. Following the [Plan→Do→Check→Action] cycle, evaluations help us check whether cultural institutions and policies achieve goals, whether the public is satisfied with activities and services, and what problems and challenges institutions are facing. Using the results, we can act to design policies for improvement.

It is absolutely critical that evaluations be linked to improvement. The performance indicators and evaluation criteria of the Arts Council England are highly instructive for their emphasis on ongoing improvement.

Second, evaluations are important for responding to trends and changing public needs. Policy objectives need to adapt to the changing social and economic environment. Evaluations offer the opportunity to survey public satisfaction and discover new challenges for the community, which in turn leads to mission reviews of cultural institutions and policies. Evaluations also help clarify objectives when none existed to begin with.

Third, public institutions and policies must be held accountable for their objectives and performance. This means that local authorities must disclose performance indicators, criteria,

and results to the public.

Fourth, the designated manager system introduced under the revised Local Autonomy Law has important implications for public cultural institutions. Since they can entrust the management of public institutions to private operators, local authorities need to clearly state the mission and objective of these institutions, and evaluate whether the private operator is fulfilling them.

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Evaluation of policies and performance is an inescapable issue for local and national authorities, NPOs, as well as independent administrative corporations. However, if we overemphasize evaluations, we risk encouraging only policies and activities that receive high evaluations.

Ultimately, artistic evaluation occurs in the personal realm, and is characterized by the diversity of values. In a society that grows increasingly uniform, the arts and culture represent a crucial source of diversity—a diversity that contrasts sharply with the uniform values of economic activity.

The framework for evaluating cultural institutions and policies must encompass creative elements as well as diverse values. Constructing this creative framework is the greatest challenge ahead.