UNRAVELING THE INSTITUTIONAL LOGICS OF THE VISUAL ARTS SCENE

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Paper in development. This paper has been developed for the AIMAC conference, Bogota, Colombia, June 2013. In the case of interest in citation, please contact the author for an updated version.

ABSTRACT

This study aims to identify why the visual arts scene in the region of Flanders is organized the way it is and how it can overcome the obstacles and barriers for growth, using the concept of 'institutional logics'. From literature, different concepts of 'logic' have been examined. A framework of institutional logics was conducted, then refined and validated by a group of (inter)national experts. To further illustrate the findings, three case studies of established visual artists in Flanders have been performed. We could identify three separate logics. These findings enhance the understanding of the visual arts scene and provoke new insights and learning amongst actors active in the visual arts. We argue that once an actor can grasp the logic he or she tends to take for granted and is confronted by alternative reasoning upheld by other logics, this agent is better equipped to identify opportunities to innovate and overcome barriers to growth and development.

Institutional logics, Visual Arts, Organizational behavior

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INTRODUCTION

Only recently intangible and symbolic goods are becoming increasingly important and the creative industry has acquired a special significance in the world of business (Wong et al., 2006). Also several academics are stressing good reasons for studying the features and dynamics of - what we are now calling - 'creative enterprises': like the increased consumption of cultural goods and services, which is related both to the 'marketization of culture' and 'culturalization of the market'. Or the development of government policies to support the growth of this industry due to its contribution to a country's economy (Hesmondhalgh, 2002; Hesmondhalgh and Pratt, 2005; Lee et al., 2004). Indeed, like elsewhere in Europe, the creative industries in Belgium, and in particular in the region of Flanders, is increasingly positioned as an engine of value creation for society (European Commission, 2010). We define the creative industries as *"those sectors and activities relying on the input of human creativity to produce economic, societal and symbolic value - throughout the links of creation, production, dissemination and consumption in the value chain – and contributing to the expansion of a country's creative advantage"* (Guiette et al., 2010). Based upon this demarcation, the creative industries in Flanders have been divided into 12 separate sectors: architecture, audiovisual industry, communication & advertising, cultural heritage, design, fashion, gaming, music, new media, performing arts, publishing, and visual arts (Guiette et al., 2011a). In Flanders creative industries represent 3% of GDP and create work for 13,5% of the total number of self-employed (Guiette et al., 2011a). Despite these positive results, previous research confirmed that there are still many obstacles and barriers for growth of the creative practice (Guiette et al., 2011b). In this paper we want to identify the main obstacles by focusing on the visual arts scene, a very lively sector in Flanders. Our study wants to find out why the visual arts scene is organized the way it is, and how it can overcome the obstacles and barriers for growth, using the concept of 'institutional logics'.

The contribution of our study is two-fold: first, we aim to enhance the understanding of the industry receipt of the Flemish visual arts scene and we conjecture that the notion of institutional logic is a useful one to guide our quest. Second, with this study we want to provoke new insights and learning amongst different actors active in the value chain of the visual arts sector. We argue that once an actor grasps the logic he or she tends to take for granted and is confronted by alternative reasoning upheld by other logics, this actor is better equipped to identify opportunities to innovate and overcome barriers for growth and further development.

The structure of our paper is as follows. First, we explore the concept of dominant and institutional logics. Second, we explain the mixed-method approach and the four steps we used for our research design. In a third part, we will explain the framework, we worked out, of the different forthcoming institutional logics in the visual arts scene. We will illustrate these different logics with quotes from the qualitative case study we conducted by three Flemish visual artists. We conclude by reflecting on the validity of our framework about the logics checked against our case study.

LITERATURE REVIEW

Institutional logics

To identify why the creative industries in general, and the visual arts scene in particular is organized the way it is, and how it can overcome the obstacles and barriers for growth, we make use of the concept of 'institutional logics'. This concept also relates to the concept of 'dominant logic'. In the following section we will clarify these concepts. This conceptual choice for a focus on institutional logics is rooted in the presupposition that to understand individual and organizational behavior, it must be located in a social and institutional context, and this institutional context both regularizes behavior and provides opportunity for agency and change. Therefore, the core assumption of the institutional logics approach is that the interests, identities, values, and assumptions of individuals and organizations, which drive organizational behavior, are embedded within prevailing institutional logics (Thornton & Ocasio, 2008).

The concept of dominant logic can be useful to develop a more thorough knowledge on the lack of innovation within a certain organization or even industry (Bettis & Prahalad, 1995). A (management) logic can be defined as the way managers perceive the company and its industry and it serves as a basis on which allocation decisions of resources are made (Prahalad & Bettis, 1986). The same logic is often held within a certain industry, whereby this logic becomes dominant and innovation could be impeded. That could be also the reason why many

companies do not seem able to overcome internal and external barriers to innovate (Matthyssens et al., 2004). Many organizations find it difficult to change, and although they see changes in their environment, they are not able to (re)act upon it. Dominant logics can occur at various levels, for example at the level of the organization, the individual or an industry. However, a consensus in literature is forming on the idea that the correct level of analysis is the industry level, based on the premise that stakeholders in the same industry build a certain common identity (Thornton & Ocasio, 2008). These industry-level logics are referred to as 'institutional logics'.

Institutional logics are defined as "*the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality*" (Thornton & Ocasio, 1999, p.804). According to this definition, institutional logics can be regarded as the 'standard' manners in which actors behave, and are formed through a natural evolution in a particular industry, therefore shaping rational, mindful behavior of its actors. Such consensus on standard manners and identity reinforces order in stable markets by specifying norms of behavior and audience expectations that supply bases for comparison (Khaire & Wadhwani, 2010).

Research has shown that multiple logics can be present in an industry (e.g. Thornton, Jones & Kury, 2005; Khaire & Wadhwani, 2010), which define the rules of the game and focus the attention of decision makers in organizations on issues and solutions that are consistent with the dominant industry logic (Thornton, 2004). Institutional logics are neither immutable nor singular. Rather, people and organizations are embedded within, and subject to, multiple and often conflicting logics. The standard operating procedures and thinking patterns embedded in a particular logic can paralyze values into dogmas, make strategic frames become blinders, and harden processes into routines, resulting in corporate inertia and an inability to take appropriate action to counter corporate challenges (Sull, 1999). Examining an industry using an institutional logic approach emphasizes how actors are confronted with a predefined set of societal norms. Thereby it assumes that behavior is not determined by possible consequences of actions performed but rather by compliance to prevailing norms. From this viewpoint, institutional logics do not shape conscious strategic decisions, but rather define the sources of legitimacy of the decisions that create a basis of order and security into which decisions can be formed (Thornton & Ocasio, 2008).

METHOD

Our study followed a mixed methods design and consisted of four sequential steps. First, a *literature review* was conducted to identify and select perspectives on institutional logics and the visual arts scene from different fields of research. The literature review's goal was to obtain an understanding of the concepts, in particular of the institutional logics. Using these insights, a first conceptual framework on the prevailing dominant logics was designed, based on the knowledge of the researchers about the creative industries, and more specific about the visual arts sector in Flanders.

This initial framework was then, in a second phase, refined by a group of fifteen international *experts* of the creative industries. This group included academic researchers, policy makers, and industry actors. In addition, this refinement by industry experts also served as a first validation of the evolving framework.

In a third stage, the elaborated framework was further evaluated by *two focus groups*. The first focus group consisted of sector specialists with specific expertise on the visual arts industry in Flanders. Based on the insights of this first focus group, the framework was further modified and refined. In the second focus group, a set of young visual artists were confronted with the framework and their assumed positioning within it. This focus group was designed for a more advanced validation and final improvement of the framework.

Finally, to illustrate the findings, three *case studies* of established and well-known visual artists from Flanders have been performed. These case studies are a practical implementation of the different logics in the framework. The cases were selected within the field of the visual arts. We deliberately chose for this narrow focus, in order to enhance comparability of the separate case subjects on the one hand and to avoid stereotyping a specific sector by illustrating it with the thinking patterns of only one or a few 'typical' actor(s). The cases were selected by means of theoretical sampling. This made it possible to select cases that were theoretically most valuable in terms of insight. Multiple sources were used during the data collection process. This triangulation of data gave

us the possibility to strengthen the formation of valid conclusions (Eisenhardt, 1989). Each case definition is based on one or more interviews with the visual artist. The interviews took place on location and according to a semi-structured interview protocol. A topic list was drawn upon the relevant constructs from the conceptual framework. In addition, secondary sources were used, deriving from both scientific and non-scientific media. The data collection, encoding and analysis took place in an iterative process. By using such a flexible method of data collection, we could make small adjustments in the interview protocol, based on newly acquired insights (Glaser & Strauss, 1967).

FRAMEWORK INSTITUTIONAL LOGICS IN THE CREATIVE INDUSTRIES

Based on the findings, a conceptual framework of institutional logics in the creative industries was developed. Taking the literature review into account, the expert consulting and the two focus groups, we discovered the presence of three different logics in the creative industries. The main difference between the three logics argued below is the dominant beliefs about the nature of the artwork (core creative output) and the modes of transaction this implies. This difference influences not only the way the artwork is pitched or 'sold' to its audience, buyers and/or 'traders', but also guides and constrains the way people make, justify, and learn from their decisions and actions. We do not assume that every actor fits within one logic only. On the contrary, it is likely that artists combine elements from different logics. The explanation of each logic is illustrated by examples and quotes derived from the three case subjects (artists X, Y, and Z). Each of these artists is a well-established actor in the Flemish and international visual arts scene. Their views regarding components of the market, their organization and their products give a compelling illustration of different dominant beliefs present in the sector.

Logic 1

The core of logic 1 consists of the notion that the creative product is regarded as a *positional good*. By this we mean a good whose value, both symbolic value as market value, is highly dependent on the ranking compared to other similar goods, as judged by others. Especially the opinion of a select elite group is considered important. This group largely defines the legitimacy of the art work. For the visual arts scene, the elite group consists of critics, private art collectors, museums and galleries.

"It's so true that when my gallery holder doesn't like the art work in my studio, he don't want to exhibit it. It is therefore not the case that he says: I want to do an exhibition with you, you can propose what you want and how you want it. Not so. He is a gatekeeper, which is probably his right, and it's his shop."(Artist X)

"It is important to have a good work in a good museum." (Artist Y)

The scarcity and uniqueness of the creative work is commonly stressed, and the hunger for a high status, prestige and rating behavior characteristics describe this logic typically. Within this logic, the creative person has often a relatively strong intrinsic motivation to create.

"Since I was a child, I wanted to be an artist. I wanted an artist's existence. For me that was the same as freedom. That you didn't had to live following the outline that is imposed." (Artist X)

"If I don't do what I do, then nobody will. So I should do it." (Artist X)

Image and reputation (most within the field) are seen as the most important possessions. These creative people are often only focused on their core activity and the activities are organized hierarchically. Artists within this logic are selective with regard to collaborations. Financial resources are obtained preferably through a combination of sources, with the Government as an important source. The (sales) market is seen mainly as an actor who follows the creative people and from which inspiration can be gained.

"I've been since 1981 with my gallery. The fact that you're connected to such a gallery, does not guarantee that you end up in a particular circuit. There should eventually be a match between the interests of the market and that what you have to say." (Artist X)

"The subsidy policy as it is now in Flanders is not bad. But the pampering of artists I find a dubious thing. It is of course good and valuable that the Government gives money to young artists, but in my view it should be more organized as in Germany." (Artist X)

Logic 2

The core of logic 2 consists of the notion that the creative product is considered as a *private consumer good*. By this we mean a good whose value, both symbolic as market value, is derived from the individual satisfaction, pleasure and welfare of consuming it. This logic typically attaches great importance to entrepreneurial spirit, autonomy, self-management and innovation.

"There's a general supposition in the visual arts scene that art should be autonomous from the market. I myself have never held myself by such assumptions." (Artist Y)

The creative persons in this logic are characterized by a great extrinsic motivation. This logic is further described by behavioral characteristics as one's quest for meaning and satisfaction. Within this logic, organizations are compiled very 'corporate', with often a diversified core activity.

"I work with a small fixed group, without hierarchy, so the organization stays mobile." (Artist Y)

Collaborations are frequent and focused on the exploitation of new opportunities. Ideally, funding comes from a combination of business financing and sales.

"We get zero euro of subsidy and often ask no money for exhibitions and travel costs. I pay everything myself, by selling artworks." (Artist Y)

The Government is mainly seen as a regulator and stimulator of the market process, whereby they should offer support to entrepreneurs.

"The Government would now best play a smaller role in the art world, because even if they still play a small role, they do enormous damage. They favor one, but not the other and they do not let the market work." (Artist Y)

The (sales) market serves above all to the legitimacy of the creative products and thereby also determines the artistic direction.

Logic 3

Finally, the core of logic 3 consists of the notion that the creative product is considered as a *shared good*. By this we mean a good whose value, both symbolic as market value, benefits from significant (positive) network effects.

"My desire is larger than just making art and distributing them in the world." (Artist Z)

"Is art something that needs to change the world? Not necessarily, many artists are not preoccupied with that, but for me personally? Yes for me it is." (Artist Z)

The consumption or purchase of a creative work in this logic implies membership of a group or community, whereby the production of value is created and shared jointly.

"Humanity is more important than art is. That means that you have to share your knowledge with others." (Artist Z)

Accordingly, this logic is featured by one's pursuit of a sense of 'in-group' connection (with the community) and the willingness to do everything for that network. Within this logic, an artist ideally works on much diversified core activities using open structures and with lots of relationships and collaborations across networks and the public. The informal social networks and partnerships are therefore seen as the most important resources for the creatives in this logic. These networks are also used to legitimize the creative products and to self-create and manipulate the market.

"If the content of your story is true, then the sales will come." (Artist Z)

"Later I will go to the Copenhagen Summit on climate change. Over there I will see who I'll be talking to and what sort of ideas will be exchanged." (Artist Z)

The case studies helped us to illustrate the framework on institutional logics we developed. Furthermore, we discovered that the cases follow one main logic, sometimes completed with a minor second logic, but none of the cases was a mix of the three logics. The figures below give a visual overview of the cases and their main institutional logics.

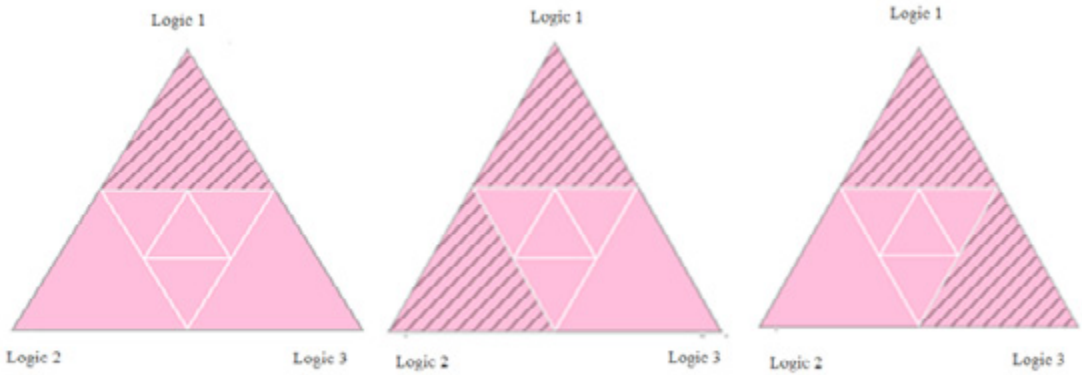

Fig.1: Logics overview artist X Fig.2: Logics overview artist Y Fig.3: Logics overview artist Z

CONCLUSION

From the different cases in the visual arts scene, we can firstly conclude that artists and their organizations can rarely be appointed to one separate logic. They usually combine elements from different logics in their practice. But mostly one logic is more dominant than another one. We could also observe that using one logic or a combination of patterns in itself is not necessarily a guarantee of success for the development of a career. More important is that the artists become aware of the logics that are dominant in their thinking and acting. Only than, they can develop a more strategic based thinking about their practice and probably find new, innovative ways to organize their business.

The three explored cases are successful Flemish visual artists. They proved that they were quite aware of the logics in which they are operating. Undoubtedly, the combination of elements from various logics depends also on the situation of the organization and/or the artist from a life cycle perspective. An artist at the beginning of his career thinks different from a renowned artist that has already developed a career for 20 years. The logics can change according to the life or career stage of the creative entrepreneur. We also want to stress that our framework is only a snapshot. We assume that logics evolve and can change, influenced by social and institutional factors.

At this point, our study can only make conclusions about the institutional logics in the visual arts scene in Flanders. However, we believe strongly that the framework can be generalized to other sectors in the creative industries. More research work certainly needs to be done.

In general, we believe this study can help starting creative entrepreneurs to become more self-conscious about the logic(s) that is/are dominant in there thinking and acting. The confrontation with different logics can help them to understand better who they are (identity), where they stand (environment) and in which they differ from others (competition). This could be an important next step in the professional development of their creative career.

ACKNOWLEDGE

We'd like to thank Flanders District of Creativity to make it possible to conduct this research work.

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