Ideas for measuring service in the cultural sector

July 11, 2012

Arts and cultural institutions need to find new audiences, meet changing demands and consider their business models afresh. And this they must do while competing for ever scarcer public funds.

Cultural organizations, like their business counterparts, need to respond to declining resources, as public funding for the sector dries up.

One way to achieve this would be to update the design of services, with a view to improving offerings, enhancing efficiency and meeting clients' changing needs.

To do that, institutions will need to introduce performance indicators to identify efficiencies and areas of weakness within their operations.

Museums and performing arts organizations are the fields that have so far attracted the most attention for the design of performance indicators.

In their technical note, "An Introduction to Setting up Service Performance Indicators in the Cultural Sector," IESE Prof. Beatriz Muñoz-Seca and research assistant Susana Llerena propose extending the practice across all cultural sectors.

Measuring services

Services are more difficult to measure and standardize than manufacturing activities. As a result, standard indicators tend to focus disproportionately on financial variables, while

overlooking issues of service quality.

Measurement systems should also provide a more balanced view of performance, taking into account the different perspectives of end users, employees and other stakeholders.

In his strategic analysis of the fictitious "Underworld Symphony" for the National Endowment for the Arts, Richard Evans collated all the data from the symphony's operations that can be represented in numerical form.

He offered a statistical representation of the struggling cultural organization by drawing on the artistic experiences of composers, conductors, musicians and, most important of all, audiences.

To help cultural organizations design their own service performance indicators, Evans created a set of templates that can be adapted for any cultural organization.

Performance indicators in the real world of culture

In their report on the provision of public museum services, the Leisure and Cultural Services Department in Hong Kong identified eight key performance indicators for museum collections. They proposed measuring the number of:

- visitors to museums and exhibitions
- exhibitions organized
- objects in the museum collections
- items in film archive collections
- guided tours held
- lectures, demonstrations, seminars, films and shows organized in a given time period
- publications
- museums and archives

In a similar vein, London's British Museum and the Victoria and Albert Museum have identified five broad categories of performance indicators:

- usage, to understand the characteristics of their patrons
- accessibility of collections, to measure availability of collection items to the public
- educational programs, both on site and through outreach
- user satisfaction, or the extent to which the museums are meeting objectives

- environmental condition of collection, to plan improvements in stewardship

Most crucially, performance measures should reflect how the organizations are providing value to customers. Key performance indicators, such as timeliness, quality, price and return on investment, should all be taken into account.

Understanding the relationship between employees and the service they provide is also essential.

To do that, organizations should track employee performance based on a checklist of essential skills, such as communication, knowledge, judgment, teamwork, attitude, initiative and decision making.

Know your customer

Gathering a database of visitors' opinions, queries and experiences through surveys has become the core strategy for evaluating the impact of a cultural offering.

Some surveys invite users to express their opinions or attitudes, while others gather data on, say, how far people have traveled to the offering, whether they arrived by car or public transportation, or the proportion of visitors represented by tourists or local residents.

However, the authors urge cultural institutions to move beyond the run-of-the-mill analysis of visitor demographics toward a much deeper understanding of the diverse motivations, aspirations and needs of their customers.

For example, independent learners may want detailed information on collections. Retired visitors, by contrast, may take more time to study displays, as well as appreciate the provision of portable stools.

To attract more adult groups, the museum may need to provide cafés and other social meeting points.

Drawing in families, meanwhile, will require creating child-friendly spaces within the museum.

Children are a particularly important target audience for cultural institutions because they hold the key to the sector's future: By successfully marketing services to younger generations, the sector stands to instill a lifelong pattern of attending cultural activities.

To cater for educational groups, spaces should be created for bags and coats, as well as for groups to confer and plan their work. Providing clipboards or notepads, at little extra cost, would be an added convenience.

This paper provides a broad overview of the pioneering efforts currently under development in the cultural sector.

The current economic climate, in which organizations have little choice but to make their limited resources stretch as far as possible, represents a timely opportunity to spur the sort of creativity and innovation that the sector desperately needs.

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