The Impact of Governance on Performance:
The Case of Performing Arts Centers in the United States

Performing Arts Centers (PACs) provide important public services to local communities in the United States by exposing the public to arts and culture. Although these centers have long been a staple in local cultural life, we still know little about what makes some centers more successful than others. This paper analyzes the increasingly important role of PACs by pursuing a case study of the Adrienne Arsht Center for the Performing Arts. While various scholars (Markusen 2014; Markusen and Gadwa 2010; Markusen and Schrock 2006; Markusen 2006; Reiss 1998; Grodach and Loukaitou-Sideris 2007) have studied different aspects of performance, none have yet proposed a possible research instrument that will allow the success (or lack thereof) of the performing arts center to be measured in the short- and long-term. Markusen and Gadwa (2010) recognized the importance of creativity and the resultant cultural economy, yet also recognized that there is limited information regarding best practices for performing arts centers. The research utilizes a case study approach that combines quantitative and qualitative techniques for data collection and analysis, including interviews with various stakeholders, content analysis of documents and news articles, as well as regression estimations. Scholars have argued that PACs enhance the quality of life in local communities and serve both educational and entertainment purposes (e.g., Bianchini et al., 1988; Florida, 2014; Landry et al., 1996; Markusen & Gadwa, 2010). In many instances, the arts and culture are seen as development tools on an urban or regional level, allowing for exploration of themes of governance and best practices through causal relationships, stakeholder analysis, participation, and bureaucratic fragmentation (Markusen and Gadwa 2010). D’Ambrosio (2005) states performing arts centers have become a tool for revitalization and redevelopment; Grodach and Loukaitou-Sideris (2007) state that PACs are a tool for entrepreneurial influences to cultural activity & development; and Chapple, Jackson, and Martin (2010) state cities have continued to invest resources in the creation of arts districts. While much literature is available regarding culture and commerce for revitalization strategies, there is limited empirical literature regarding cultural strategies within urban redevelopment, which shows, in part, the importance of the present study. The findings of this research may be instrumental in building a greater sense of community, creating economic opportunities, and developing social capital within a community.

Introduction

Performing arts centers are often seen as places of cultural vitality, community growth, and expression. As a result, there is a high demand for performing arts. Yet, there is limited literature regarding the actual governance and performance of these facilities. The introductory chapter serves to provide more information regarding performing arts centers and their performance. The following section consists of background information, which led to the research gap establishment. Next, the problem and purpose statements were provided. These sections led to the
rationale and significance of the study being described, which gave the foundation for the research aim and objectives. Based on this information, the theoretical foundations (governance theory and New Public Management theory) were briefly discussed. The final major section in this chapter is the overview of the methodology. The chapter concludes with a brief summary.

Background and Research Gap

Seaman (2006) acknowledged that audiences within these facilities are typically elite groups, based on results from econometric demand studies and surveys for audience and participation habits. The study found that education was a greater indicator than income for performing arts attendance. Moreover, there is a distinction between arts training and formal education. Across some groups, the arts are seen as a luxury goods, as evidenced in rare studies that control for time value and the showing of higher than expected price elasticities. The performance of these facilities, then, may be mitigated, at least in part, by low pricing strategies (especially by non-profit facilities), which yields price inelastic demand, as opposed to an inherent taste for the arts (Seaman 2006).

Demand for the arts cannot be estimated adequately without considering variables of ‘life style’ and socioeconomic factors, which are notoriously complex to analyze. At the same time, the quality of the arts performance or the facility appears to be important in estimating the performance of the facility. Other factors affect audience attendance and, resultantly, performance of the facility, such as the distinction between immersion learning, habit formation, and rational addiction (Seaman 2006).

Markusen and Gadwa (2010) recognized the importance of creativity and the resultant cultural economy, yet also recognized that there is limited information regarding best practices for performing arts centers. In many instances, the arts and culture is seen as a development tool on an urban or regional level, allowing for exploration of themes of governance and best practices through causal relationships, stakeholder analysis, participation, and bureaucratic fragmentation (Markusen and Gadwa 2010). Feder (2015) constructed a cultural hierarchy of different Israeli arts facilities based on the amount of government funding received by the facility, finding that theaters receive the most amount of funding, orchestras receive a moderate amount of funding, and dance companies receive the least amount of funding. Moreover, according to Feder (2015), there are significant funding differences for those facilities with different ethnic orientations. However, the funding gap between facilities has decreased consistently. Based on these results, Feder (2015) recognized that there are patterns of funding and governance for performing arts centers that are developed over time and represent governmental priorities in relation to cultural policy.

Not all funding structures are the same, as the higher education system funding structure changes in the United Kingdom has led to debated regarding the role of the arts and humanities in higher education, as well as within society and the economy (Comunian, Faggian, and Jewell 2014). This debate has centered
around the intrinsic value of the arts and humanities, such as within the creative economy through activities involving knowledge exchanges. Yet, little notice has been paid to arts and humanities graduates, who also contribute significantly to the creative economy, as well as the governance and performance of the facility. Through their study, Comunian, Faggian, and Jewell (2014) found that there was an intersection with different sub-disciplines within the arts and humanities field which impacted creative economy, but also that there was a significant salary gap and lack of stability in working conditions, which impact not only the graduate, but also the facility.

Performing arts centers are known as facilities that provide a stage for live performances, as well as other cultural and arts events. It has been recognized that these facilities provide critical public services to local communities by exposing the public to arts and culture. In fact, some scholars (Bianchini 1988; Markusen 2014) have recognized these facilities as being a consistent fixture within local cultural life. Despite some evidence regarding the governance and performance of performing arts centers, there is little information regarding the ways that the structure of governance impacts the end results (performance) of these facilities.

**Problem and Purpose Statements**

The problem being addressed in this study is the literature gap regarding the governance structure impact on performing arts centers. While some research has been conducted in relation to funding for these facilities, there has been sparse evidence regarding the governance structure impact. McLean (2014) recognized that there has been increasing amount of research being conducted regarding arts-led regeneration initiatives, yet also acknowledged that contemporary arts festivals (and, similarly, performing arts centers) can become complicit in urban inequality production. Yet, McLean (2014) also acknowledged the limited engagement with empirical evidence that shows the contradictory roles held by performers within these events. At the same time, it has been recognized that there is a connection between political limits and social practice arts potential, yielding co-production interventions for both artists and non-artists in an effort to attract investment through civic boosters (McLean 2014). Based on this information, as well as the information presented in the prior section, it is clear that performing arts centers have different end results, where there are cases where some have better performance than others, yet it is still unclear as to how the underlying foundation of the facility – the governance structure – impacts this performance. As a result, the purpose of this mixed methods study is to create an understanding of how governance impacts performance arts centers.

**Rationale and Significance of the Study**

Performing arts centers are important for local communities because they offer crucial public services that are educational, culturally enriching, and entertaining, which enables them to contribute to the social well-being and quality
of life of those within the community. Moreover, per D’Ambrosio (2005), performing arts centers have become a tool for revitalization and redevelopment. Grodach and Loukaitou-Sideris (2007) also recognized that municipal governments turn to the arts and cultural activities for city revitalization. While much literature is available regarding entertainment and commerce for revitalization strategies, there is limited empirical literature regarding cultural strategies within urban redevelopment, which shows, in part, the importance of the present study, because, as shown through the study by Grodach and Loukaitou-Sideris (Grodach and Loukaitou-Sideris 2007), most governmental agencies have different goals, suggesting that entrepreneurial objectives are most influential to cultural activity development and support. Chapple, Jackson, and Martin (2010) noted that cities have continued to invest resources in the creation of arts districts, which range from formal districts utilizing public investment to informal districts utilizing existing facilities. However, this study confirms that little is understood regarding the planning process role in these emerging districts. Based on archival evidence and in-depth interviews, Chapple, Jackson, and Martin (2010) were able to conclude that there may be a coexistence of formal and informal strategies, based on the major strategies, which are backed by leadership and vision, enabling the facilities and districts to be effectively planned and implemented. However, it is also noted that informal districts also require planning with a variety of stakeholders, each of which have unique revitalization visions (Chapple, Jackson, and Martin 2010).

Through these revitalization efforts, there has been a boom in the construction of performing arts centers. Reiss (1998) acknowledged this growth of cultural centers during the 1960s and 1970s. During this time period, the symbolism of culture was more important than the actual cultural, yielding many errors in planning, programming, construction, and funding. As a result, many facilities were under-utilized due to poor planning, yet other facilities showed clarity and fulfillment of the need (Reiss 1998). Because of the differences in outcomes in performing arts centers, it is of vital necessity to understand the various types of governance mechanisms used to run these facilities and how these governing arrangements might affect the quantity and quality of services delivered. In fact, the increasing number of performing arts centers across the United States reflects the significance of the public service offered by these facilities within local communities. However, there is a lack in information regarding best practices for operation of performing arts centers (Markusen and Gadwa 2010). The present study is significant in that it will examine these issues and may produce policy recommendations, which may be beneficial to cultural planners, civic leaders, and state agencies in the establishment in more efficient and effective performing arts centers.

It has been contended that the arts have been an integral part of community building (Markusen 2006), economic development (Markusen and Schrock 2006), and social capital (DeFilippis 2001). Markusen (2006) critiqued the concept of the ‘creative class,’ as well as the logic regarding the relationship between the creative class and urban growth. As such, Markusen (2006) argued that within the creative
class, there is distinction between spatial and political tendencies which end up being linked based on educational attainment and there is little relationship with creativity. Through the work of Markusen (2006), it has been demonstrated that the politics, formation, urban impact, and location of artists is more complex than previously suggested, which impacts the governance of performing arts centers. In fact, the spatial distribution of artists may be attributed to migration decisions and local artist nurturing in dedicated spaces (including performing arts centers), which sometimes leads to employment with these facilities. Yet, there is an extremely high rate of self-employment among artists, which yields regional growth through consumption activities substituting for imports and the export of the work yielded. As a result, it is suggested by Markusen (2006) that the roles played by artists within urban economies are progressive, yielding important contributions to the vitality and diversity of communities.

Markusen and Schrock (2006) recognized that during the past two decades, both regional and urban policy makers have considered the arts and culture to be a solution to economic problems, especially within older urban areas. Typically, the economic contribution by the arts is measured through summing the revenue of larger arts facilities, patron expenditures, and multiplier effects. However, this approach tends to underestimate the contributions by the artists themselves (Markusen and Schrock 2006). This underestimation occurs due to the high self-employment rate of artists and the direct export activity in which they engage, because the work by artists enhances production, design, and marketing of both products and services in other sectors. Moreover, the work of artists leads to innovation, where they establish entertainment that substitutes for imports for regional consumers. At the same time, many artists spend significant amounts of their own income on local art outputs (Markusen and Schrock 2006).

The role of a performing arts center in a community is to provide a public service delivery to the community that is educational, culturally enriching, and entertaining for the social well-being and quality of life for the residents of that community. Performing arts centers (PACs) have become a tool for revitalization (D’Ambrosio, 2005; Grodach, 2007; Rosenberg; 2005), a method of cultural widespread public service delivery (PSD) and vitality for the community. In recent years, there has been a cultural boom in the construction of PACs (Reiss; 1998) and how good the PACs are for the community as well as the role of the PACs in the community. The growing number of PACs across the country reflects the significance this PSD has within a community, however the knowledge of how to operate and run this facility in the hopes of developing a relationship with the community while fulfilling its regional planning mission is sorely lacking (Markusen & Gadwa, 2010).

The cultural boom and relevant literature examine the role the PACs play in the community, however there is a dearth in the literature as to how exactly the PAC should be governed in order to fulfill all of the requirements by all of its stakeholders. The governance and operational management of the PACs from the design and construction phase to implementation to opening night is one that has not been heavily analyzed by scholars.
What are the development challenges in constructing a PAC and what can be learned from other construction challenges in order to avoid catastrophic and costly re-runs of architectural drawings, overrun costs, and acoustical or design challenges? How is the PAC presented to the community? How is it marketed to the community? How does the PAC reach out to the community and remain sustainable after the big grand opening festivities?

By analyzing the Adrienne Arsht Center for the Performing Arts (Arsht Center) in Miami, Florida the researcher will list some determining factors that prohibited arts administrative governance or how arts administrative governance might have prohibited the challenges in different phases of the facility building. This paper will look at when certain managers and specific arts disciplines administrators might be brought on to the project for the overall day-to-day operation of the facility, and how leadership of the performing arts center pays a major role in the sustainability of a performing arts center and in turn in the public service delivery of its community.

The present research builds from prior literature and attempts to contribute to this body of literature through the provision of a mechanism for understanding how the governance of performing arts centers affect its performance. The findings of this research may be instrumental in building a greater sense of community, creating economic opportunities, and developing social capital within a community.

Significance of the Study

Using the case of the Adrienne Arsht Center for the Performing Arts (Arsht Center), the purpose of this study was to develop an understanding among community leaders, politicians, and policy makers about the important role of the executive leadership of Performing arts centers with regard to their strategic placement of specific administrative governance roles within different phases of design, construction, and implementation all the way to operation. The study wanted to use the acumen generated from this comprehensive process as a reference for future community leaders, politicians, and policy makers and provide recommendations for the positive transition from governance of construction phase to governance of a dynamic, emerging cultural icon in the community.

Conceptual Framework

Prior to looking into the governance issues, a clear understanding of the operational framework of the development administration along the different phases of maturity for the PAC is essential. Illustrated in Figures 1 through 4 are the different phases in the building of a PAC facility with public-private funding as a model. As shown in the different figures, the initial issue is in understanding the different phases of development and the different types of governance required in each in order for the success of the facility. All phases throughout the development supported the concept of development administration of PACs at
different phases of progress. After understanding and analyzing these crucial phases and the administration needed and rationale for each phase, the study focused on the implementation phase of PACs and how crucial those roles have become for the sustainability of this cultural facility.

**Figure 1. Awareness phase of a performing arts center**

**Figure 2. Design phase of a performing arts center**

**Figure 3. Construction phase of a performing arts center**
Figure 4. Operational phase of a performing arts center

Literature Review

The governance associated with a performing arts center refers to the continuous and evolving relationship that exists between the facility’s management structure and the governing mechanism that is involved in facility leadership. This structure includes governance as a public entity, self-managed performing arts centers, and/or public-private partnerships. Moreover, performing arts centers have been further conceptualized as a facility where community building, community development, and social capital add to the intrinsic nature of the social well-being of a local community (D’Ambrosio 2005; Eisinger 2000; Grodach 2011; Markusen et.al. 2006). Other scholars verified that there is a degree of gentrification surrounding the transformation of the working class to middle class areas associated with those downtown districts where performing arts centers are typically located (Chang 2016; Zukin 1987; Grodach, Foster, and Murdoch 2014, 2018). Another component of performing arts centers is governance, where scholars argue that those factors affecting governance (such as internal controls, external accountability, effective communication, financial transparency, effective development, and effective management structures) remain constant in the non-profit sector (Rosenthal 2007). At the same time, arts value has been studied as a form of social capital (Grodach and Loukaitou-Sideris 2007; Grodach 2010).

Past investigations have shown that the dearth of research regarding performing arts center governance prompt the researcher to consider three broad perspectives: (1) typology, (2) community effectiveness, and (3) management. In consideration of these perspectives, typology allows for the structuring of the types of governance structure used by performing arts centers of similar size, structure, and scope. To understand the rise of cultural districts and performing arts centers, the governance can be examined (Castaneda and Rowe 2006; Moon 2001; Scheff and Kotler 1996). Other scholars argue that performance arts centers’
organizational characteristics (Senge 1991; Hirsch 1972), governance (Moon 2011; Markusen and Gadwa 2010), and community engagement and cultural development (Grodach and Loukaitou-Sideris 2007; Markusen et al. 2006) have an impact on performance arts centers, yet no typology has been created to study the individual aspects in the scope of entire governance of the performance arts center. This study is important because it establishes a topology for different governing structures and provides an example through the case study of the Adrienne Arsht Center for the Performing Arts.

Theoretical Foundations

From the onset, the arts have not been on the policy makers’ radar. It took approximately 100 years for the arts to reach political agendas before a consensus for their federal funding was formed. The governance of the arts had been in flux for years and also out of public (including academic) scrutiny. Governance refers to the exercise of authority, which goes beyond just the government units. Rather, it refers to service provision by multiple providers, including nonprofit organizations and businesses. As a term, governance relates to the environments (Stoker 1998) developed for systematic direction and action of the organization. According to Rhodes (1996), there is “a change in the meaning of government, referring to a new process of governing; or a changed constitution of ordered rule; or the new method by which society is governed.” Governance is concerned with creating the conditions for guided direction and collective action. Reviews of the literature generally show governance is used in a variety of ways and certainly has multiple meanings (Rhodes 196; Stoker 1998). By and large, scholars agree that governance refers to the creation, implementation, and management of public services, including all three sectors: the government, the nonprofit sector, and the private sector.

The present study addresses (1) governance structures specific to performing arts centers, (2) the development of a measurement to assess performance of performing arts centers, and (3) the link(s) of the above by examining how the type of governance affects performance of performing arts centers. Currently, data does not exist on the governance structures of performing arts centers. This study will rely on network governance and analyze the networks of partners, with which performing arts centers engage, the relationship with external and internal stakeholders, as well as the role performing arts centers play in the community.

The governance theory and the New Public Management theory (Hood 1995) offer useful insights for the understanding of performance arts centers’ operation. The governance structure of a performance arts center as a public enterprise and a cultural facility needs to be balanced with community needs. Even further, it should lead to community empowerment. In accordance with the New Public Management movement, performance arts centers benefit from entrepreneurial spirit of their managers and should follow market principles. Yet, a performing arts center should go beyond business values and cater to community values. The combination between entrepreneurial spirit and philanthropic giving within
performing arts centers governance and finance as well as competition and collaboration amongst performing arts centers across the country is what makes this study intriguing and timely.

Governance Theory

Governance structures are the framework of a federal government as well as mirror the related connections, variables, and also various other impacts upon the organization. Governance framework is usually made use of mutually with governance structure as they both describe the framework of the governance of the company. Governance frameworks framework as well as mark power as well as the regulating or administration functions in a company. They additionally established guidelines, treatments, as well as various other informative standards. Additionally, governance structures specify, lead, and also attend to enforcement of these procedures (Offe 2009).

These structures are formed by the objectives, tactical requirements, economic motivations, and also well-known class structure as well as procedures of the company. Governance structures develop as well as continue the effectiveness or absence of effectiveness in a company or establishment's capacity to satisfy its objectives, as well as also their public relationships and also understanding. The company of the governance structure is essential for the success of the company conference its objectives. Sociologist John Child mentions that these are linked and also, in a round fashion, idea that transforms in governance structures will certainly prosper favorably influences the opportunity that the structure will certainly cause the wanted adjustments. In addition, Williamson recommends that the company of a governance structure causes financial repercussions for that company (Williamson 1979).

Regularly, the term great governance structure recommendations a favored design of governance that the writer thinks to be far better fit to that sector or company, particularly in regard to public relationships, as well as business as well as economic openness. There are instances of using governance structures in a variety of sectors, along with in the federal government of country states and also the general public field. In their application to details sectors, business, as well as troubles, governance structures show up in different ways and also mirror the one-of-a-kind demands of the team or company. In the governance framework of information technology (IT) companies, several structures have actually been recommended by writers linking IT problems to the underlying academic organisation, business sociology, and also financial versions. In aquatic ecology, governance structure recommendations supply a leading framework for the monitoring as well as preservation of marine in the Caribbean Region (Offe 2009).

Business governance structures are additionally well developed and also the concepts behind exactly how they are structured are talked about in scholastic documents, with various academic point of views forming just how governance frameworks are made use of and also affected by the organisation. As an example, magnate should make use of a versatile governance structure that they think far
better addresses approach in addition to procedure. In the general public industry's
governance structures, problems of popular opinion as well as economic openness
connected to the idea of excellent governance structures are very important,
according to getting in touch with company Clayton Utz (Thakur and Van
Langenhove 2006).

The Charity Commission for England as well as Wales, a public payment in
charge of guaranteeing dependability of signed up charities in the United Kingdom
stresses its objectives as well as objective, as well as liability as well as openness
objectives in its governance structure. It additionally utilizes the governance
structure to make openly offered its inner company and also management
framework. Governance structures are recommended for country state federal
governments’ advancement which test present standards which he recommends
will certainly result in even more lasting advancement (Offe 2009).

Governance is every one of the procedures of controlling, whether carried out
by a federal government, a market or a network, over a social system (family
members, people, official or casual company, a region or throughout regions) as
well as whether with the legislations, standards, power or language of an arranged
culture. It connects to the procedures of communication as well as decision-
 making amongst the stars associated with a cumulative trouble that result in the
production, support, or recreation of social standards and also organizations. In
ordinary terms, maybe referred to as the political procedures that exist in between
official establishments (Thakur and Van Langenhove 2006).

Governance is the means the guidelines, standards as well as activities are
structured, maintained, managed as well as held responsible. The level of rule
depends upon the inner regulations of an offered company as well as, on the
surface, with its organisation companions. Because of this, governance might take
several kinds, driven by various inspirations and also with several outcomes. For
example, a federal government might run as a freedom where people elect on that
must regulate as well as the general public great is the objective, while a charitable
company might be regulated by a tiny board of supervisors as well as go after even
more details objectives (Spear, Cornforth, and Aiken 2009).

Governance frequently describes a specific 'degree' of governance connected
with a sort of company (consisting of public governance, worldwide governance,
charitable governance, business governance, and also job governance), a specific
'area' of governance connected with a kind of task or end result (consisting of
ecological governance, net governance, as well as infotech governance), or a
certain 'version' of governance, frequently acquired as an empirical or normative
theory (consisting of regulative governance, participatory governance, multilevel
governance, meta-governance, as well as joint governance) (Spear, Comforth, and
Aiken 2009).

Governance can likewise specify normative or sensible programs. Normative
ideas of reasonable governance or great governance prevail amongst political,
public field, volunteer, as well as economic sector companies. In its most abstract
feeling, governance is an academic principle describing the activities as well as
procedures through which steady techniques and also companies occur as well as
linger (Offe 2009). These activities and also procedures might run in official and
also casual companies of any type of dimension; and also they might operate for
any kind of objective, great or bad, commercial or otherwise. Envisaging
governance by doing this, one can use the idea to states, to firms, to non-profits, to
NGOs, to collaborations and also various other organizations, to company
partnerships (specifically intricate outsourcing partnerships), to predict groups, and
also to any kind of variety of human beings taken part in some deliberate task
(Thakur and Van Langenhove 2006).

Many concepts of governance as procedure emerged out of neoclassical
business economics. These concepts develop deductive designs, based upon the
presumptions of contemporary business economics, to demonstrate how sensible
stars might concern develop as well as maintain official companies, consisting of
companies and also states, and also casual companies, such as networks and also
methods for regulating the commons. Most of these concepts make use of
purchase expense business economics (Offe 2009).

As a whole terms, public governance happens through wide methods: (1) Via
networks including public-private partnerships (PPP) or with the cooperation of
neighborhood organisations; (2) With using market systems wherein market
concepts of competitors offer to allot sources while running under federal
government law; or (3) Via top-down approaches that mostly entail federal
governments as well as the state administration (Thakur and Van Langenhove
2006).

Not-for-profit governance has a twin emphasis: attaining the company's social
objective as well as the making sure the company is practical. Both duties
associate with fiduciary obligation that a board of trustees (in some cases called
supervisors, or Board, or Management Committee, where the terms are
compatible) has relative to the workout of authority over the specific activities the
company takes. Public trust fund as well as liability is a crucial element of
business practicality, so it attains the social goal in such a way that is appreciated
by those whom the company offers and also the culture in which it lies (Thakur
and Van Langenhove 2006).

Development and role of performing arts centers in the United States

The history and significance of performing arts centers dates back to the
1930s when Eleanor Roosevelt brought forth a proposal to create employment for
the unemployed actors during the Great Depression. In 1935, public service
employment programs were established under the Works Progress Administration.
The Federal Writers Program, the Federal Theater Project, the Federal Art Project,
and the Federal Music Project were developed and approximately 40,000 artists
found employment in the arts. These programs started the structure of funding in
theatres across the country, eventually leading to its present-day structure.

Approximately twenty years later, in 1953, the Commission of Fine Arts
recommended to President Dwight D. Eisenhower that Washington, D.C. needed a
cultural center under the jurisdiction of the Federal government. By 1958 President
Eisenhower signed a bill to establish a national cultural center for the performing arts. Two years later New York Governor Nelson Rockefeller founded the New York State Council on the Arts. In 1964, the John F. Kennedy Center for the Performing Arts, commonly known as the Kennedy Center, was established. The deep support and ground-breaking for the arts had commenced throughout the country.

The federal government pursued various approaches to funding the arts. On August 20, 1964, funding for the National Council on the Arts passed the House of Representatives by a vote of 213 to 135. One year later, on September 15, 1965, the Senate agreed with House amendments and passed legislation establishing a National Foundation on the Arts and the Humanities as an umbrella organization for the National Endowment for the Arts and the National Endowment for the Humanities.

Rather differently, state arts agencies were prompted much earlier. The first state arts agency in the United States was established in Utah in 1899, followed by another one in New York in 1960. As the National Assembly of State Arts Agencies posits, the primary purpose of the state arts agencies is to increase public access to the arts and to make it possible for every American community to enjoy the cultural, civic, economic, and educational benefits of a blossoming arts sector. State arts agencies provide: 1) grant funding for arts institutions, community groups, and even individual artists; 2) training to assist the sustainability of artists and arts organizations; and 3) direct initiatives that foster economic and civic development through the arts. State arts agencies also educate the public and preserve and celebrate unique cultural traditions while advancing arts education and promoting artistic achievement. Using a unique combination of grants and services for artists and arts institutions, state arts agencies distribute grant dollars to local community groups through federally mandated initiatives.

Performing arts centers are one mechanism to bring forth arts and cultural facilities to communities. As of this writing, there are over 300 performing arts centers in the United States. The present study proposes a new approach to measuring and evaluating the effectiveness of performing arts through governance analysis. It is impossible, at this time, to know if performing arts centers are effective in achieving their goals, nor is it possible to know how the outcomes of their activities were affected by the type of governance of these institutions. The present study, then, seeks to study the potential specific patterns in performance arts centers’ governance that affect their performance.

The existing literature extensively discusses the importance of performing arts centers to the community. An increasing number of states recognize that a blossoming creative sector is a powerful economic asset to the local community. Actively trying to boost their economies, states have realized there are many intrinsic benefits to the arts. Indeed, the community benefits from building a performing arts centers are multifaceted. First, it is commonly believed that it is important to attract internationally renowned artists and cultural enterprises to the community. Artists, cultural institutions, creative platforms, and creative place-making projects all contribute to the economy of a community. Direct economic
activity is generated but artists and creative individuals permeate creativity and
energy into the civic vitality of a community. Second, it is commonly believed that
arts can serve as a catalyst for business revitalization. Cultural organizations help
to-establish a vibe of activity that creates direct economic activity to a community,
increases the quality of life for residents, and assists certain areas in becoming
appealing places to live, work, and visit. The performance arts centers bring about
urban revitalization that enhances a community’s quality of life by providing
artistic gatherings, a sense of community, and an open and accessible cultural
scene. Performance arts centers provide reasons for community members and local
citizens to participate in activities outside of their home, and in turn, could
facilitate performance arts center patrons support of local businesses (Bianchini
1988; Seaman 2006; Markusen and Gadwa 2010; Chapple, Jackson, and Martin
2010). Third it is commonly believed that performing arts centers are important for
catering to community needs. Performing arts centers have been able to easily
adapt to a community’s unique culture and demographic, in both urban and rural
communities. Fourth, it is believed that performing arts centers are important for
promoting cultural tourism. As defined by Partners in Tourism, cultural tourism is
based on the mosaic of places, traditions, art forms, celebrations, and experiences
that define this nation and its people, reflecting the diversity and character of the
United States. Cultural districts are unique to community and exemplify its
demographic, culture, and character. Cultural districts are multi-use developments,
integrating commercial and residential use, including venues that promote artistic
and cultural activities and that can serve as a destination attraction (Bianchini
1988; Seaman 2006; Markusen and Gadwa 2010; Chapple, Jackson, and Martin
2010). Fifth, it is believed that performing arts centers are critical for preserving
historic buildings. The arts have been a vehicle, or front, for the continual quest of
historic preservation. Sixth, it is believed that performing arts centers are
important for enhancing property values in surrounding communities/districts. The
arts bring a vitality and exponential economic effect to the surrounding property
values. Performing arts centers enhance the quality of life of a community and
bring about urban revitalization. Finally, it is believed that performing arts centers
are important for nurturing cultural development and cultural education. Many
countries consider art as a medium towards the human spirit. The establishment of
a cultural arts facility like a performing arts center is a focal point for not only
celebrating art, but also helps build a sense of community by bringing together
diverse social groups (in terms of culture, race, ethnicity). Performing arts centers
strategize on specific programming opportunities that incorporate various publics
and further defines the community (Bianchini 1988; Seaman 2006; Markusen and
Gadwa 2010; Chapple, Jackson and Martin 2010).

The role of a performing arts center is to provide artistic leadership—to serve
as a benchmark for other arts organizations (in terms of cultural offerings) and a
catalyst for international, national, and regional collaborations with other artists,
artistic venues, and organizations in order to create and develop artistic excellence.

The growth of a cultural district and how the performing arts center is governed is
an important avenue to explore in terms of how governance affects the performing
arts center’s performance. The performing arts centers are expected to cultivate creativity.

How they are governed determines their role different ways. First, governance determines the role of performing arts centers in creative place-making. By being a catalyst for cultural milieu, a performing arts center can be instrumental in cultivating potential partners among arts organizations and developing creative communities in surrounding areas. Second, governance determines the role of performing arts centers in operational assistance. As a leader in the cultural community, the performing arts center may assist surrounding cultural and arts organizations with cultural and strategic planning help in order to increase their sustainability. A performing arts center may host international conferences on artistic programming, cultural planning, creative place-making, marketing and arts budgeting and finance, artistic excellence, cultural representation, social capital, economic development, urban revitalization, and cultural community commitment (Bianchini 1988; Markusen 2014; Markusen and Gadwa 2010; Markusen and Schrock 2006; Markusen 2006; Chapple, Jackson, and Martin 2010). Third, governance determines the role of performing arts centers in enhancing the visibility of cultural districts and local partners. By establishing a mechanism for cross promotional opportunities, a performing arts center may contribute not only to greater attendance but also assist local arts organizations in increasing their demand from the local community. Fourth, governance determines the role of performing arts centers in relation to the climate for arts and culture. The performing arts center is one of the best promoters of a cultural climate. Being a large general audience cultural facility, it has the ability to enhance other arts organizations by supporting other arts organizations, by generating an interest and cultivation for the arts in citizens. The more opportunities a community is provided to experience the arts, the more the citizens and/or the community are likely to become advocates for the arts and culture. Finally, governance determines the role of performing arts centers in vitality. The performing arts center has the potential to bring forth a cultural vitality and pride which is beyond the abilities of any other major public-private partnership (Bianchini 1988; Markusen 2014; Markusen and Gadwa 2010; Markusen and Schrock 2006; Markusen 2006; Chapple, Jackson, and Martin 2010).

Pinder (2005) tends to manners by which specialists and social experts have as of late been utilizing types of urban investigation as a method for drawing in with, and interceding in, urban areas. It takes its signals from ongoing occasions in the city of New York that included investigating urban spaces through creative practices. Strolls, diversions, examinations and mappings are talked about as signs of a type of 'psychogeography,' and are set with regards to ongoing expanding worldwide enthusiasm for hones related with this term, following its prior use by the situationists. The paper contends that exploratory methods of investigation can assume a crucial part in the advancement of basic ways to deal with the social geologies of urban communities. Specifically, exchange fixates on the political criticalness of these spatial works on, drawing out what they need to say in regard to two interconnected topics: 'rights to the city' and 'composing the city'. Through
tending to ongoing instances of psych geographical experimentation as far as these
subjects, the paper brings up expansive issues about creative practices and urban
investigation to present this topic issue on 'Specialties of urban investigation' and
to lead into the particular dialogs in the papers that take after (Pinder 2005).

Late urban advancement approaches have put much accentuation on the
foundation of imaginative urban communities. The imaginative city guarantees to
be another city, a transformative move from the current and regular methods for
urbanization to one that incorporates inventiveness and decency for all. However,
this objective is regularly not accomplished nor is it even essentially sought after.
The overwhelming inventive city strategies are not unique in relation to the present
arrangement of urban entrepreneurialism and development driven urban
advancement. The paper introduces the advancement of Kolonie Wedding in
Berlin for instance of the guarantee and constraints of innovative city activities.

Here, guided craftsmanship strolls were acquainted with renewing the nearby
economy and property market and reconsider the area as imaginative and
energetic. Be that as it may, the activity fortifies social and ethnical limits,
upgrades avoidance and backers for gentrification as opposed to testing these
practices. The paper requires an update and correction of the inventive city show
in which correspondence, and not development and centrality, remain at its inside.
Such an approach incorporates the sanctioning of inventiveness not as an urban
advancement technique but rather as a human right (Jakob 2010).

Radbourne’s (2003) study is based on the theory that great administration and
notoriety are inseparably connected. It takes the administration of performing
expressions associations in Queensland, Australia as a contextual analysis, and
spotlights on the part of the not-for-profit expressions board and its practices of
administration and measures of adequacy. Due to the money related limitations
under which expressions organizations work, their maintainability depends on
groups of onlookers and on government or corporate help. The notoriety of the
organization streams from the board's ability to oversee funds, partners and
mission. Inside and out meetings with board seats and general supervisors
uncovered that solid administration frameworks and thorough monetary revealing
are the drivers of good administration. Advancement in item improvement and
aesthetic perfection are optional in notoriety to these measures. The paper
proposes a model of good administration for expressions sheets (Radbourne 2003).

**Methodology**

This study reflects the views of social research (Neuman, 2006) and integrates
the interpretive and critical social science observation within the methodology.
Secondary literature is used such as government documents of the Arsht Center
four phases of development, government funding projects in the community,
private philanthropic funding projects in the community, the role of the
development administrator on the government funding side, and the role of the arts
administrator on the community and implementation phase. By interviewing senior
management and middle management within each phase the process and structure-purpose built halls, as well as the resident organizations and residences in the community I hope to provide an understanding of the development administration process and the social actions within the internal and external environments relative to its leadership. I also collect census tract data, community assets data and use major daily newspaper articles, and public meeting notices, and interviews in order to provide a qualitative approach.

While some research has been conducted in relation to funding for these facilities, there has been sparse evidence regarding the governance structure impact. McLean (2014) recognized that there has been increasing amount of research being conducted regarding arts-led regeneration initiatives, yet also acknowledged that contemporary arts festivals (and, similarly, performing arts centers) can become complicit in urban inequality production. Yet, McLean (2014) also acknowledged the limited engagement with empirical evidence that shows the contradictory roles held by performers within these events. The present study was designed to establish an understanding of how the governance of performing arts centers impacts the performance of the facility based on the case study of the Adrienne Arsht Center for the Performing Arts. The research problem being addressed in this study is the literature gap regarding the governance structure impact on performing arts centers. It is clear that performing arts centers have different end results, where there are cases where some have better performance than others, yet it is still unclear as to how the underlying foundation of the facility – the governance structure – impacts this performance.

Research Questions

The main question for the purpose of this study is, what is the impact of management and leadership on the development and eventual role of a PAC in a community? This main question is supported by secondary questions such as:

- What is the role of a PAC in a community?
- What kinds of strategies were used in the selection process of administrative positions throughout each phase of the project?
- What do the executive leaders think the role of the PAC is and was this question raised throughout each phase of the project?
- Was the mission statement an integral aspect of the day-to-day operations within each phase of the project?
- How does each executive leader transition into each phase of the project?
- How important is the relationship of the social context of the PAC to the community considered through design and construction of a PAC?
- When are the main resident companies brought in as middle level managers for their respective artistic disciplines?
- What is the role of the resident companies in a PAC?
• What are the specific experience and/or background of each of the executive leadership team for the PAC?
• What are the specific experience and/or background of each of the executive leadership teams for the resident companies?
• What is the role of the resident companies in a PAC?
• What is the role of the senior administrator in a PAC?

Descriptive Terms & Definitions

• **Arts Administrator** – The individuals that are senior and middle level managers in an arts organization that deals with the business and administrative functions of the arts organizations (Byrnes, 2009). For purposes of this study, the arts administrator will be a senior level manager that has artistic input as well as business management control functions in the organization.

• **Arts Marketing** – Marketing is the activity and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (American Marketing Association, 2013). For purposes of this study arts marketing refers to the chosen activity by the artistic administrator in order and collaboration of partners whether resident companies or non-resident companies.

• **Communication** – The act of imposing the process of or exchange of information to express ideas, thoughts, and feelings to someone else (Miriam Webster Dictionary). For purposes of this study, communication is defined two-fold: (1) as the way the artistic administrator of the PAC communicates with its resident organizations, non-resident organizations, and community at large and (2) the way the PAC communicates to the community.

• **Community Engagement** – The U.S. Department of Environment and Primary Industries defines community engagement as a “generic, inclusive term to describe the broad range of interactions between people” (USDEP, 2015). For purposes of this study, community engagement refers to the relationship the PAC has with the resident arts organizations, non-resident arts organizations in the community, community at large, and general public.

• **Creative Placemaking** – Markusen (2007) describes as “public, private, not-for-profit, and community sectors partner to strategically shape the physical and social character of a neighborhood, town, tribe, city, or region around arts and cultural activities” (Markusen, 2007). For purposes of this study, it refers to the PAC providing access and opportunity for the creation of artistic endeavors.

• **Performing Arts Center** – A PAC is a venue of small or large infrastructure which provides performance, facility rental space, and access to the...
community. This study focuses on a case study of the Adrienne Arsht Center for the Performing Arts, an urban PAC with resident organizations.

- **Resident Companies** – The legal description is a resident company is an entity treated by jurisdiction in which it is registered or incorporated or conducts its business, as a resident for exchange control. For purposes of this study, a resident organization is a pre-determined arts organization working with the Adrienne Arsht Center for the Performing Arts.

### Research Limitations

There are many types of performing art centers across the country that identifies themselves as performing art centers that do not fit the parameters of this study. There are performing art centers that serve a small audience, others that serve vast audiences and several different regional communities, to discipline specific purpose-built centers, to general performing and fine arts discipline centers. This study specifically focuses on urban performing art centers that are designated public-private partnerships with their local government and have resident companies as economic and social partners. Moreover, this study implemented a case study approach to the research and chose the Adrienne Arsht Center for the Performing Arts in Miami, Florida. The research methods include interviews with local and state government officials, community leaders, executive leadership teams involved throughout different phases of design, construction and implementation of the Arsht Center, arts administrators, and local community non-resident arts organizations; and secondary literature.

### Benefits of the Study

The objective of this study is to analyze the governance process through every phase of building a performing art center and raise awareness of different leadership styles and expertise throughout each phase as well as the importance of specific relationships that executive leaders might want to take into consideration to further elaborate on the role of a performing art center in a community. The benefits can extend to arts administrators of performing art centers across the country and around the world, leaders of resident companies at other performing art centers, non-resident supporting community arts organizations, government officials, and community leaders in their role as advocates of performing art centers.

### Cultural Trends

State arts agencies are increasingly taking a leadership role in establishing policies for cultivating the arts in different communities for the benefit of economic development and community revitalization. Specifically, in Florida, in 2003 the Florida Department of State, Florida Arts Council, commenced a
‘visioning process’ (State of Florida, 2004) to establish a ten-year cultural plan for the state of Florida.

Meetings took place with local stakeholders such as business entrepreneurs, architects, artists, politicians, educators, arts council members, interested citizens, planners and designers, and community arts organizations. Within the meetings statewide goals included creating partnerships to build sustainable economic civic infrastructures for the presentation of arts and culture in every aspect of a citizens life such as education, health, social well-being, quality of life, and economic development and in turn reaching out to developers and planners in order to facilitate this concept in surrounding state communities and prioritize those that were nonexistent of such arts and culture. The primary goal was in developing leaders within each community that will effectively integrate the arts in their community based on the statewide priorities dedicated to the following recommendations:

- Strengthening Statewide Economy
- Promoting Social Well Being and Quality of Life
- Building Cultural Leadership
- Advancing Cultural Design and Development

Research Design

The strategy approach for this research was a case study method specifically analyzing the Adrienne Arsht Center for the Performing Arts. The purpose of the research question, “What is the impact of governance structure on performance: The case of performing arts center in the United States was to describe the leadership approach taken by local community stakeholders and government officials as well as resident and non-resident arts organizations in the building and operation of the Adrienne Arsht Center for the Performing in order to provide future recommendations with examples of positive and negative development administration for the further improvement of and awareness of different leadership approaches for the betterment of the administrative process of a PAC.

The research question attempted to comprehend the governance, managerial and operational system of a performing arts center in the established three phases of development for purposes of this research. The researcher used secondary literature through different sources such as the Miami Dade Cultural Affairs Council, the Florida Department of Cultural Affairs, the Performing Arts Center Trust, and major daily newspapers, as well as interviews.

The Case of the Adrienne Arsht Performing Arts Center

The purposes of this study a case study approach of the Adrienne Arsht Center for the Performing Arts was to identify and analyze the governance structure of a performing arts center in this typology. The Adrienne Arsht Center for the
Performing Arts is located in Miami, Florida and whose typology is a publicly owned cultural facility managed by a select Trustee Board. The facility is composed of two buildings which house three performing venues: the Sanford & Dolores Ziff Ballet Opera House, the Knight Concert Hall, and the Carnival Black Box Studio space. The venue also houses the Peacock Educational Center, Parker and Vann Thompson Plaza for the Arts, an outdoor social gathering place, and the Carnival Tower, a historic building. The Historic Preservation League submitted plans for the Carnival Tower to be a historic building and it remained in the design and construction phase of the Center and now is an architectural figure of art-deco design. The mission of the Adrienne Arsht Center is “as a focal point of Greater Miami-Dade's diverse cultural life, the Arsht Center enlightens, educates and entertains our community through transformational arts and cultural experiences” (Arshtcenter.org) The Adrienne Arsht Center currently has three resident companies: the Florida Grand Opera, Miami City Ballet, and New World Symphony. Under the management of the Performing Arts Center Trust, the Adrienne Arsht Center is led by Executive Director, John Richards whom is supported by administrative staff including

The design phase of the construction of a PAC is a massive, chronological manifestation of a community and the construction of a PAC can add to the beautification of a city and can be added as another mechanism for not only economic development but for the social capital of the community. The Adrienne Arsht Center was designated for a space in a downtown area in the City of Miami that was desolate of business, traffic, and pedestrian walkways as shown in Figure 1.

**Figure 5. Space planning use image**

In phase two of the construction phase of the PAC, as seen in Figure 2 you can vividly see the economic activity and opportunity for job creation and creative placemaking in a space that was underserved.
A performing art center such as the Adrienne Arsht Center below in Figure 7 has had a positive impact on the quality of life in a community. The Adrienne Arsht Center has served as a catalyst in assisting community local resident performing arts organizations in creating a sustainable environment for their own development. Support of local performing and fine artists assist in career development, goal orientation, and possibility of artistic creation. The 1976 United States Copyright Act promotes the creation of artistic works. In Article 1, Section 8 of the United States Copyright Law it states that it was created to promote creativity, innovation and the spread of knowledge, and who better to help promote the creation of artistic works than an artistic administrator. The governance and administration of the facility and sustainability of the artistic community rely on the strategic and methodological planning and implementation of the artistic administrator and cultural leaders of a community to assist those artists and encourage them generate knowledge and artistic products that will represent their ideals, passion, thinking that can be reflected upon in knowledge place symposiums associated with PACs.
The development and establishment of a PAC assist in promoting economic
development of resident cultural organizations and increases cultural resources in
order to fill a gap in the community as a catalyst for community redevelopment.
The role of the PAC is to also educate and engage the community in cultural
activities that promote community gatherings and individual expression.

Figure 8. Adrienne Arsht Center, Dolores Ziff Opera House

As a vehicle for community engagement, the Adrienne Arsht Center in its
short four years started to completely sell-out performances and reach out to
community members that has not stepped foot inside a PAC in their lifetime. The
ability to make this happen occurred in a transition of artistic administrators. The
interesting paradigm shift that happened with the Adrienne Arsht Center for the
Performing Arts was that at the first implementation phase of the first year of
operation the Center had an executive director and an artistic director. This is a
very unusual case for a PAC and proved to be not strategically or financially
feasible.

The artistic director of an arts organizations is the administrator that chooses
repertoire, chooses the shows that will be performed, the artists chosen for the
shows, the musicians involved in the concert, the concert idea and thematic
programming if necessary. The Arsht Center was trying to be involved as a
presenting, producing, and community service by the first day of operation with a
very limited infrastructure to hold the marketing, public relations, and production
aspects in full force.

The Arsht Center then changed administration and acquired an artistic
administrator with experience in a different PAC facility. The persons experience
was mostly based on small PAC and arts organization experience and the Arsht
Center was publicized as the cultural icon of a major metropolitan cultural mecca
that is Miami, Florida. The third and final arts administrator has had extensive
background in large multi-plex performing arts cultural facilities. The hiring of the
programming director is equivalent to an artistic director however the mission and vision of each of those two positions are on polar extremes.

**Figure 9. Role of PAC as a Reflective Society**

The artistic director chooses artistic choices based on the artistic content of his/her choice, while the programming director chooses wisely based on target demographics, financial resources, space availability, and community engagement. The choices were reflected upon the programming choices as years went by. The festival and family programming increased, the audiences increased, while the deficit declined.

**Figure 10. Role of PACs as a Community Engagement tool for Families**

The programming director, who has currently taken another position as arts administrator of another PAC in another state was able to create a creative placemaking facility and cultural district for the youth and created an outlet for
creative expression that was non existent as the Adrienne Arsht Center prior to his arrival.

Figure 11. Role of performing art center as creative healthy solutions for youth

Findings and Conclusions

The central theme of the study was to create an awareness and understanding of the role and impact of a Performing Arts Center. The case study utilized the Adrienne Arsht Center for the Performing Arts as a catalyst for investigation of arts administrative procedures and the role of the arts administrator in the process of the three phases in the development of a PAC: (1) design phase, (2) construction phase, and (3) implementation phase. The structure of the Adrienne Arsht Center was a unique organizational and administrative structure that evolved overtime and changed as the strategy for the Center changed.

The findings for the study were consistent with the hypothesis, however challenged the researcher on one hypothesis. The findings concluded that there is a major impact to the community when developing a performing arts center and it certainly has positive impacts to the local surrounding community in developing creative placemaking opportunities, business development, and increasing quality of life.

The community assets that were provided by this case study were in tangent with the mission of the Adrienne Arsht Center for the Performing Arts and those of the state arts agencies that were involved in the funding, financing, development, and creation of the Arsht Center. The Arsht Center fulfills a need in the community and creates opportunities for community development, urban revitalization, youth development, education, and public service delivery. The Arsht Center improves the conditions and overall quality of life for the residents of the community and surrounding areas. A cultural facility of this magnitude
embraces and encourages further development of public-private partnerships for the advancement of arts, science and technology. The Adrienne Arst Center created a buzz for more public-private partnerships and shortly after the implementation of the Adrienne Arst Center, two other pubic-private partnerships emanated from the community.

The Arst Center truly gave way for the development of a cultural arts district and the Miami Perez Art Museum was created a few blocks down, only to complete the cultural district cluster with the Patricia and Phillip Frost Science Museum. In interviewing the government agency Miami Dade Cultural Affairs Council Director and discussing arts policy issues, this is the arts policy he is most proud of in his reign as Cultural Director.

The creation of the Adrienne Arst Center allowed for the creation and sustainability of arts organizations that might not have been in existence. The now defunct Florida Philharmonic was going to be one of the resident organizations of the Center and it could not financially sustain itself and had to close two years prior to the implementation phase of the Arst Center. The ability to adapt to change and create creative placemaking opportunities through cultural districts exemplifies the need for arts policy that encourages creative placemaking.

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