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**ARTS ADMINISTRATORS IN HONG KONG**

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# **Arts Administrators in Hong Kong**

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# **Executive Summary**

## **1. Background of the Study**

Since the Hong Kong government has kick-started the development of the West Kowloon Cultural District (WKCD), there has been a growing concern about the availability and capability of its human capital, as part of the “cultural software”. As arts administrators are a key group of stakeholders who may impact upon the long-term development of our cultural industries, understanding their work environment and career prospects will contribute to more effective deliberation and formulation of our cultural policies.

To this end, we first locate the work of the arts administrators in the social and organisational contexts of arts administration. In our performing arts sector, most arts groups are found to be enmeshed in the paradox of arts versus commerce. As the arts organisations might employ their own strategies to handle the arts-business paradox, these strategies should be reflected more or less in their organisational structure. The organisational structure of the arts groups hence provides the context in which their arts administrators are situated when handling the group’s operation on the one hand, and planning and building their careers on the other.

To examine the impact of the social and organisational contexts on the overall working conditions and career development of the arts administrators in Hong Kong, this research draws on the analytical framework proposed by DiMaggio (1987) by identifying three clusters of factors that are expected to have affected the career development of the arts administrators, namely the personal background, the job structure, and the career expectations of arts administrators. Borrowing from this framework, we addressed the four

research questions listed below:

1. What is the personal background of the arts administrators in Hong Kong's performing arts sector?
2. What is the job structure of the arts administrators?
3. What are the career expectations of the arts administrators?
4. To what extent do the personal background, the job structure, and the career expectations of arts administrators vary across the arts organisations with dissimilar historical trajectories of development?

## **2. Approach and Methodology**

This study examined the career development of the arts administrators in Hong Kong's performing arts sector. We used a qualitative approach to gather the required information. Thirty-nine in-depth interviews have been conducted with the administrators from 18 performing arts organisations. These organisations are drawn from a sampling list stratified by the different historical trajectories of their development, distinguished primarily by their respective funding models in the early years. Two to three levels of arts administrators, namely those at the senior, the middle, or the junior level, from each sampled arts organisation are invited to our interview.

### **The Four Types of Arts Organisations**

In this study, the arts organisations are classified into four groups according to their historical trajectories of development, distinguished primarily by their respective funding models in the early years. We refer to the arts organisations that had received regular funding from the Leisure and Cultural Services Department (LCSD) before April 2007 and are now supported by a consolidated

grant from the Home Affairs Bureau (HAB) as **Type I arts groups**. Most of them gain the largest share of government subventions among other arts groups of the same art form. These organisations share a similar structure and have a clear division of labour among departments.

Similar to Type I arts groups, **Type II arts groups** underwent a process of corporatisation in 1999. These arts organisations had received three-year grant from the Hong Kong Arts Development Council (HKADC) before April 2007, and since then have been supported by a consolidated grant from the Home Affairs Bureau (HAB). Their scale of operation is close to Type I arts groups and is larger than that of other arts organisations. They share a similar though not exactly the same organisational structure. Although Type II arts groups have clear division of labour among departments, some of them have adopted a “hybrid” form of organisational structure involving “functional integration” of the arts-oriented departments and the business-oriented departments.

**Type III arts groups** refer to the arts organisations that are the recipients of the one- or two-year grant from the HKADC. Some of them have also drawn on other government subventions, such as the project grant and multi-project grant from the HKADC, and the Community Cultural Ambassador Scheme from the LCSD. These arts groups share a similar organisational structure. Their operation is relatively small in scale compared with Type I and Type II arts groups. They do not have a clear division of labour.

**Type IV arts groups** include those we have called the cultural entrepreneur. These arts groups rely on private sources of revenue, such as donations and box-office receipts. They are not the recipient of, and do not plan to apply for, nor are they currently applying for, government subventions. To date there are very few Type IV arts groups in Hong Kong. We refer to the only case we

interviewed for this report as “Private Company” with the aims of protecting the privacy of this respondent company. Private Company has clear division of labour among departments. Unlike the other three types of arts organisations, however, it is a private limited company rather than a not-for-profit limited company.

### **3. Research Findings**

Our results show that arts groups having a similar historical trajectory of development tend to have a similar organisational structure. The organisational structure of the arts groups is found to have a significant impact on both the operation of the arts organisations and the career development of their administrators. On the one hand, the organisational structure of the arts groups shapes their preference for the type of administrators they recruited. On the other hand, administrators in the arts groups that have dissimilar organisational structures face different work challenges as the organisational structure is the setting in which the administrators are working. These challenges could have affected their job satisfaction and motivation to work, and also influenced their intentions to stay or to leave the arts organisations and/or the arts sectors.

#### **3.1 Personal Background**

##### *Senior Management*

The personal background of arts administrators varies across the four types of arts organisations. In Type I arts groups, most senior administrators were former civil servants, and they have worked in arts-related fields before taking up their current job. Unlike Type I arts groups, most senior administrators in Type II and Type III arts groups are not former civil servants but they have rich

experience in arts administration and some of them are experienced arts producers. Most senior administrators in Type III arts groups are also the founders of their group. The senior administrator in the Type IV arts group we studied did not receive arts-related training but had gained extensive experience in arranging arts performance.

### *Middle Management*

As for the administrators at the middle level, those in Type I arts groups have a background specific to the department they belonged to. Most of the middle-level administrators in the business-oriented departments, such as the marketing department, may not have an arts-related background but working experience in business fields instead. By contrast, the background of the administrators in arts-oriented departments, namely the programme department, may not be related to business but to the arts.

Unlike the arts administrators in Type I arts groups, middle-level administrators of Type II arts groups do not necessarily have a specialised background. In the few Type II arts groups that adopted a “hybrid” form of organisational structure with a “functional integration” of the arts- and business-oriented departments, the middle-level administrators have diversified backgrounds that might relate to the arts and to the business field. Conversely for those that do not adopt “functional integration” but have a sharp division of labour among departments, the background of their administrators is closely related to the operation of their own department like those in Type I arts groups.

In the Type IV arts group we studied, the middle-level administrator received arts-related training, and has rich experience in arts administration.

## *Junior Management*

In Type I arts groups, the background of the junior arts administrators is similar to that of the administrators at the middle level. Their background varies across the different departments to which they belonged. Unlike Type I arts groups, most junior administrators in the few Type II arts groups that adopted a “functional integration” are “generalists” rather than “specialists” in the sense that they may not have specialised skills in handling the tasks related to different divisions of the group’s operation, but they learn to be all-round arts administrators with the capacity to manage a wide range of work related to the group’s operation.

In Type III arts groups, the education background of some junior administrators is related to the arts. Though some administrators at junior level did not receive arts-related training at school, most of them have the experience of staging arts performances before entering the performing arts sector.

In the single Type IV arts group we studied, the junior administrator has business-related working experience. This is because this arts group is now looking for people who have a business mindset that corresponds with the company’s orientation, a business-like organisation.

### **3.2 Job Structure**

The organisational structure and the division of labour in the arts groups did not only give rise to a variety of training for their administrators, they also influenced the interdepartmental relationships within the group.

#### *3.2.1 Training*

In Type I arts groups, the administrators are trained to be “specialists” through on-the-job training, with the skills they acquired specific to the department they belonged to. Moreover, though not all Type I arts groups have a “staff handbook”, they do provide some written guidelines for their staff members. These arts groups have also adopted a systematic filing practice which enables the newly-recruited administrators to pick up their job by reading the archived documents and learning from the experience of their predecessors.

Few of the Type II arts groups have prepared a “staff handbook” for their administrators, yet most of them have a systematic filing practice. Similar to Type I arts groups, on-the-job training is the typical training method. However, the newly-recruited arts administrators in Type II arts groups are required to pick up their job quicker than those in Type I arts groups.

Unlike Type I and Type II arts groups, most Type III arts groups do not have sufficient resources to prepare a “handbook” or some written guidelines for their staff members, and few of them have adopted a systematic filing practice. On-the-job training and self-learning are the typical ways for the newcomers to learn to discharge their duties. Moreover, the administrators in Type III arts groups are trained to be “generalists”, capable of handling different tasks related to the group’s operation. Junior administrators are asked to take up their job when they report for duty.

In the Type IV arts group we studied, newly-recruited arts administrators are expected to have a business mindset or working experience in business. All staff members, including the newcomers, have to learn to manage their work on their own.

### *3.2.2 Interdepartmental Relationship*

As Type I arts groups have sharp division of labour among departments to manage the arts-business paradox, their administrators are normally not required to take up responsibilities that are beyond the scope of their department. Conflicts between staff members may sometimes arise between those in the arts-oriented and the business-oriented departments.

Similar to Type I arts groups, interdepartmental conflicts may also occur in some Type II arts groups at times. However, in the few Type II arts groups that adopted a “functional integration” of their arts- and business-oriented departments, the relationships between administrators from different departments are found to be more harmonious than in those without “functional integration”.

Unlike Type I and Type II arts groups, Type III arts groups have a different way to manage the paradox of arts versus commerce in their operation. Their division of labour among departments is quite blurred or indistinct. In these groups, interdepartmental conflicts rarely occur because all duties related to arts production or to the business field are managed by the director and a few administrators. Also, as they adopt the system of unitary leadership in which their staff members are asked to follow the instructions of the director, administrators in Type III arts groups are more likely to have clear understanding of their respective responsibilities and this reduces or minimises conflicts among staff members.

Although the Type IV arts group we studied shares a similar organisational structure with Type I and Type II arts groups, conflicts among departments rarely occur. One possible reason is that the company also follows the system of unitary leadership similar to that in Type III arts groups.

### 3.3 Career expectations

In light of a growing concern about the availability of arts administrators for the impending WKCD project as well as the future development of our arts sectors, we focused on two key factors affecting the labour turnover of arts administrators, namely their job satisfaction and aspirations. We found that these two factors vary considerably across the four different types of arts organisations.

#### *3.3.1 Job Satisfaction and Motivation to Work*

In Type I arts groups, interdepartmental conflicts are found to be a reason for the administrators, particularly those in the departments that are less related to the arts, to have low job satisfaction and motivation to work. This is arguably also a result of their relatively low degree of arts participation. With a relatively low degree of arts participation, these administrators do not gain much intrinsic reward from their job. Some of them became discontented with their wages, and some even want to leave the company and the arts sectors.

The interdepartmental relationship and job satisfaction of the administrators in Type II arts groups that do not have a “functional integration” is akin to those in Type I arts groups. Yet for the few Type II arts groups that adopted a “hybrid” form of organisational structure, their administrators are similar to those in Type III arts groups in that they both participate actively in arts production. This has given them the intrinsic reward and enhanced their motivation to work. These administrators are found to be more satisfied with their job and they prefer staying in the field in future.

We found however that most junior administrators in Type III arts groups are working under great stress for two reasons. First, they have to take up a

heavy workload because of the tight manpower situation in their group. Second, these arts groups typically do not provide their newly-recruited administrators with any systemic training but ask them to start working immediately after they report for duty. This affects the job satisfaction of the junior administrators though does not necessarily impact directly on their motivation to work as most of them have great enthusiasm for the arts.

In the Type IV arts group we studied, the new recruits are encouraged to apply their business know-how in the group's operation. The job satisfaction of these administrators does not come from their participation in arts performance; instead, they enjoy their work mostly because they could gain a sense of achievement through contributing their business know-how to the company.

### *3.3.2 Aspirations and Future Plans*

In Type I arts groups, the aspirations and future plans of the administrators vary across departments. Because of the interdepartmental conflicts and their low degree of arts participation, administrators in non-arts-related departments are found to be less willing to stay in the company and in the field. By contrast, arts administrators in arts-related departments are more contented to stay in the group.

In Type II arts groups, the administrators are willing to stay in the field but not necessarily in the arts group which they currently serve. Since some of them have been discouraged by the interdepartmental conflicts, some are working under great stress, and some wish to gain the experience of working in other arts groups, these administrators might prefer joining other arts organisations.

Although the intrinsic reward from working for Type III arts groups can provide the junior administrators with the incentive to work, most of these groups cannot retain their junior staff members for more than five years because their scant resources may not allow them to offer their junior staff members a job promotion or pay rise.

In the Type IV arts group we studied, most administrators have high motivation to work but not all of them are willing to stay in the company for more than three years. As most of these administrators have a business mindset, some of them might look for a better job offer from other business firms after gaining the working experience in the arts company.

#### **4. Major Challenges in the Development of Arts Administrators**

In sum, having examined the different strategies which the four types of arts organisations have adopted to manage the arts-business paradox, we highlighted two major challenges for the development of arts administrators, namely the dilemma of adopting a “specialist” or a “generalist” training system, and the difficulties in recruiting and retaining the administrators.

##### **4.1 Dilemma of “Specialist” versus “Generalist” Training**

There are two types of administrative training in Hong Kong’s performing arts sector, namely the “specialist” training and the “generalist” training. “Specialist” training is provided by Type I and Type II arts groups that have a clear-cut division of labour among separate functionally-specialised departments. Administrators are trained to specialise in, and to focus almost exclusively on, the tasks related to their own department. On the contrary, “generalist” training is implemented by Type III arts groups and a few Type II

arts groups that have a “functional integration” of their arts- and business-oriented departments. Administrators are trained to manage a wide range of work related to their professions, including programming and marketing.

However, both types of training have their limitations. For example, the “specialist” training may give rise to mutual misunderstandings among arts administrators from different departments. This may affect the administrators’ job satisfaction and motivation to work, leading in turn to an increase labour turnover.

While “generalist” training is carried out by the few Type II arts groups that adopted “functional integration”, and also by most Type III arts groups, this training has generated much stress for their junior administrators because “generalist” trainees in an integrated department have to learn to perform a wide range of tasks and to bear a heavy workload.

Moreover, it typically takes a longer time for the junior administrators undergoing “generalist” training to learn to be competent arts administrators. Given the meagre resources which the arts groups adopting a “functional integration” have, most of them could not provide their junior administrators with sufficient training before asking them to take up their duties. As a result, most of their junior administrators claimed to have suffered from a high level of stress.

#### 4.2 Difficulties in Recruiting and Retaining Administrators

Recruiting and retaining administrators is another major challenge for the arts organisations, especially for Type III arts groups. The recruitment of administrators may not be a problem for most arts organisations, *as long as* they

could afford to hire new staff members. With fewer resources than Type I and Type II arts groups, however, almost all Type III arts groups claim to be understaffed. Most of them would like to recruit more administrators to share the workload *if* their budget allowed for it.

Although the internship schemes can provide Type III arts groups with additional manpower, very few of the interns would be hired as regular staff after the scheme expires because most Type III arts groups could not afford to hire any more full-time staff. Many Type III arts groups stressed that their stringent budget does not even allow them to offer their currently-serving junior administrators a job promotion or pay rise. As a result, even though the junior staff members wish to stay in the group, they may still leave if they find their job no longer satisfies their needs.

Type IV arts group prefers applicants with excellent business skills and consequently most administrators in the company are “business persons”. Given the company’s meagre resources however, the salary it can afford to pay is much lower than the going market rate for staff of similar qualifications. Hence, those who are competent enough may not be attracted to apply when the company has a job opening or be willing to take the offer.

Moreover, Type IV arts group can hardly retain its administrators for more than a few years. This is because most administrators in the company do not necessarily share a deep commitment to performing arts but may expect to receive the going market-rate salary comparable to that in the business sectors. However, very few arts groups in Hong Kong can afford to offer their staff a competitive salary rate *vis-à-vis* that paid by the business firms. Thus, the company finds it difficult to retain its administrators.

## **5. Recommendations**

Based on the findings of this study, we outline four sets of recommendations. These recommendations are proposed with the aims of ensuring a stable supply of competent arts administrators for the performing arts sector and improving administration within the arts groups.

### **5.1 Consolidating and Advancing the Internship Schemes**

There are two types of internship schemes in Hong Kong's performing arts sector. The first type is organised by some educational institutions, such as the Hong Kong Academy for Performing Arts (HKAPA). The internship lasts typically for a few months and is part of the academic programme. Interns joining these schemes have to work in the arts organisation for a certain number of hours within their internship period.

We propose extending the first type of internship schemes to at least six months, which may then cover half of the session. We also suggest interns work as full-time regular staff so that they will be assigned the standard job duties performed by other arts administrators.

The second type of internship scheme is sponsored by the government or the public body. It includes the "Internship Schemes" launched by the HKADC since 2009 and the LCSA's internship programme launched in 2010. The two internship schemes last for around one year and for five years from 2010/11 to 2014/15 respectively. Under the "Internship Scheme" launched by the HKADC, the Council subsidises part of the intern's salary for a year at most. The interns being recruited have to work the same office hours as regular staff in the organisation.

Most arts groups welcome the schemes. Almost all of our informants consider these schemes to be one of the most effective ways for the government and the public body to alleviate the shortage of human resources in their groups as well as to help strengthen their administration. Nonetheless, some senior administrators worry about the continuation of these schemes.

Given this situation, we suggest policymakers consolidate and advance these internship schemes in the following ways:

First, we propose the continuation and scaling-up of the internship schemes, such as those offered by the HKADC and the LCSD, because these schemes are found to be a cost-effective way to build human capital for our arts sectors. We thus suggest policymakers expand these schemes.

Second, we suggest targeting Type III arts groups as the chief recipients of the interns. By doing so, we expect the internship schemes will contribute to making a win-win situation, namely, to achieve the dual goals of developing human resources for our arts sectors while at the same time alleviating the labour shortage in Type III arts groups.

Third, we recommend policymakers formulating measures and strategies to avoid the “loss” of trained talents, such as the “graduated” interns who leave the field after the completion of their internship. To avoid the exodus of the trained interns with the potential to become competent arts administrators, we propose building a “human-resources repository” of arts administrators as this might enhance the effective allocation of manpower resources in the field, and avoid the “loss” of trained talents as well as the waste of resources that have been invested in the internship programmes.

Moreover, we suggest creating a “tracking system” to provide job-matching services for the trained talents in cooperation with the manpower planning for the WKCD project. To this end, we expect the interns and other job applicants could find work in the arts field as job openings increase once the WKCD comes into operation, so that the human resources are “properly” and efficiently allocated in the field.

## 5.2 Training on Grant Management

For the sake of accountability and value for money in the use of public funds, detailed information and ample justifications are indeed essential for the operation of the grant schemes, and the public expects recipients of such grants to report back to the funding bodies on how the money is spent. In this sense, paperwork is unavoidable as part of the application and reporting processes for government grants.

Yet it is also true that many arts organisations, especially Type III arts groups, may not be able to provide adequate training for their junior administrators to deal with grant applications and reporting because even their senior administrators may not be familiar with the grant application process and grant management. Therefore, we suggest the major public bodies, as the principal funding bodies, provide the arts groups with some training on grant application and management in the following ways.

First of all, we suggest the government or other major public bodies organise some workshops on grant application and resources management for the arts groups. We propose the target audience of the workshops should be the administrators in Type III arts groups.

Second, if Type III arts groups are the target audience of the workshops, we suggest the workshops concentrate on introducing the types of grants which these arts groups are eligible to apply for. We also suggest the workshops should explain the requirements of the grant applications and grant management in greater detail. Samples of exemplary proposals and budgets can also be presented and discussed in the workshops.

### 5.3 Formal Education Programmes in Arts Administration

To cultivate a sufficient pool of arts administrators to meet the rising demand for “cultural software”, we suggest the curriculum of undergraduate programmes offered by the tertiary institutions be expanded to include training in arts administration.

With respect to the curriculum for such programmes, we agree with most of our respondents who recommend the tertiary institutions to arrange for their students a more extensive internship programme lasting at least six months in the arts groups in Hong Kong. The interns should work full time or at least close to full time, the same as other regular administrators in the group.

To foster arts appreciation, we suggest the programme includes courses introducing different art forms. These courses should be offered to students in their first year of study, so that they could sample the various forms of performing arts and develop their own tastes and interests. For their internship, the students may then work in the arts groups whose art form is related to their field of interest.

### 5.4 Rationalisation of Administration

To improve the efficiency and effectiveness of the arts organisations’

operation, we suggest the arts organisations, in particular Type III arts groups, rationalise their administration by developing a systematic filing system. Not only would this consolidate the training of the newly-recruited arts administrators, but a detailed filing system also enables the administrators to pick up their work more quickly.

We understand some Type III arts groups may not have sufficient manpower to keep a systematic filing system. We nonetheless encourage them to at least try to maintain a filing practice because this can be an effective way to train their junior administrators to be competent in the performance of their duties, and also a tool that helps the groups prepare their grant applications.

## **6. Issues for Further Discussion**

Besides the above findings, we also identified through our interviews several issues pertaining to arts administration that we believe merit further discussions. Although these issues do not fit exactly into the scope and the objectives specified for this project, they have important implications for the development of our arts sectors.

In the arts organisations we studied, different strategies or practices are implemented to alleviate the conflicts between arts and commerce in their operation. Here we shall highlight two of these practices which we suggest deserve special attention in future discussions and studies, namely the adoption of a “hybrid” form of organisational structure or what we called a “functional integration”, and the job rotation of staff members in different departments.

### **6.1 Functional Integration**

In this study, a few Type II arts groups and most Type III arts groups are found to have adopted a “hybrid” form of organisational structure. In these arts groups, their arts-oriented departments such as the programme department are integrated with the marketing department, a business-oriented department. Most Type III arts groups do not have separate departments to carry out their operation because of their tight manpower situation. This resulted in a “hybrid” form of organisational structure with a “functional integration” of their arts- and business-oriented departments.

Although we have come up with some preliminary findings regarding the pros and cons of applying a “hybrid” form of organisation structure, no conclusion or generalisation has been, or should be, reached on whether these practices are applicable to and suitable for every arts organisation in the field. Since up to the present a “hybrid” form of organisational structure or the “functional integration” is not widely implemented by the different types of arts groups, the effectiveness and feasibility of this practice is still uncertain. We thus call for a holistic evaluation of these practices in future studies.

## 6.2 Job Rotation

Besides “functional integration”, some arts organisations have carried out a system of job rotation across departments to handle the arts-business paradox. Some of the staff members in these organisations have been rotated from the arts-oriented departments to the business-oriented departments, or vice versa. Some senior administrators consider job rotation to be a possible way to help staff members from different departments learn how other departments operate.

However, job rotation may not be as effective as those senior administrators expect for two reasons. First, we found that the arts administrators who have been rotated find it difficult to handle the work in the new department,

particularly when the orientation of the new department is so different from the department they belonged to.

Second, as the newly-rotated arts administrators may not be familiar with the new department and the staff members in that department may expect the rotated administrators will leave their department shortly, those rotated administrators are often assigned with minor duties unrelated to the department's core operation. In this case, job rotation might be less effective than expected. Hence, although "functional integration" and job rotation are possible ways to strengthen the cooperation among arts-oriented and business-oriented departments, the effectiveness of these practices is still open to question.

### 6.3 Further Reviews of Funding Level

During our interviews, respondents consistently expressed the view that raising the funding level of arts organisations would benefit the performing arts sector. However, consensus on the optimal level for the funding or government subventions has not been reached yet. In this regard, we urge a comprehensive review of the current funding level, especially that for Type III arts groups, and whether it should be raised.

Moreover, we expect such a comprehensive review or other future studies to take a closer look at the extent to which the administrators have been underpaid or whether their level of remuneration is reasonable and attractive enough to recruit suitable talents. Also, to explicate the structural factors affecting the manpower supply of the arts sectors in greater detail, further investigation or a larger-scale research project on the work environment and career prospects of the employees in the performing arts sector needs to be conducted.