

Development of Cultural Institutions through Implementation of Service Innovation

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Abstract: Cultural institutions and cultural values have a great impact on the country's economic development and society. Studies of the economic effects of culture and art are planning instrument of cultural development. The development of technology and communication technology has led to the improvement and modernization of cultural institutions, which is achieved through innovation. This paper shows the development of cultural institutions and the representation of innovation in those institutions. The authors will show the timing for the implementation of innovation and a driver of. All results are obtained by the conducted research in the year of 2012.

Key-Words: culture, cultural institutions, cultural values, innovation, development, service.

1 Introduction

The cultural and historical heritage is consisted of goods that have been created by the previous generations. These objects, because of their symbolic meanings have special value for the current generations and they affect the forming of their identities [1]. Culture is measured by indicators of individual values and beliefs, such as trust and respect for others, and condenses in individual self-determination [2].

The modern age has changed the traditional approach to the business and practice cultural institutions. With the development of communication technology and the mass media, cultural organizations are being applying new methods and innovations. Implementation of innovation in cultural institutions is initially met with disapproval of the traditional activities in certain cultural institutions. At the other side, in recent years by successfully implementing innovative solutions, positive results are obtained [3]. Successful innovation requires the ability to harvest ideas and competencies from a wide array of sources [4].

The rest of the paper is organized as follows. After Introduction, in Section 2, brief discussion about literature review of changes in cultural institutions is given. Section 3 presents methods and results in the conducted research by the authors. Finally, Section 4 concludes this paper.

2 Development of culture and cultural organizations

In recent decades there have been significant changes in almost all aspects of social and individual life all over the world. Under the policy, the economy, technological development, demographic, relocation, social changes, there were a collapse of many systems and structures in the world, where culture takes on a whole new meaning and refers to continuous change. Cultural institutions are not passive repositories. They are structures that promote and facilitate cognitive change and reflection. Visitors are often challenged to question the status quo and are introduced to new ways of looking at the world [7].

This period was marked by a variety of "post" theoretical courses - postmarxism, poststructuralism, postmodernism, postcolonialism trying to capture the multiplicity and intensity of changes in the culture of postmodernism as a common name for the period covering the last five decades.

The term "postculture" also refers to the birth of a new type of culture at the time of IT (Information Technology) revolution and globalization. Culture is dissipated by the whole community, it's becoming ubiquitous in the smallest, ordinary details of everyday life.

Culture since the Enlightenment appear, at the end of the eighteenth century, was considered proof "the very best" as a man able to provide for civilization.

New mass culture culminated in the period between the two world wars. It was a time of strong crisis of capitalism and a time of rapid technological and industrial development and the spread of the popularity of new industries and entertainment. This culture is intensified after WWII (World War II), in which the new mass media of communication, especially radio and film, showed incredible power to spread propaganda, but also due to the stronger influence of American popular culture to traditional high culture of Europe.

Culture consists of the best works of the great human thought, and effort to it, in the form of books and thousands of copies. In this form culture should be available to the general public. Culture, therefore, consist of form and ads through the press, radio and television calling for promotions, exhibitions, performances. But culture is not only that. Culture is also a dedicated field work of archaeologists and interpreters of ancient manuscripts, and the effort to the treasures collected in libraries and museums interested visitors and readers.

Innovation is any system organized and purposeful activities aimed at creating change. Innovation is a new product, service, process, technology created its own or other people using the results of scientific research, discovery and learning through their own notion, or method of its creation, which is the appropriate value placed on the market. Product innovations are those that generate a novel product, whether it is a physical product, emergent technology, new service, or new intellectual property, which is usually visible to the consumer [11].

In the case of cultural institutions, it was an innovation in terms of organizational structure, management style, business by introducing new media and new communication technologies, digital systems work, etc.

In general, innovation can not only make full use of existing resources, improve efficiency and potential value, but also bring new intangible assets into organization. Firms with greater innovativeness will be more successful in responding to the customers' needs, and in developing new capabilities that allow them to achieve better performance or superior profitability [15].

Innovation is a risky business. Given the inherent risk of innovative activity, firms can improve the odds of success by pursuing multiple parallel objectives. Because innovation draws on many sources of ideas, firms also may improve their odds of successful innovation by accessing a large number of knowledge sources [15].

Innovations are an integral part of the development of each culture and cultural institutions, their complex systems, technologies and methods.

Innovation means change, a revolutionary transformation or the introduction of new services or new business. Is associated with entrepreneurship, innovation as its key feature. In fact it can be said that innovation is what entrepreneurs do business "entrepreneurial" because it is exposed to constant changes due to the effect of external (changes in laws and regulations, technology changes, economic changes) and internal forces (the introduction of new equipment, changes in the organization, the relationship between staff). This also applies to cultural institutions, because the changes that are a problem for the company, are also influenced by the culture and its institutions.

There are several institutions of regional, as well as of national importance in the field of cultural and artistic activities. The cultural institutions include, among others, theaters, museums, libraries, galleries, bookstores, cinemas, that directly or indirectly promote the arts and cultural scene, cultural life and promote the civic activism.

The modern age has changed the traditional approach in business practices of cultural institutions. These institutions constantly apply new methods and innovations with the development of communication technologies. The process of innovation is often conceived as a separate phenomenon that contributes to the competitiveness and development of the organization in different ways [5]. Implementation of innovation in cultural institutions was initially met with disapproval, but new technologies are rapidly integrating the most valuable features of traditional media. The continued growth of the telecommunications market, a growing number of users and their needs, at the end of the seventies led to the launching of the process of digitalization of the media, which later speeded to the cultural institutions. Digitization is a complex technological process, based on several unique principles. New media literacy's include the traditional literacy that evolved with print culture as well as the newer forms of literacy within mass and digital media, aside old skills to make room for the new.[16]

Innovation and creativity from period to period have an increasing implementation of cultural institutions and lead to better results. Development of technology and changes in the way of thinking led to major changes in the world [6].

3 Research method and results

3.1 Research methods

The research of the cultural institutions was conducted in the time period from the month of April to the month of June 2012, and it encompassed the total of 80 Serbian enterprises performing their respective business activities in different fields which include museums, theatres, operas, galleries.

This paper analyzes three groups of questions from the above-mentioned questionnaire. The first group of questions relates to how present innovations are in institutions. The second group relates to the time period in which cultural institutions are performing innovation. The third group relates to the reasons which impact the enterprises and make them bring decisions on the improvement of the existing services of theirs.

3.2 Research results

The results of the research which we have come to through the processing of the data are accounted for in the graphs below. Figure 1 account for how many surveyed enterprises work on the innovations of their services, how many of such institutions introduce innovations from time to time, and how many of them never do so. The data are presented in percentages.

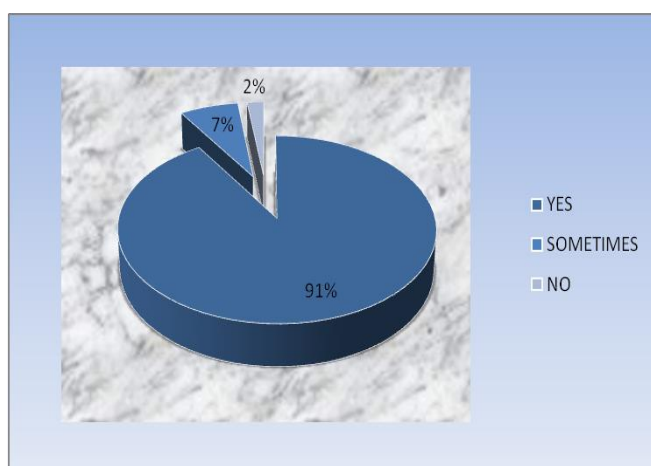


Fig. 1: Cultural institutions working on the innovativeness of their services

Fig. 1 shows that 91% of the cultural institutions applied innovations, sometimes 7% and 2% said no. Today, innovations are necessary and they have a big significance in the business operations of every institution. These innovations represent firms' proactive response to changes in the environment.

The organization is thus able to obtain some kind of advantage that translates into superior outcomes. The most common innovations in cultural institutions are continuous or incremental through the incorporation of new services [4].

The period for which the institution made innovation	The percentage of institutions
per month	18%
quarterly	28%
six-month	23%
per year	14%
five years	2%
did not answer	15%

Table 1: Period to which institutions are performing innovation

Table 1 and Fig. 3 show the time period in which cultural institutions deliver innovation. The largest number, 28%, pleaded innovations introduced quarterly, then 23% of them introduced in the six months. The lowest percentage of cultural institutions pleaded that innovations introduced annually.

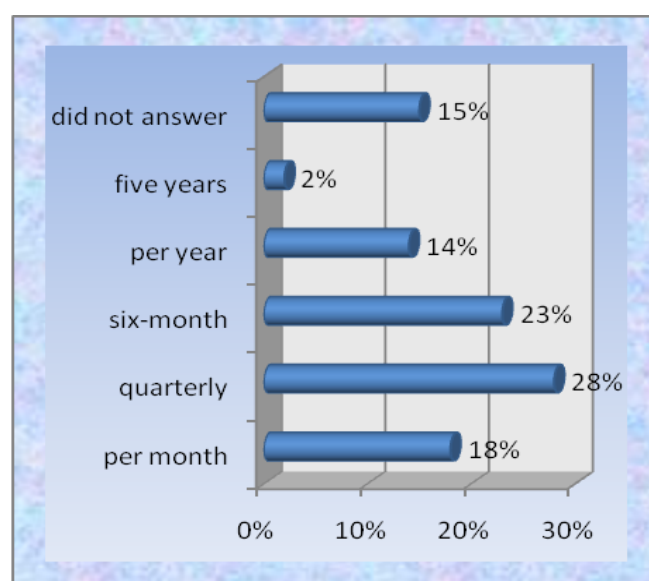


Fig. 2: Period to which institutions are performing innovation

Innovation speed is a crucial element to compete in the market for it can result in superior performance. Innovation speed, which is defined as the time elapsed between (a) initial development, including the conception and definition of an innovation, and (b) ultimate commercialization of a new product or services into the marketplace, reflects a firm's capability to accelerate activities and tasks for building a competitive advantage. Emphasis on innovation speed represents a paradigm shift from more traditional sources of advantage toward a strategic orientation specifically suited to today's rapidly changing business environments [15].

Major reasons for services innovations	Number of companies that responded to the		
	YES	SOMETIMES	NO
Customer satisfaction measurement	82	16	2
Customers's complaints	40	45	15
The change of competitor's production	31	45	24
World trends monitoring	61	29	10
Market research and potential users	74	20	6
Employees' suggestion	37	43	20

Table 2: Major reasons for services innovations

In Table 2 and Fig. 3 are shown grounds on which cultural institutions generally make decisions on improving existing services and the percentage of institutions with innovation services in accordance with these reasons. The highest percentage of institutions pleaded made improvements based on the measurement of customer satisfaction (82%). Every new product/process/service originates from a new idea and addresses customer needs/problems [8].

Consumers are willing to pay more for products designed according to their measure, taste, style, and institutions are able to meet specific consumer demands with the development of high technology, the rapid exchange of information and greater production flexibility [12].

New approach enables the company more profits, better and improved customer satisfaction, and increased added value of the entire business process [13].

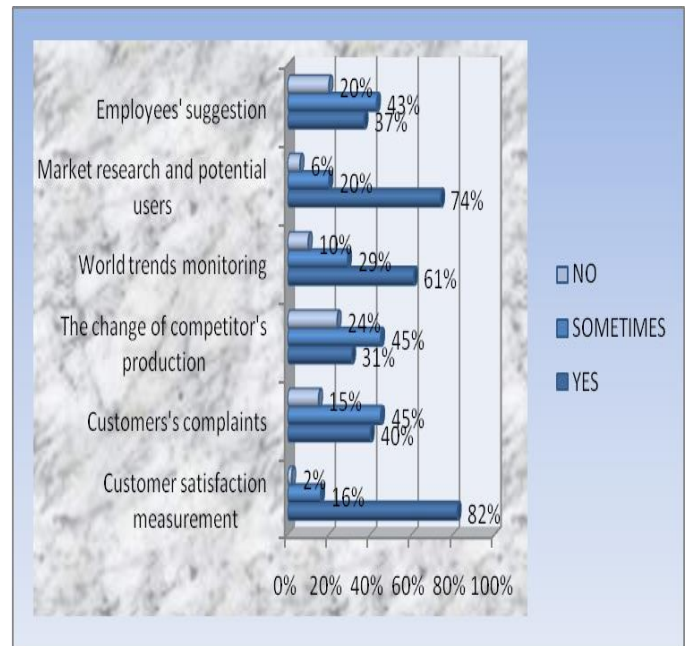


Fig. 3: Major reasons for services innovations

Also, in Fig. 3 is shown that the second reason to make changes to existing services, market research and potential users with 74%, and in third place with 61% of the world trends. Other reasons enumerated (changes competitor product range, user complaints and suggestions of employees) in the approximate amount present, and to a lesser percentage.

This new environment has also amplified the need to consider not only how to address customer needs more astutely, but also how to capture value from providing new products and services. Without a well-developed business model, innovators will fail to either deliver e or to capture e value from their innovations [14].

4 Conclusion

Culture encompasses institutions, organizations, institutions or projects of public interest, whose purpose is the preservation, organization and access to culture and cultural heritage [10].

Cultural institutions are competing to find the most effective way to attract visitors, but from year to year, there are the lower number of people who visiting them. The reason for this is the lack of free time people and economic crisis that people often distracts from cultural institutions. To these institutions visited by more necessary that schools

and other educational constitutional effort to children from an early age create consciousness in which they are and where they are and that it is necessary to love their country before it is operating outside its borders.

The results are not great, but thanks to the introduction of new technologies and innovations tourists around the world are able to make better acquainted with the culture and traditions of a country before go around the country and still be interested and to visit the cultural institutions. Another way in which these institutions are all over the world is good communication with tourism organizations in the world fairs where they can represent their culture.

Cultural institutions need to establish methods and models to create the conditions for an integrated approach to culture and to create a concept for the design of cultural identity, as a total system inseparability of tangible and intangible elements.

The conclusion of this study is that culture can be understood as a complex network of meanings of cultural products, regardless of the presence or absence of material emanations of the bearers of cultural meaning, which is created by man. Culture, therefore, is not seen as an expression of psyche through objects of material culture, but as a total and clearly structured system of meanings which people communicate among themselves.

On the basis of this study it was concluded that cultural institutions face different problems affecting the global progress of the institution. The first and biggest problem of all those surveyed cultural institutions is a bad financial situation that causes a host of other problems, which, among other things, affect the development and innovation of products / services. From the adverse financial situation faced by the majority of institutions derives the fact that generally the few resources that can be allocated to innovation.

Cultural institutions by creating the programs with social responsibility, promoting the values of knowledge, integrity, good faith, work and creativity, contribute to the improvement of the image, and thus create conditions for development and a better position on the market.

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