

# Searching for diversity: An overview of Italian Cultural Institutes boards of directors

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## ABSTRACT

The theme of diversity has been debated in the era of globalization in response to affirmations of human and gender rights, and many studies have analysed board diversity within for-profit organizations. However, there is a paucity of studies investigating the role of demographic and non-demographic characteristics (such as educational and occupational background) among cultural organizations and the non-profit sector. Italian cultural institutions have been grouped together in a website by a private association called the Italian Association of Cultural Institutes (AICI). This website was used to collect information about these cultural organizations and to map their boards in terms of visible (demographic) and invisible (non-demographic) variables of diversity. Thus, diversity was explored among the board members of 111 private foundations and associations, studying age, gender, nationality, and educational and professional backgrounds. This article will highlight how Italian cultural organizations have low degrees of diversity within their boards of directors.

## Keywords:

Governance

Boards

Cultural institutes

Diversity

Gender

## Introduction

Diversity has been strongly debated in the era of globalization and migration in response to affirmations of human rights and gender policies. Strategies formulated by national governments and private organizations have been pushing the issue of diversity to increase competitiveness (Carter et al, 2010), favouring the exchange and integration of skills. Moreover, diversity increases inclusiveness (Gilbert et al, 1999).

Many studies have linked the causes of business success to the manifestation of diversity in the workplace, combining internal and external interests (Cox & Blake, 1991; Robinson & Dechant, 1997). Other studies have investigated the role of diversity within boards of directors to highlight its relationship with company performance (Rhode & Packel, 2014; Carter et al, 2010).

Most of these studies have been strongly anchored to the analysis of board diversity within for-profit organizations. However, few studies have studied such phenomena among cultural organizations and the non-profit sector to investigate the effects of demographic (age, gender, ethnicity) and non-demographic (educational and occupational background) diversity (Milliken & Martins, 1996; Forbes & Milliken, 1999).

According to Italy's legal framework, three forms of governance can be identified for these cultural organizations: institutional (involving public institutions), private, and public-private (including both public and private elements). The latter include associations, institutions, foundations, and consortia. These organizations are governed by a steering committee elected by the board of directors (Giambrone, 2013). Recently, a study by Dubini and Monti (2018) revealed that in arts organizations, boards contribute to financial sustainability because they can involve multiple donors and stakeholders.

Assuming that the diversity of a board implies quality (Harrison & Klein, 2007; Dubini & Monti, 2018), this study explored this concept within Italian cultural institutes to cope this theme through multiple variables of diversity (age, gender, nationality, knowledge background, and professional background). The aim was to provide a perspective on the level of diversity present in the boards of the members of the Association of Italian Cultural Institutions (AICI). If their heterogeneity were confirmed, it could represent the first point of analysis to deepen the impact of

diversity on internal decisions and external activities for stakeholders. Starting from analysis of the institutions available on the AICI website, this article aims to answer the following research questions:

- What is the level of demographic and non-demographic diversity in the composition of boards of directors in Italian cultural institutions?
- What is the level of diversity within these boards according to activity sectors and cultural institution features?

The AICI is a private association that has grouped Italian cultural institutions in a unique database. These organizations serve different purposes and areas of intervention and differ in terms of legal form. Nonetheless, they share similar attitudes toward governance. A list of 111 institutions was analysed in terms of their structure, mission, and rules to inspect the boards of directors and to have a first image of the composition of the boards of Italian cultural institutes.

This article will be structured in five sections, beginning with a literature analysis regarding diversity as a driver for these organizations and the composition of their boards. The methodology will then be described, followed by an analysis of the results. Next, a final discussion will outline critical aspects of the paper and possible future research. This study could become the first in a series of studies exploring diversity, cultural institutes and governance. Furthermore, the goal here is to strengthen cultural organizations' governance and to enhance studies in the field of diversity.

## Diversity on cultural organizations' boards

### *Sampling and data collection instruments*

Diversity has often been considered a double-edged sword (Milliken & Martins, 1996). However, from a terminological perspective, it is characterised by a multiplicity of synonyms that include "heterogeneity, dissimilarity, and dispersion", used interchangeably (Harrison & Klein, 2007).

Literature has separated diversity in two main categories: visible or less visible (Milliken & Martins, 1996; Forbes & Milliken, 1999). Visible attributes have been identified with demographics; non-visible attributes have been defined as educational and professional or functional (job-related) background by Carpenter and Westphal (2001). According to Harrison and Klein (2007), knowledge, background and

experience are useful to reveal compositional variety, whereas non-demographic differences represent elements of separation or disparity.

According to Harrison & Klein (2007: 1200), the word diversity is often used "to describe the distribution of differences among the members of a certain unit with respect to a common attribute 'X'". This means that diversity is considered as a whole and not as a focal member's difference from other members. Studies have shown both positive and negative impacts of diversity on different boards (Nederveen Pieterse et al, 2013) and consequently on firm performance (Carter et al, 2010).

In addition, researchers have explored diversity inside workplace contexts (Cox & Blake, 1991; Robinson & Dechant, 1997), in which the management of diversity has enhanced competitive advantage. This could reduce frustration and the cost of turnover for those involved (Cox & Blake, 1991). In other cases, company diversity meets the diversity of customers and suppliers with a high probability of penetrating the market. Aiding innovation and creativity, diversity management could increase flexibility and problem-solving within organizations (Robinson & Dechant, 1997).

By extending the analysis of diversity in the workplace, many studies have investigated boards of directors. As pointed out by Pfeffer and Salancik (1978: 163), "[W]hen an organization appoints an individual to a board, it expects the individual will come to support the organization, will concern himself with its problems, will variably present it to others, and will try to aid it". Board composition has been analysed according to the macro-categories of structure and demographics. Regarding structure, studies have referred to the composition of a board, including a) the number of members; b) directors' election (internal or external); and c) the number of meetings per year (Hermalin & Weisbach, 2000; Bhagat & Black, 1999; Shultz, 2000). Meanwhile, the demographic category concerns the personal characteristics of the members, such as demographic variables (Schwartz-Ziv & Weisbach, 2013); educational backgrounds (Jehn et al, 1999); and other non-demographic variables (Harrison et al, 1998; Jehn et al, 1999; Doerr et al, 2002). A wide variety of attributes can be extracted from a board, including age, ethnicity, culture, gender, knowledge, professional background, technical skills, industry experience and life experience (Milliken & Martins, 1996).

Traditionally, a board controls or monitors activities and provides resources (Hilman et al, 2000; Miller, 2002). The studies that have analysed this

relationship have mostly been based on the agency theory (Fama, 1980) and the resource dependence theory (Pfeffer & Salancik, 1978; Hillman et al, 2009). In some cases, both theories have been integrated (Hillman & Dalziel, 2003).

The board has the power to monitor top management's behaviour, which should respect ethical principles and finances (Rhoades et al, 2000) in line with the organization's mission and values, especially in non profit organisations – NPOs (Brown, 2005). The dominant theory of resource dependence was adopted in this study to give a different perspective on the role of the board in providing resources to an organization. In addition, board composition connects a firm to its environment (Hillmann et al, 2000), creating networks and relationships and ensuring good relations with its stakeholders.

The analysis of diversity is not limited to a resource-based perspective. Studies have also investigated the role of the board from the agency theory perspective, emphasising the monitoring by members of top management on behalf of shareholders (Mizruchi, 1983), acting in the latter's interests (Macey & Miller, 1993).

As stated by Carter et al (2003: 37), diversity could increase the "board independence because people with different gender, ethnicity, or educational background might ask questions that would not come from board members with more traditional backgrounds". Through Tobin's Q, they found a positive relationship between firm value and board diversity. However, these authors also suggested that the agency theory approach is somewhat limiting. That is, this perspective does not provide a clear relationship between board diversity and financial performances, even though diversity is considered an advantage.

Finally, Hillman and Dalziel (2003) merged the function of monitoring and provision of resources. The result was a better understanding of the influence of board capital on the monitoring and provisioning of resources. This created a positive relationship between board capital and provision of resources but a negative one between board capital and monitoring.

In addition, diversity affects board performance, and plenty of empirical research has analysed demographic diversity (Rhode & Packel, 2014). More specifically, such studies have found positive relationships between board diversity and performance (Bonn, 2004; Campbell & Minguez-Vera, 2008; Bear et al, 2010; Mahadeo et al, 2012; Hafsi & Turgut, 2013); negative relationships (Adams & Ferreira, 2009; Haslam

et al, 2010; Dobbin & Jung, 2011); and non-significant relationships (Carter et al, 2010). The search for diversity must be integrated into strategic objectives through planned actions and should be managed to fulfil affirmative action policies.

Beyond this, diversity awareness as an element to manage has increased within organizations. Some are voluntarily moving toward initiatives or programs to manage diversity, driven by two factors: the dissemination of policies of inclusiveness and the positive results of business outcomes (Gilbert et al, 1999). These studies are strongly focused on the for-profit sector, according to a perspective aiming to analyse the impact of diversity on company performance. This performance is related to financial value, competitive advantage, preservation of interests of shareholders and the image of an organization.

### ***Board composition and role in cultural organizations***

Over the last two decades, the topic of boards of directors in NPOs has gained attention among scholars (Cornforth, 2001; Dacin et al, 2010; Miller, 2002; Miller-Millesen, 2003), but few studies have covered the topic of board composition. However, this discussion has been strongly anchored to studies within the for-profit sector that reflect some of the same features. The nature of NPOs allows their association with hybrid organizations, which are entities that aim to be sustainable and to achieve social goals (Battilana & Lee, 2014; MacMillan et al, 2004).

In the case of art organizations, which embrace different segments of artistic NPOs, studies have identified many common features of boards. In 1983, the Council for Business and the Arts in Canada explained the significant elements required to develop an effective arts board, underlining the need for most members to be volunteers. Meanwhile, Wry (1982) highlighted the crucial importance of having qualified administrators in art organizations and defined the fundamental role of the board of trustees (or directors), identifying their main tasks. First, he explained the efforts made by these boards to operate in a non-profit art institution to direct, plan and evaluate financial resources. The board's members were considered an "important operational arm of the non-profit organization" (Wry, 1987: 4) because they were a bridge between the business and the public needs of the community. Wry described not only the role and function of the board but the spirit of board involvement, which has been and continues

to be deeply integrated into the basic concept of the NPOs' art model.

McDaniel and Thorn (1990), questioned the ways in which the NPOs' artistic sector operates, opening a conversation around the role and function of the boards of directors in art organizations during a period of multicultural evolution. A lack of board development represents a huge problem when an organization is going through a critical period, such as environmental pressures.

This discussion continued on the theme of the board's allowing art organizations to express their needs for support from the board or the managers to achieve cultural goals (Thorn, 1990). Until that point, studies had been focused on a specific portion of art organizations but less on the condition of boards of directors. The responsibilities of these boards consisted of making decisions to a) link strategic choices; b) strongly collaborate with management; c) provide resources; and d) have the right people manage organisations, including board directors (Radbourne & Fraser, 1996).

Researchers began to pay attention to the composition of boards not only for the role acquired by it but also in terms of influencing organizations and including diversity. Radbourne (2003) suggested a model linking governance and reputation. Through interviews with the board chair and general manager of a performing arts company in Australia, he observed that reputation, skills, engagement, and management of a company are drivers of good governance and there are positively influenced by the board. In this sense, the features of the board concern the human skills and capacity. In this sense, the features of the board concern the human skills and capacity. The potential composition of art boards has been analysed from the stakeholder perspective, exploring how gender and ethnicity affect corporate responsibility (Azmat & Rentschler, 2017).

Dubini and Monti (2018) filled in the gap regarding board composition (in terms of background) and performance in Italian opera houses, merging agency theory and resource dependency theory. What emerged was how the presence of artistic profiles on a board is not positively correlated with public or private funding. However, the study indicated that the actions of a board could ensure an organization's growth, contributing to financial sustainability.

The resource-based theory and the agency theory are not the only two perspectives; especially for art organizations, the board performs the important tasks of formulating strategic decisions and of ensuring

relations with stakeholders. As stated by Azmat and Rentschler (2017: 319), "Art organizations have a primary focus on serving their diverse stakeholders on whom they depend for donations; hence, stakeholder trust is critical for their survival and sustainability".

The nature of art organizations highlights their strong dependence on public financing and fundraising actions, their need to increase their number of partnerships with multiple actors, the creation of a network and collaboration with stakeholders of the community. The board has the role of working to ensure the value creation and the sustainability of an organization, achieving goals for the key stakeholders, understanding and representing their interests. Board diversity enhances these aspects because "ethnic and gender diversity in the board provide legitimacy, credibility, and integrity which are important for earning stakeholder trust, as stakeholders are now more demanding in the current context of economic uncertainty" (Azmat and Rentschler, 2017: 319). Concerning the role of the board in art organizations, it has not been investigated through the perspective of stakeholders, except for in a study conducted by Azmat and Rentschler (2017) that linked the theory to corporate responsibility.

In the present study, diversity was explored in boards of organizations based on age, gender, nationality, knowledge background and professional background. Heterogeneity, if confirmed, could be explored in depth, analysing the repercussions it may have on the decisions and objectives of cultural organizations, as well as on participation levels and the creation of partnerships and networks.

### ***Italian Cultural Institutes***

This analysis aimed to provide overview of the composition of boards in Italian cultural organizations. From an administrative and legal point of view, foundations are autonomous entities, private non-

profit organizations with their own income sources that would normally come from a patrimony. Some of these are participation of foundations of Ministry of Cultural Heritage and Activities. However, the legacies and patrimonies of foundations are devoted to the pursuit of educational, cultural, religious, social, health, scientific research, and other needs. The law set the

objectives of developing forms of cooperation for non-profit activities between institutional and private subjects for the management and enhancement of cultural heritage (Wizemann & Alberti, 2005). Foundations are headed by boards of directors, and associations are another kind of organization, governed by the code of the non profit sector (called "Codice del Terzo Settore") – the same as foundations. According to the characteristics of these associations, both physical and legal persons can take provision for the involvement of members in activities. An association is usually initiated by a steering committee elected by the assembly (frequently called Consiglio Direttivo). On a related note, boards of directors should not be confused with other committees (Collegio dei revisori dei conti, Collegio dei probiviri, Comitato scientifico) or with staff. The latter have specific technical mansions and often included a director who can be nominated or fired by the board. Leaders of such organizations should not

necessarily be the leaders of the board. Moreover, leaders must never be confused with directors.

## **Research Design**

### ***Data collection***

This research addressed certain questions regarding Italian cultural institutes. Among others, such concerns included the following: a) General information about the institutes such as geographic location, activities, and juridical diversities; b) Regarding the specific structure of the board, this study strived to understand how it

## **“THE NATURE OF ART ORGANIZATIONS HIGHLIGHTS THEIR STRONG DEPENDENCE ON PUBLIC FINANCING AND FUNDRAISING ACTIONS, THEIR NEED TO INCREASE THEIR NUMBER OF PARTNERSHIPS WITH MULTIPLE ACTORS, THE CREATION OF A NETWORK AND COLLABORATION WITH STAKEHOLDERS OF THE COMMUNITY”**

has to be composed in such an organization in terms of dimensions, goals, and typology; c) Referring to people who have sat on a board, there was a necessity to comprehend their diversity in terms of visible and invisible variables.

Organizations were selected from the website of the Association of Italian Cultural Institutes (*Associazione delle Istituzioni di Cultura italiane*). AICI<sup>1</sup> is a NPOs' founded in 1992 comprised of a group of associations, foundations and institutes engaged in the fields of research, conservation and promotion in a broad range of cultural fields. The AICI website provided a list that collected Italian cultural organizations who voluntarily decided to join the network. On this note, there are currently 111 registered cultural organizations in Southern, Central and Northern Italy. These organizations are associations and foundations of great prestige and consolidated activity. Network members operate to carry out research, conservation and promotion activities in the most diverse areas of cultural production. Organizations that are listed by AICI share their not-for-profit status, cultural mission and governance methods. This means that they generally include a leader and a board, which must be democratically elected by the general assembly, depending on their statute.<sup>2</sup>

Starting from AICI's list, a dataset containing information about the 111 institutes and their members was designed. The following information were extracted from the website: name of the institute, address and contacts, along with the declared program, which is the most crucial variable for measuring the creativity and quality of an organization.

This research aimed to give an overview of the many variables of diversity, including both visible and invisible attributes. For the first category of variables, age, gender and nationality were listed. For the second one, personal experiences in terms of education and professional background were included. This dataset was developed to observe the following variables:

1. URL of a working official website;
2. Name on the institution's leader;
3. names of the board members, including the board's leader;
4. organizations' statute availability; and
5. availability of CVs.

<sup>1</sup> For more information: [www.aici.it](http://www.aici.it)

<sup>2</sup> In order to become part of the AICI network, applying organizations need to be able to demonstrate specific characteristics: a) legal status; b) constitution no more recent than 5 years; c) verified and continuous scientific research activity, to be eventually accompanied by educational activities; d) scientific relevance of its documentary heritage; e) publishing activities; f) periodic organisation of conferences, exhibitions or other events of high scientific value; and g) contact with national and international organizations. In addition, according to Italian law, a cultural heritage site has to be open to the public at least 20 hours per week.

<sup>3</sup> Regarding these features, we had to distinguish between knowledge backgrounds in terms of education levels and experience; meanwhile, "professional background" refers to professional roles held

The next step of the research was the search for information that needed to be verified through a deeper analysis, including the type of board, juridical form of the organization, head office location, and board's size. The type and the effective dimensions of the board were verified comparing every board member's list with the relative statute to avoid errors or misunderstandings. In addition, statutes were checked to determine the juridical statuses of the institutes.

Next, the members' CVs were analysed to obtain the following variables:

1. Demographics: age, gender, nationality;
2. Non-demographics: knowledge and professional background<sup>3</sup>.

The aim of this research was to give a panoramic view of the diversity in boards' compositions looking at "visible" attributes, such as demographics. Meanwhile, "non-visible" variables like education and professional background were defined as functional (job-related) diversities (Carpenter & Westphal, 2001).

To cope with the risk of biases, errors and lack of accuracy were tempered by putting extra monitoring during the phase of data extraction (i.e. the year of birth, nationality, gender identity). Additional research was conducted with the support of newspapers, professional social network websites like LinkedIn or XING and a variety of other trusted sources.

Educational background and professional activities had to be forced into a closed number of categories that were relevant to the scope of the research. For this, we merged all of the hard science disciplines and kept the law faculty separate, as it could be grouped with the social sciences. At the same time, humanistic bachelor's degrees (history, literature and foreign languages, philosophy, art history, etc.) had to be grouped together as well. In addition, jobs were given functional groupings.

## Results

### *Institutional analyses*

Out of the 111 institutions included in the AICI website, those that did not provide sufficient information regarding their legal status, activities or

Macroregions	NUTS Code	ISTAT Code	Macroregions	Associations	Foundations	Total
Islands	ITG	1	Sicily, Sardinia	-	0,98%	0,98%
South	ITF	2	Abruzzo, Molise, Campania, Apulia, Basilicata, Calabria	1,96%	3,92%	5,88%
Centre	ITI	3	Tuscany, Umbria, Marche, Lazio	19,61%	32,35%	51,96%
Northwest	ITC	4	Piedmont, Valle d'Aosta, Liguria, Lombardia	9,80%	15,69%	25,49%
Northwest	ITH	5	Trentino-Alto Adige, Veneto, Friuli-Venezia Giulia, Emilia Romagna	7,84%	7,84%	15,69%
<i>Total</i>				39,22%	60,78%	100,00%

**TABLE 1. ASSOCIATIONS AND FOUNDATIONS PER GEOGRAPHIC AREA**

Source: Authors' own elaboration.

board composition were excluded. Thus, the final data samples included 102 Institutions (n = 102), distributed across the Italian macro-areas according to the Nomenclature of Territorial Units for Statistics (NUTS, cf. Table 1). Specifically, 52% of the monitored institutions had their headquarters in the centre of the country, closely followed by the North. In addition, the Northwest accounted for 25,5% of the institutions, while the Northeast held 15,7% of the AICI institutions. Only 5,9% of AICI's cultural institutions had their headquarters in the South, and even fewer were located in the Isles (1%). Foundational legal forms dominated most of these areas, while the Northeast was the only place in which we noted a similar percentage of associations and foundations.

Looking at the regions hosting cultural institutes reveals that 38 institutions were based in Lazio, followed by Tuscany (15), Piedmont (14), Lombardy (11), Emilia Romagna (8), Veneto and Campania (4). A few regions contained one or two institutions, whereas several regions had no representation at all (Abruzzo, Basilicata, Calabria, Marche, Molise, Sicily, Umbria, Valle d'Aosta). The geographical distribution over the Italian provinces copied the cultural geography of the nation. In addition, it showed that the majority of organizations were distributed over just a few cities, and 63 of them were dispersed across small provinces.

In any case, Rome led the provinces list, hosting 36 institutes, followed by the 11 of Turin, nine for both Florence and Milan, four in Venice, and three each in Naples and Bologna. The seven provinces of Rome, Turin, Milan, Florence, Venice, Naples and Bologna held a total of 75 institutes (73% of the 102 samples). Excluding Rome (which is the political capital and has many political foundations), associations and foundations were equally distributed in those provinces (20 foundations and 19 associations). In the minor

centres, where provinces host two or fewer institutions, the foundation form was prominent (20 to 7).

Regarding the law form of the institutes, we found a heterogeneous representation: foundations, cultural academies, associations and cultural institutes are the juridical forms that the organizations expressed in their statutes. Therefore, according to recent law dispositions, we grouped academies and institutes together under the label of the association. As shown in Table 1, nearly 61% of the cultural institutes were foundations (62 organizations). The other represented legal form was the association with 40 members (39%).

In the case of associations, the prevailing category was "humanities" with 47,5%, followed by the social sciences with 25%. Concerning foundations, 51,6% were grouped under the social sciences and 41,9% in the field of humanities. Notably, cultural institutions from the social sciences preferred the juridical form of a foundation. Moreover, the field of political sciences emerged as the dominant category, comprising 34% of the organizations. Among the associations, a broader variety of activities was documented, whereas in foundations there was a large number of organizations working in the field of political sciences. Apart from the library service (which was the most common activity), the institutional program was reported as heterogeneous, demonstrating that every organisation has its own mix of activities, with significant differences among them.

### **Analysis of demographic variables**

Leaders of the boards and leaders of these organizations were carefully observed to better comprehend the boards' natures. In certain institutions, they could differ in accordance with the internal rules of the organisation. In the sample, a board's leader was usually the leader of

the entire organisation as well, with only one exception. Due to the prominence of the leaders, their CVs were often more complete with demographic and non-demographic information.

On the subject of gender representation, minor problems throughout the extractions of the sample occurred; therefore, the recognition of every leader and member's gender was possible. With 82,35% of male leaders, women who are in charge of a board in Italian cultural institutions represent 17,65% of the total leadership. Men are even more dominant in associations (85%) over females (15%), whereas in foundations, female leaders are a bit more represented (19,35% vs 80,65%).

Concerning the demographic variables<sup>4</sup> of the 102 leaders, only 86 dates of birth were found. The oldest leader was 101 years old (b. 1918, female), while the youngest was 27 (b. 1992, male). The average year of birth was 1949, meaning that Italian leaders of cultural institutions are, on average, 71 years old.

Furthermore, data on female leaders was drastically inferior to data for male leaders. Statistics have shown that for female leaders, personal data has been spreading through the Internet, currently reaching 43,7% of availability for women and 87,21% for men. However, demographic information presented little difference when sectioning the sample by juridical

forms. In this case, it can be seen that the average age of these associations' leaders was higher (73 years old), whereas in foundations, the leaders were slightly younger (70 years old).

On the subject of member composition, boards of cultural institutions included in the AICI ranged from a minimum of 3 to a maximum of 25 members, depending on the statute. The average number of board members was nine, and male members represented approximately 74,40% of the board members. The sample was taken by analysing 918 members from the 102 different boards. In addition, leaders of the boards had already been included in the count.

Of the 918 board members, 74% were male. There were only 235 female members, meaning more diversity through the boards in comparison with those of the leadership. On the topic of demography, slight differences were appreciable in terms of ethnic diversity; for instance, only 2,6% of the board members were non-Italians.

In addition, birth years were available only in 62,6% of the 918 samples. No significant difference emerged from the leaders' records; the youngest member was born in 1998, whereas the oldest remained the one born in 1918. The youngest member was 21 years old, but the average board member in these cultural institutions was a 65-year-old man or woman (Table 3).

Organization juridical form	AVERAGE AGE OF:		
	All leaders	Male leaders	Female leaders
All	71	72	72
Associations	73	74	58
Foundations	70	70	70

**TABLE 2. LEADERS' DEMOGRAPHIC VARIABLES**

Source: Authors' own elaboration.

Organization juridical form	AVERAGE AGE OF:		
	All members	Male members	Female members
All	65	66	61
Associations	66	67	62
Foundations	64	66	60

**TABLE 3. MEMBERS' DEMOGRAPHIC VARIABLES**

Source: Authors' own elaboration.

<sup>4</sup> Data were updated to 7 October 2019.



Education	LEADERS' EDUCATION			MEMBERS' EDUCATION		
	Male	Female	All	Male	Female	All
Architecture	2,8%	0,0%	2,4%	2,8%	2,8%	2,8%
Hard sciences	6,9%	0,0%	6,1%	13,7%	8,5%	12,5%
Law	20,8%	20,0%	20,0%	18,8%	7,1%	16,1%
Social sciences	30,6%	30,0%	30,5%	24,6%	14,9%	22,3%
Humanities	36,1%	50,0%	37,8%	37,0%	63,8%	43,2%

**TABLE 4. LEADERS' AND MEMBERS' EDUCATION**

Source: Authors' own elaboration.

Careers	LEADERS' EDUCATION			MEMBERS' EDUCATION		
	Male	Female	All	Male	Female	All
Creative	4,8%	0,0%	4,2%	6,2%	10,7%	7,3%
Legal	4,8%	16,7%	6,3%	6,2%	3,6%	5,6%
Politics	12,0%	16,7%	12,6%	7,8%	4,1%	7,0%
Manager	10,8%	8,3%	10,5%	14,2%	11,8%	13,7%*
Education	51,8%	33,3%	49,5%**	51,5%	52,1%	51,6%***

**TABLE 5. LEADERS AND MEMBERS' CAREERS**

Source: Authors' own elaboration.

\* Including cultural manager, 0,9% among members

\*\* Including Teachers (1,1%)

\*\*\* Including Academics (1,6) and Teachers (2,0%), along with Professors (47,3%)

### **Non-demographic variables analysis**

Among the non-demographic – or invisible – variables considered in the literature (such as skills, competence, relational, hobbies and so on), educational and professional backgrounds were investigated for leaders and members. For instance, Table 4 showed that 37,8% of the leaders came from the humanities (history, philosophy and literature), followed by 30,6% who were educated in the social sciences (including political sciences, economics and sociology).

The third major group consisted of leaders who had studied law (20%). A significant portion (18,8%) of leaders didn't declare their educational background at all. The group of people who studied hard sciences followed with 6,1%, preceding the architecture group (2,4%). The absolute majority (99%) of the cultural institution leaders held at least one bachelor's degree.

However, a group of 35,3% of female leaders didn't declare anything about their educational backgrounds. Female leaders who were educated in the humanities made up 50,0% of the group, followed by those in

the social sciences (30%) and law (20%). Male leaders preferred humanities bachelor's degrees (36,1%), followed by those from the social sciences (30,6%) and law (20,8%). On the other hand, very few people chose the paths of hard sciences (6,9%) and architecture (2,8%). Of the entire male sample, 17,4% did not declare anything about their educational backgrounds.

Accuracy of describing educational backgrounds was more problematic for members; data were unavailable for 33,9% (316 members of 918) of the samples. Only 0,9% of the 918 members affirmed they did not hold a bachelor's degree, 43,2% came from the humanities, 22,3% from social sciences and 16,1% from law. The last significant group was the hard sciences, with 12,5%. Next came a small contingent that was trained in the field of applied arts (music, cinema, visual arts) and architecture (2,8%).

These leaders came from a variety of professional fields, though there was a great predominance of leaders whose careers were deeply academic or more linked to an educational career (49,5%). In addition, academia was a more frequent choice for the male

leaders (51,8% of the cases) than for the female leaders (33,3%). A significant majority of politicians were also included (12,6% of the total), with similar percentages of women and men. Other appreciated professional paths were careers related to management (in the broader sense), to the law (judges included) and to journalism. Creative and cultural workers, an essential category in the field of creative industries and, more specifically, in the present society, amounted to only 4,2% of the leaders.

The second analysed variable focused on the members' professional backgrounds, for which the data were much more disaggregated. Unfortunately, the determination of career paths was even more complex for the members than for the leaders. That is, 21,5% of the members gave no information regarding their occupations. The educational group accounted for 51,6% of the members, including professors, scholars and teachers. This group represented the largest category, followed at a great distance by managers (13,7%), politicians (7%), legal professionals<sup>5</sup> (5,6%), creative workers (4,0%), cultural managers (0,5%) and cultural operators (1,3%), accounting together for no more than 7,3% of the total of creative item.

### ***Diversity between associations and foundations***

The aim of the second research question was to reveal the level of diversity within the board of directors according to activity sectors and features of the cultural institutions. Among the educational backgrounds of members of associations, 53% came from the humanities sector, data confirmed by the percentage of this sector within the institution's typology. However, there was a significant number of members educated in the hard sciences (16%), and even more significant were the percentages of both social sciences (17%) and law (10%) that merged together to account for a notable 27%.

The educational backgrounds of foundations members showed more variety because there were three main areas in this section, including humanities (35%), social sciences (27%) and law (22%). In fact, there was an unpredictable reduction of members coming from the hard sciences. The more evident data in terms of the educational background was that, merging both social sciences and law accounted for 49% of the total sample, which was far more consistent than the humanities.

The data on professional backgrounds within the associations revealed that there was an absolute majority of male academics (74%) working as university professors. In addition, there were scholars and teachers belonging to a similar area of the job field. Meanwhile, the female professional backgrounds inside the same kinds of institutions slightly differed in terms of academic profession, making up a minor percentage of the total. Of note was the presence of creative workers and cultural operators not included in the category of male directors' associations.

The context of the foundations showed great variety for men's professional backgrounds. For this reason, even if the occupation of professor continues to be dominant (41%), there would still be other categories to be highlighted, such as manager (15%), politician (9%), law profession (8%) and creative worker (5%). For the professional backgrounds for the female directors, 17 categories were identified, more than in comparison with the men. The percentage of female professors was less dominant (31%), increasing the number of women coming from the management field (18%) and women with positions in the cultural field (9%).

Merging the sectors of associations and foundations without making gender distinctions, the data explained that the dominant career category was still "professor", but there was extensive professional diversity.

## **Discussion of results and final considerations**

This paper aimed to paint a picture of the theme of diversity in Italian cultural institutions. The main question of the work has been answered by giving an overall picture of Italian boards of directors in terms of internal diversity, considering of both visible and invisible attributes.

As pointed out by Walt and Ingley (2003), "[T]he concept of diversity relates to board composition and the varied combination of attributes, characteristics, and expertise contributed by individual board members" (p. 219). The main result of this study was a low degree of diversity or homogeneous diversity (Brammer et al, 2007; Milliken & Martins, 1996).

This Italian scenario was chosen due to several considerations: first, Italy has many cultural cities that host cultural organizations. Therefore, Italian cultural geography allows one to simultaneously examine several regions of long-established cultural tradition.

<sup>5</sup> Including lawyers, judges, and notaries

## **“THIS PAPER AIMED TO PAINT A PICTURE OF THE THEME OF DIVERSITY IN ITALIAN CULTURAL INSTITUTIONS. THE MAIN QUESTION OF THE WORK HAS BEEN ANSWERED BY GIVING AN OVERALL PICTURE OF ITALIAN BOARDS OF DIRECTORS IN TERMS OF INTERNAL DIVERSITY, CONSIDERING OF BOTH VISIBLE AND INVISIBLE ATTRIBUTE”**

Lastly, the existence of the AICI database represented a unique opportunity to convey research across a homogeneous group of cultural institutions.

There is no public national register to systematically catalogue Italian cultural institutes, but there are certain official regional databases (called *Albo Regionale*), depending on the politics of the different regions. This gap of a unique database did not allow a precise outlining of the overall Italian panorama regarding the number and model of governances of these organizations, causing a fragmented scenario.

From this analysis, a heterogeneity emerged regarding the legal form representing the cultural institutions. First, there was a significant presence of foundations, representing 61% of the total organizations. Regarding geographical distribution, the cultural institutions collected by AICI were concentrated in the centre of Italy. These data aligned with the index of density and relevance of the museum heritage that accounted for Tuscany and Lazio with the highest asset index in Italy (ISTAT). These data were confirmed by the presence of 37% of the institutes located around the province of Rome.

According to the first research question, the aim of this study was to investigate the diversity of two variables: demographic and non-demographic, splitting the analysis into two parts. Splitting the analysis into the leaders and members of the board of directors.

Demographic variables articulated included age, gender and ethnicity, revealing that Italian cultural institutions presented by AICI are governed by a board leader. In 99% of these cases, this person was the president of an institution. In addition, a gender diversity study showed men as dominant, comprising 83% of the leaders in these institutions. The representative average age was 70 years old, demonstrating that the age rate was quite high. These data, compared with the gender variable, confirmed the same result, specifying that the foundations were more represented by women with an average age slightly below 70 years old.

In terms of ethnicity, the data gave a panorama dominated by Italian leaders. This revealed both a

critical point and a topic for future discussion concerning cultural organizations. The ethnographic homogeneity that characterized these boards of directors underlined that these organizations considered only the involvement of national members. However, from the point of view of development and results, the heterogeneity could constitute an advantage and could thus increase the creativity and the results required to reach the objectives. Program quality of these Italian organizations should be compared to quality of organizations from a different area of the continent to verify the impact of heterogeneity on the definitions of activities and their impacts on society.

Furthermore, educational backgrounds and job positions were analysed as non-demographic variables. The two main categories were the fields of humanities (30,7%) and the social sciences (24,8%), with female leaders dominant in the first category and male leaders preferring bachelor's degrees in the social sciences. The professional field was the last variable analysed, and it emerged that these leaders were mostly employed in the educational sector, but there were not enough leaders working in the fields of cultural and creative industries (less than 10%).

The levels of demographic and non-demographic diversity that emerged through the analysis of the board of directors confirmed the presence of the male component (74,40%), with an average age of 66. On the other hand, the female component comprised 26% of the population, with an average age of 61.

The results on educational backgrounds showed similar results with the data regarding the leaders. In fact, 33% of analysable information of the members (918 available) confirmed that the three main categories were (in increasing order) the humanities, social sciences, and law fields. The data on career positions were too disaggregated but had identified 11 categories, of which the most populated category concerned education.

The observations derived from these data were as follows:

- The boards of directors have many elderly

members. The leaders are even older.

- There is lack of integration between people of different ethnicity.
- Cultural and creative careers are the least chosen by board members.

The second research question had the objective of investigating whether there were different levels of diversity according to the sectors of activities and features of the cultural institutions.

The analysis first showed such a difference visible by sectioning the sample by juridical form. Leaders in the associations were older than leaders in the foundations, and men were always the dominant gender among them. The situation was different in foundations, however, where female leaders were a bit more represented.

Beyond this, the analysis divided the organizations into macro-categories. The main category representing the sector was the humanities (44%), followed by the social sciences (41,5%). The humanities included history, philosophy, art, literature, music, and other related disciplines.

On a related note, the aim of the second question research was to analyse the level of diversity according to the sectors of activities and features of the cultural institutions. Diversity of foundations among the boards of directors was more evident than in the associations, both in educational and professional backgrounds. In fact, this level of variety was also confirmed for the professional background, for which the associations presented the dominant category of professors. Meanwhile, foundations showed great diversity in the professional backgrounds of men and women. In addition, this category was important because creative education and occupations were introduced there by only women.

These studies focused on explaining the implications of the diversity levels of the boards, highlighting a significant focus on for-profit organizations. These studies, elaborated within the corporate field, have increased the level of awareness regarding the homogeneity of the composition of boards of directors. In addition, even in non-profit organizations, the effects of diversity could increase levels of creativity and innovation and could improve the quality of diversity within the organizations (Harrison & Klein, 2007; Dubini & Monti, 2018).

In this vein, quality in art organizations can be assessed using multiple aspects, including activities carried out, artistic programs, involvement of the public,

creative processes, originality, contents conveyed and impact at the local level (AQA Guidance, 2020; Gilmore et al, 2017). These aspects could be driven by the role assumed by the board and by their degree of heterogeneity. In other words, the diversity in the board is expected to influence the quality of the organizations in terms of programs, which are intended to place quantity of initiatives over the dimension of quality (i.e. support of avant-garde artists, of cultural diversity, of intercultural issues or by creating diversity among cultural practices and processes).

The interchange of knowledge among the members of director boards helps these organizations to monitor management decisions. Members could even give more suggestions to realize strategies and support the management of financial resources and the acquisition of new resources and activities for the stakeholders (Callen et al, 2013), but sometimes it is worth considering a change in corporate culture (Bowens et al, 1993). Organizational theories explain that creativity in organizations is facilitated by the adoption of structures and practices that support innovation and organizational success (Gahaneta et al, 2007). That is, creativity from an organizational point of view is seen as the production of new ideas according to the organizational scenario (Amabile et al, 1996).

In the cultural organizations characterized by different legal frameworks, the level of diversity noted could have an impact on the management of resources and on the strategies implemented to reach the results (economic and non-economic), as well as on those linked to the missions of the organizations.

On the other hand, it would be necessary to evaluate how the role played by the diversity of members would be affected by the delegation attributed to them and what impact this would have on the organizations and their relations with a variety of stakeholders and audiences. Concerning the limitations and future directions for this research, many board members were reticent in making their CVs public and accessible. A further study would benefit from systematic interviews with board leaders and members. Such a methodology would allow overcoming the need for privacy that some trustees have shown in refraining from putting their CVs on the Internet.

Future research on these few regions where a regional albo is available would be of the greatest usefulness in comparing the statistics that we already had. In addition to this topic, some regions appeared to not be adequately represented, a fact that still needs to be extensively investigated. Moreover, further

research into the cultural and professional background is needed. In addition, cultural institutions covered a certain variety of institutions, so future research should consider focusing on a more precise range of organizations, such as local private museums, allowing a further detailed analysis of the programs and activities.

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