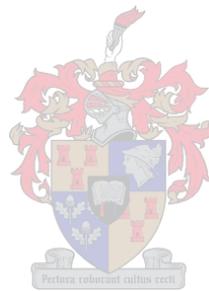


**AN EVALUATION OF THE TRANSFORMATION PROCESS IN THE
PERFORMING ARTS COUNCILS IN SOUTH AFRICA**

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**Thesis presented in partial fulfilment of the degree of Master of Philosophy
at the University of Stellenbosch.**

Supervisor: Prof Johann Mouton

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DECLARATION

I, the undersigned, hereby declare that the work contained in this thesis is my own original work. It is submitted for the degree of Master of Social Sciences Research Methodology in the University of Stellenbosch. It has not previously in its entirety or in part been submitted at any university for a degree.

KD Seutloadi

ABSTRACT

The Performing Arts Councils (PACs) have been the primary recipients of national public funding for the performing arts, accounting for nearly half of the arts and culture budget of the Department of Arts, Culture, Science and Technology (DACST). They had to be restructured in order to free public resources for allocation to other disciplines and areas in need of redress. The four PACs addressed in this study are The Playhouse Company (Durban), Artscape (Cape Town), PACOFS (Bloemfontein), and the Spoornet State Theatre (Pretoria). The purpose of the study was to determine whether or not the PACs had achieved the transformation goals as defined by DACST. The research was approached from a qualitative perspective to ensure that as much nuanced information as possible was collected within a limited timeframe and financial constraints. Where necessary, as in analysis of staff and expenditure, quantitative analyses were undertaken.

The study found that the process of converting PACs to playhouses had been inconsistently implemented, although some of the PACs had come a long way in transforming themselves. Funding was obtained from government subsidies, NAC funding for specific projects, sponsorships, and other minor sources of income such as box office sales. Traditional forms of the performing arts, specifically opera and ballet, still accounted for a large portion of the total expenditure. PACs have had considerable difficulty in obtaining provincial and local government support, or adequate business sector support to make them viable as stand-alone entities. None of the PACs has been able to secure sustainable funding on a reliable basis to meet their requirements.

DACST regards the implementation of a Community Arts Development (CAD) component and the establishment of the NAC as essential for an equitable arts dispensation in the country. CAD is meant to provide education and empowerment of people from previously disadvantaged communities, access to

PAC venues and NAC funding, and awareness and outreach programmes. The CAD component varies substantially from PAC to PAC.

The White Paper on Arts, Culture and Heritage recognises that the future of arts and cultural expression lies in the development of new audiences and markets. Audience development and facilitating access to venues has been left to the PACs, with little effect in some cases.

The transformation of the staff profile of PACs to reflect the demographics of their provinces has been achieved.

As the results of the study show each PAC took it upon itself to transform itself in its own way. As a result, transformation by the various PACs was found not always to be in line with the imperatives contained in the *White Paper on Arts, Culture and Heritage* (DACST, 1996).

OPSOMMING

Die Rade vir Uitvoerende Kunste (RUK) was tot op hede die vernaamste ontvangers van nasionale staatsbefondsing vir die uitvoerende kunste, en het bykans vyftig persent van die Departement van Kuns, Kultuur, Wetenskap en Tegnologie (DKKWT) se begroting vir kuns en kultuur verteenwoordig. Hierdie Rade moes herstruktureer word sodat staatshulpbronne wat vir ander dissiplines en gebiede wat regstelling nodig gehad het, aangewend kon word. In hierdie studie is die vier Rade vir Uitvoerende Kunste “The Playhouse” (Durban), “Artscape” (Kaapstad), RUKOVS (Bloemfontein) en die Spoornet-staatsteater (Pretoria) bestudeer. Die doel van die studie was om te bepaal of die Rade vir Uitvoerende Kunste ‘n transformasie, soos gedefinieer deur die DKKWT, ondergaan het. Die navorsing is vanuit ‘n kwalitatiewe perspektief benader om te verseker dat so veel moontlik genuanseerde inligting binne ‘n beperkte tydsbestek en te midde van finansiële beperkinge ingesamel is. Waar nodig, soos in die analise van personeel en uitgawes, is ‘n kwantitatiewe benadering gevolg.

Daar is bevind dat daar deurgaans uitvoering gegee is aan die omskepping van die Uitvoerende Kunsterade in skouburgteaters, hoewel sommige Rade reeds ‘n verpad met betrekking tot selftransformasie geloop het. Befondsing was afkomstig van staatsubsidies, NUK-befondsing vir spesifieke projekte, borge en ander minder beduidende bronne, byvoorbeeld inkomste uit kaartjieverkope. Tradisionele vorms van die uitvoerende kunste, veral opera en ballet, het steeds ‘n beduidende deel van totale uitgawes uitgemaak, en Rade vir Uitvoerende Kunste het groot probleme ondervind om genoegsame steun van provinsiale regerings, plaaslike owerhede en die besigheidsektor te werf om hulle in staat te stel om as lewensvatbare en onafhanklike entiteite te funksioneer. Nie een van die Rade vir Uitvoerende Kunste kon daarin slaag om befondsing van ‘n standhoudende aard te bekom waarop hulle kon reken om aan hul vereistes te voldoen nie.

Die DKKWT beskou die implementering van ‘n Gemeenskapskunsontwikkelingskomponent (GKO) en die stigting van die NUK as onontbeerlik vir ‘n regverdigde kunste-bedeling in die land. GKO beoog om voorsiening te maak vir die

opvoeding en bemagtiging van mense in die voorheen agtergeblewe gemeenskappe, toegang tot plekke waar GKO-optredes gehou word, NUK-befondsing, asook bewustheids- en uitreikprogramme. Die GKO-komponent wissel aansienlik van RUK tot RUK.

Die *Witskrif oor Kuns, Kultuur en Erfenis* erken dat die toekoms van kuns- en kulturele uitdrukking in die ontwikkeling van nuwe gehore en markte opgesluit lê. Die ontwikkeling van gehore en makliker toegang tot plekke waar optredes aangebied word is in die hande van Kunsterade gelaat; in sommige gevalle met weinig effek.

Die transformasie van die Rade vir Uitvoerende Kunste se personeelprofiel ten einde die demografiese werklikheid van elke provinsie te weerspieel was suksesvol.

Soos duidelik uit die studie blyk, het elke Raad vir Uitvoerende Kunste onderneem om die transformasie op sy eie manier te implementeer. Die gevolg is dat die transformasie in die verskillende Rade vir Uitvoerende Kunste nie altyd tred hou met die bindende opdragte wat in die *Witskrif oor Kuns, Kultuur en Erfenis* (DKKWT, 1996) vervat is nie.

ACKNOWLEDGEMENTS

I wish to acknowledge the individuals and organisations who contributed to this thesis, and provided the information on which it is based. I would like to acknowledge in particular the co-operation, participation and helpfulness of the Performing Arts Councils personnel, without whom this thesis would not have been possible.

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LIST OF ABBREVIATIONS

ACTAG	Arts and Culture Task Group
CAD	Community Arts Development
CAPAB	Cape Performing Arts Council
CASE	Community Agency for Social Enquiry
CBO	Community-Based Organisation
CEO	Chief Executive Officer
DACST	Department of Arts, Culture, Science and Technology
DBSA	Development Bank of Southern Africa
DPSA	Department of Public Service and Administration
KZNPO	KwaZulu-Natal Philharmonic Orchestra
NAC	National Arts Council
NCC	Natal Cultural Congress
NGO	Non-Governmental Institution
NPAC	Natal Performing Arts Council
NTO	National Theatre Organisation
PAC	Performing Arts Council
PACC	Provincial Arts Culture Council
PACOFS	Performing Arts Council of the Orange Free State
PACT	Performing Arts Council of the Transvaal
RDP	Reconstruction and Development Programme
SAFEX	South African Futures Exchange
SIDA	Swedish International Development Agency
SMME	Small, Medium and Micro Enterprises

Chapter 1

INTRODUCTION

1.1 GENERAL AIMS OF THE STUDY

The objective of this study was to gain knowledge about the effects – desirable and undesirable – produced by the envisaged transformation of the PACs. The information would benefit the Department of Arts, Culture, Science and Technology (DACST), the Performing Arts Councils (PACs), artists, the general public, and those who have an interest in the success or failure of public sector transformation. The aim was also to establish whether the transformation was and is in accordance with government policies as stated in the *White Paper on Arts, Culture and Heritage* (DACST, 1996), and with the ethos of the new government of South Africa.

The study was conducted in 2001. The time span set for the transformation of the PACs was 1997 to 1999, and I expected that any implementation problems would have been ironed out by then.

Eichbaum (1996b) puts it clearly when he says that it is the public who purchase tickets at the box office, who are the consumers of the product produced by performers and performing arts management, and that it is astonishing to note that nowhere in the *White Paper* (DACST, 1996) are their needs, or even their very existence, acknowledged. He adds,

the members of the public play a pivotal role in any form of artistic endeavour, since it is the public, not the artists, or even the high priests and priestesses of the Department of Arts and Culture, who ultimately decide whether or not a stage production, a painting or some lines of poetry have any validity.

In short, it can be said that all public institutions should exist to serve the interests of the citizens. Therefore, accountability is an essential element in the public affairs of a democratic state in its efforts to become a truly representative, competent and democratic instrument.

I have come to realise that in most cases where change/transformation is introduced very little attention is paid to what is in it for the public. It is imperative to consider the impact of transformation on the public because without public support, artistic endeavour, artistic enterprise and the efforts of the artist would be in vain and there would be no need for the continued existence of the arts in our society.

In 1999, the Community Agency for Social Enquiry (CASE) was commissioned by DACST to look into the implementation process of the transformation of the four Performing Arts Councils. I was one of the CASE researchers who conducted the study, and decided that I should take it further. I have been inspired by the fact that almost the entire public sector is undergoing transformation. In addition, transformation has become a buzzword in our country in all sectors. As a result, I have wondered if our institutions and organisations need transformation instead of restructuring. Do institutions and organisations achieve their objectives through transformation? Does transformation ever happen the way it is envisaged? What is of primary concern in enforcing the transformation of institutions/organisations? Is there commitment to transformation among those who are supposed to implement it? I believe this study answers some of those questions.

As I was doing the literature review I realised that while there is quite a lot of research and theorising about the transformation of the PACs, there is very little on whether or not the prescribed transformation is effective in ensuring that the government plays its role in the reconciliation, reconstruction and development process. There is, however, a growing awareness of the need for making the shift. The *White Paper on Arts, Culture and Heritage* (DACST, 1996), for example, suggests ways to promote the vision of the new South Africa through

transformation of the arts. The *White Paper on Transforming Public Service Delivery* (DPSA, 1996b) states that it is important to bear in mind that transformation is not an end in itself. It can be assumed, therefore, that the ultimate goal of transformation is to ensure that each institution contributes to the economic, social and cultural development of the nation.

1.2 STRUCTURE OF THE THESIS

The first chapter of this thesis presents the reasons for selecting the particular problem, the rationale for the study, and a statement of the research problem.

The second chapter presents a review of the literature and the theoretical framework that has informed the study. The first section of this chapter locates and contextualises the transformation of the PACs, both from a personal perspective and within the wider transformation debates that emerged in South Africa in the 1990s. The second section documents a broad overview of the notion of transformation and its dynamics.

In Chapter 3, I clarify the research design and the practices and processes I used. In addition, this chapter offers a profile of strengths and limitations of qualitative research.

Chapters 4 to 7 present the empirical findings on the transformation experiences of the four Performing Arts Councils. I chose to present these chapters in the way I did because of my commitment to “tell it all” – as a means of making clear the lines of inquiry and the processes of research involved in the study of each PAC. I believe that this choice has made for more exciting writing and reading of this thesis. It has allowed me to make the most of the research design, in particular its exploratory nature and the more unexpected findings. In addition, it has allowed me to “play” in a more creative way with the data and its analysis in the final presentation – an exercise that proved to be both a challenge and a source of delight.

The final chapter briefly summarises the study, highlighting the various foci and the connections between them.

Five appendices are included:

- Appendix A: interview schedule;
- Appendix B: observation guideline;
- Appendix C: financial statements;
- Appendix D: organograms of the four PACs under study; and
- Appendix E: letters sent to PACs requesting interviews.

Chapter 2

LITERATURE REVIEW

2.1 HISTORICAL AND POLITICAL BACKGROUND OF THE PACs

2.1.1 Introduction

The four Performing Arts Councils under evaluation are Artscape, the Performing Arts Council of the Orange Free State (PACOFs), the SpoorNet State Theatre, and The Playhouse Company. They are located in the major cities of the four provinces of the old South Africa – Cape Town, Bloemfontein, Pretoria and Durban, respectively. Artscape was formerly referred to as the Cape Performing Arts Council (CAPAB); the SpoorNet State Theatre was the Performing Arts Council of the Transvaal (PACT); The Playhouse Company was the Natal Performing Arts Council.

2.1.2 Establishment and Aims

During the period 1947-1961, the national Department of Education (then known as the Department of Education, Arts and Science) granted annual subsidies for the staging of drama and the performing of music programmes. Activities in the genres of opera and ballet were generally not only initiated privately but also supported from private funds (DNE, 1986).

The National Theatre Organisation (NTO) was founded in 1947 and received a small annual government subsidy to establish the presenting of drama on a more professional basis. The NTO's main aim was to tour the country with drama presentations and in so doing to provide employment opportunities for many actors, designers and other stage personnel. The lack of suitable venues, the managerial and logistical difficulties usually encountered by a touring company,

and the sparse population distribution of the Republic of South Africa at that time, prompted the replacement of the NTO by the present four regionally centred Councils for the Performing Arts. In this way, the four PACs came into existence during the course of 1963 although in some cases actual productions were only mounted in 1964 (DNE, 1986).

The PACs established companies of dancers, players, and so on, was involved in the presentation of the performing arts, and sponsored tours by such companies especially within the province concerned but also outside the provincial boundaries if requested to do so. PACs also encouraged artists to adopt the stage as their profession by providing opportunities for advancement, arranging for permanent employment and security of tenure, and promoting the writings of plays, music and songs. They also attempted to improve and develop the cultural life and awareness of the people of this country by stimulating interest in the performing arts and by making the performing arts available at a minimum charge (DNE, 1986).

A few years thereafter, all the PACs were properly constituted as non-profit companies according to the provisions of Article 21 of the then Companies Act No 46 of 1926 (DNE, 1986).

The areas covered by the four old provinces differed from the nine current ones. For instance, CAPAB was closely linked with theatres in what is now the Eastern Cape but was previously part of the Cape Province. Eichbaum (1994c) argued at the time that the advent of nine provinces should not necessarily affect the fact that four of the most important cities in South Africa are and will remain Pretoria, Cape Town, Durban and Bloemfontein, each of which already had a major performing arts complex designed specifically for the staging of opera, ballet, musicals and large-scale drama productions. He argued that the area of South Africa would not increase with the establishment of additional provinces. NAPAC (now The Playhouse Company) and PACOFS could still serve their regions, the boundaries of which would not be substantially altered, while PACT (now the

State Theatre) and CAPAB (now Artscape) could continue to serve the geographic areas currently under their control, with the possibility of CAPAB handing over its Eastern Cape facilities to a new body created to administer them in Port Elizabeth and East London. They would forfeit a proportion of their current grant-in-aid in favour of the new body. Similarly, PACOFS could inherit those Northern Cape areas currently served by CAPAB on a similar basis. According to Eichbaum nobody believed that new and comparable theatre facilities would be created in the foreseeable future, “but it is patently absurd to suggest that the managements of existing structures should be dissolved simply because the politicians have drawn new lines in the sand” (Eichbaum, 1994c).

The PACs have since developed into complex organisations engaged in a large number of activities with sophisticated theatre complexes under their management. Their institutional growth is indicated by the size of their personnel rosters (Deloitte and Touche, 1998).

Despite acknowledged achievements and strengths, the past system of PACs seemed to be limited in its ability to meet the moral, social and economic demands of the new South Africa. Hence PACs, like many other institutions in South Africa, needed to respond to a new set of demands.

A major mechanism to attain equity is redress, which constitutes one of the most significant components of the transformation agenda. The *White Paper on Reconstruction and Development* (1994:9) states that equity “shall ensure equitable distribution of resources to all forms of art and culture, with due regard to the specific needs of each art form”. The *Green Paper on Higher Education Transformation* (DoE, 1996a:32) asserts that transformation is inevitable as “the country determines its growth and development strategies, enters the world economy on new terms, and tackles the task of political, social and economic reconstruction”. Such transformation includes not only abolishing all existing forms of unjust differentiation, but also introducing measures of empowerment to bring about equal opportunity for individuals and institutions.

Before asking what makes transformation of the PACs effective, we need to know why and how government wanted them to transform. Since 27 April 1994 all the activities of legislative, governmental, administrative and judicial institutions and functionaries at all levels of government in the Republic of South Africa became subject to surveillance by the country's citizens. Cloete (1996:18) states that "every public institution (which could be a single functionary such as the head of government) is subject to accountability". He points out that, by exercising their voting rights, citizens have the final say in the evaluation of the performance of public institutions and functionaries. This political discourse says that government institutions, including the arts, must be answerable to mass scrutiny. This implies that each institution must account for the manner in which it performs the specific functions for which it has been made responsible. Cloete (1996:19) further states that "accountability is the enforcement of responsibility". The *Green Paper on Higher Education* (DoE, 1996a) broadly outlines the principle of public accountability in almost the same terms. It states that "public accountability bears upon decision-making and upon the spending of funds".

It is necessary to note that although 1994 brought a new political dispensation to South Africa, shifts in the organisation, management, and subsidy of cultural institutions had been underway for some time (Kruger, 1999).

2.1.2 Government Funding of the PACs

The *White Paper on Arts, Culture and Heritage* (DACST, 1996:22) states that there are various reasons for transformation. The first reason relates to government funding of PACs currently registered in terms of Section 21 of the Companies Act of 1973. The system of government financing of the PACs had been the subject of numerous investigations, memoranda and committees since their inception in 1962/63 (DNE, 1986).

Before the introduction of transformation, PACs were maintained and established with public money. They were urban-based, heavy consumers of resources, and

regarded as largely unable to assist in realising the Reconstruction and Development Programme (RDP) goals of access and redress. PACs were absorbing 46 per cent of the DACST budget. As highlighted in Chapter 4 of the *White Paper on Arts, Culture and Heritage* (DACST, 1996), this monopolisation undermined the government's mandate to fund the full spectrum of South Africa's artists. It is felt that "there is an urgent need to balance the interests of what is an essentially elitist social activity with the need to contribute to the cultural development of the nation as a whole"(SATJ, 2001:11).

The White Paper (DACST, 1996:22) prescribed that "PACs needed to restructure in such a way that the infrastructure and skills built up over decades would not be lost, but were to be redirected to serving the artistic and cultural priorities established by the NAC". Further, their activities needed to be aligned with the general objectives of the government. Failure to adhere to the transformation objectives would be detrimental to the PACs themselves and, to some extent, the wider arts and culture community because future funding would largely be determined by the extent to which the transformation objectives had been met.

According to Table 2.1 below box office receipts accounted for 18 per cent of PAC funding during 1995/96.. Analysis shows that box office returns did not even cover administrative costs. Of the R160m required operating income, R112m was granted by the state. The DACST (1996) believed it to be "a very high level of subsidy". Eichbaum (1994a) expressed a different view. For instance, he referred to R89m given to the four Arts Councils in 1992/93 as "a mere half a drop in the ocean of the total economy of South Africa given that the Arts Councils, in addition to their production budgets, had to pay the salaries of their full-time employees and artists and maintain the theatres they occupy". He felt that "...the Arts Councils have been the victims of apartheid as much as anyone else".

Table 2.1 1995/96 income and expenditure of the PACs				
Item	PAC Income		DACST Expenditure	
	Amount (Rmillion)	% of PAC funding	Amount (Rmillion)	% of DACST grant
Internal: box office	28,8	18		
DACST grant	112			
Total operating income required	160			
Opera and Ballet: only for State Theatre and Artscape			61,8	30
CAD component: only for State Theatre and Artscape			5,6	5
CAD component: only for The Playhouse Company			38,1	34
CAD component: only for PACOFS			28	25

Source: Deloitte and Touche, 1998.

An analysis of the figures in Table 2.1 indicates that opera and ballet at the State Theatre were consuming such a large proportion of the budget that very little was left for the CAD component, an area which government wanted to emphasise. The inescapable conclusion was that government was subsidising expensive art and infrastructure for a small audience at an unaffordable level (DACST, 1996:23). It was necessary to distribute the resources more widely.

According to Eichbaum (1996a), the reduction of state funding of opera and ballet was simply aimed at making it impossible for anyone to stage such productions in the future. He argued that these art forms cannot survive anywhere in the world without public or private sector funding and, above all, without an audience which is prepared to lend its fullest support to these art forms. Eichbaum (1996b) further stated that without some form of guarantee as to future funding, opera, ballet companies and symphony orchestras would simply cease to exist. Although recognising that the financial cake needed to be distributed more efficiently and that it ought to encompass other art forms, he argues that this couldn't happen at the expense of breaking down the valuable structures which had been created in the past and which brought honour to the country in terms of international artistic standard.

The Ministry regarded the implementation of the Community Arts Development component as a strong basis for an equitable arts dispensation in the country. It is important, therefore, to see how the CAD component at each PAC operates. The role and function of the CAD component is to provide support to both the demand and supply sides of the development of the arts (DACST, 1997:30). Support on the supply side entails education and empowerment of people from previously disadvantaged communities, and includes access to PAC venues and National Arts Council (NAC) funding. Support on the demand side includes awareness and outreach programmes, especially those aimed at increasing the target population of all types of performances. To promote cross-utilisation of resources, the CAD components would be part of the PACs.

Before embarking upon the transformation process, it was envisaged that DACST would fund CAD components in each of the centres where a Performing Arts Council was located. The Boards of the PACs would then ensure that the CAD components fulfilled the transformational objectives laid down by the Ministry. However, all PAC interviewees in this study complained that the state subsidy did not make provision for funding the CAD components. This contradicts

departmental documentation and interviews, which reflect that during the transition period some amount within the subsidies was allocated to CAD components. In the 1996/97 financial year, the CAD allocation amounted to R9,5m divided among the PACs. This was increased to R15,5m in the 1997/98 financial year, and to over R20m in the 1998/99 financial year.

2.1.3 Development of New Audiences and Markets

The second reason for transformation was the development of new audiences and markets. This relates to the opening up of facilities and resources to a broader spectrum of arts practitioners. It was felt that the past PAC system perpetuated inequitable access and opportunity for artists and the general public. This implied that PACs had to develop new agendas and new programmes in order to mobilise the cultural, social and economic potential of the country and all its people. Regarding this issue, the *White Paper on Arts, Culture and Heritage* (DACST, 1996) failed to spell out the roles and responsibilities of the various partners that should drive the transformation process and timeframes within which to achieve these objectives. This represented a gap in policy and practice. This is confirmed by the findings of Rapholo *et al.* (1999:11) that, “audience development and facilitating access to venues has been left to the PACs, with little effect in some cases”.

According to the National Commission on Higher Education (NCHE) (2001), for transformation to be achieved there is an inescapable need for dynamic and viable programmes of large-scale redress for both disadvantaged and advantaged individuals. Similarly, the *White Paper on Arts, Culture and Heritage* (DACST, 1996) recognised that the future of arts and culture expression lies in the development of new audiences and markets, as current audiences are determined by the location of infrastructure, the availability of disposable income, and the nature of artistic forms on offer, all of which reflect the legacies of apartheid. A four-pronged approach was put forward to achieve this (DACST, 1996:28). It involves:

- discussions with the Ministry of Education to introduce arts education in schools and to cultivate a long-term interest in the arts;
- ensuring that infrastructure is accessible to all;
- developing arts infrastructure closer to where people live; and
- raising public awareness of the arts through supporting the growth and sustainability of a range of arts festivals, which will provide more work opportunities for artists and create greater audiences and markets for the arts.

In an interview that Mark Gevisser (1996) conducted with Hugh Masekela in 1995, days after his appointment as Assistant Chief Executive Officer of the State Theatre (then PACT), he noted that Masekela supported the opening up of the venue. He quotes Masekela as saying, “We have to create an infrastructure for recreation and entertainment, a thing that was crushed during apartheid because the natives of this country were not meant to have a good time. They were meant to go to work, and come back, rest for the next day’s work”. The *White Paper on Arts, Culture and Heritage* (DACST, 1996) stated that access to the use of the physical infrastructure of the PACs should not privilege any one institution of the national arts and culture community, but be available to the wider arts and culture community thus becoming a playhouse.¹ It was believed that by opening up the venues to people who were previously disadvantaged, PACs would offer diverse products to a wider audience. To some extent, Masekela echoed the same sentiment. He said,

I am going to take Strijdom Square and fill it with dancers from the north. I am going to have choirs coming out of every balcony. We’re going to bring theatre. We’re going to bring cripples. We’re going to bring kids ... a Rainbow Festival of Tolerance next year, in which there is a collaboration with Peter-Dirk Uys in which black and Afrikaner families can come together and laugh at each other, a Rebecca Malope concert (Gevisser, 1996:161).

¹ A playhouse operates as a venue available for use by other artists and production houses.

Furthermore, Masekela proposed that a ten-block radius around the theatre be transformed into an international festival that would culminate with an event at the Voortrekker Monument amphitheatre. The Chief Executive Officer, Louis Bezuidenhout, asked, “But is that politically correct?” Masekela responded, “The amphitheatre is the best venue in the land, and we gonna use it, man!” (Gevisser, 1996:162). The exchange between Hugh Masekela and Louis Bezuidenhout indicates that the former was in favour of transformation even if it meant defying the system, while the latter was opening up. However, one could also argue that Masekela was mainly grand-standing!

Gevisser (1996) reported that the State Theatre (then PACT) was fighting tooth and nail for the recommendations of the Arts and Culture Task Group (ACTAG), which suggest that all the performing arts councils should cease to be producers and become funding agencies that disburse state money for the arts in all provinces. Eichbaum (1996b) also had a problem with PACs transforming into playhouses. He doubted that the adoption of the playhouse approach was a solution, and instead predicted the loss of professional artists. He believed that the transformation of PACs into playhouses would result in high levels of unemployment. He felt, therefore, that it was “a wish to destroy something of value that has been built up over decades, at great cost and often personal sacrifice, in the hope that the spoils will accrue to them”. Later, the former artistic director of the State Theatre, Jerry Mofokeng, was reported as saying that he did not see the State Theatre operating as a playhouse (*The Star*, 16 February 2000:8), although he agreed that they had to bring new art theatre to the State Theatre. He gave examples such as Zakes Mda’s *Ways of Dying* and *Bozolli...Like Mtshoza*, which he said was “not clean and antiseptic but it’s home”.

Hugh Masekela emerges as strongly supporting transformation. He said, for instance, “I can’t really see how it will change the allocation of cultural resources in this country if instead of having five operas a year, we have three operas, one Caiphus-and-Letta concert, and a street fair”. It is evident that Hugh Masekela

wished to construct a world where people interact through culture. He wanted to build Sophiatown around Strijdom Square.

Kruger (1999) refers to Fugard's contribution not just because he was a widely published and produced playwright but rather because he was the first to create on stage a fully colloquial South African English. Kruger (1999:13) states, "Fugard initially refused to work with the state-subsidized and therefore segregated PACs". He continues- "Fugard enjoyed access as a white English-speaking man" while Adam Small, a "brown Afrikaner" who wrote plays on similar topics as Fugard, saw "his 1965 play *Kanna*, produced by a coloured student group only in 1972, and appropriated by the all-white Performing Arts Council of the Transvaal in 1974; could only attend the production by special permit.

It is evident that different stakeholders had different perceptions of what transformation entailed. This is one of the issues in transformation – shared understanding of institutional transformation. This is supported by Rand Water Board manager, Mandla Letlape, a transformation specialist in the corporate world. According to him many people did not seem to understand fully what transformation was and what it entailed. "We need to get the country to understand and not play games because the success of future economic development lies in the successful levelling of the playing field in the work environment" (*Tribute*, November 2000:48-49).

Interviews conducted with staff at PACs revealed that they had varying interpretations of what becoming a playhouse entailed. (Rapholo *et al.*, 1999). This confusion was understandable as there are, for instance, conflicts between reaching out to poor, black audiences and becoming financially self-sufficient. Furthermore, Rapholo *et al.*, (1999) commented that the *White Paper on Arts, Culture and Heritage* (DACST, 1996) did not explicitly indicate how the wider community would get to know about the availability of such venues beyond the efforts made by the PACs. They also noted that it was not clear what role other spheres of government should play in making the venues accessible.

PACs, the government and arts practitioners need each other to succeed and to share the same vision. Former President Nelson Mandela's opening speech to Parliament in February 1996 stated this clearly by saying, "We can neither heal nor build, if such healing and building are perceived as one-way processes, with the victims of past injustices forgiving and beneficiaries merely content in gratitude. Together we must set out to correct the defects of the past". Jerry Mofokeng seems to share the same view. He said to Diane De Beer, a journalist at *The Star* newspaper, "We are biting each other rather than helping one another" (*The Star*, 16 February 2000:8).

Not everyone in the arts shares those sentiments. For example, in February 2001 the chairman of the Durban Playhouse Company, Edmund Radebe, was at the centre of a race row that rocked the KwaZulu-Natal arts community. This followed the release on the Internet of transcripts of a taped meeting of The Playhouse board, which clearly showed its anti-Indian sentiments. Subsequently the former director of the theatre and acting managing director at the time of the alleged racist incidents, Gita Pather, resigned from the company citing the tape's contents as her reason for leaving. The incident sparked an angry outburst from former President Nelson Mandela, who attacked an "arrogant black elite" who bred insecurity among South Africa's minority groups (*The Star*, 23 February 2001:19).

It is important to note that every sector of our society is facing change. The arts cannot be an exception, since they were overtly affected by the maldistribution of skills, resources and infrastructure during the apartheid era. Arts, culture and heritage have a vital role to play in the development of nation-building and sustaining democracy (DACST, 1996).

According to Koster (1993), the process of achieving a transformed sector is at least as important as the envisaged changes. He states that the process should be negotiated, transparent and legitimate, and that the role of each sector should be

clearly defined and structured from the outset. Change management processes with specific milestones are required, and it should take place in the context of societal transformation. The *White Paper on Arts, Culture and Heritage* (DACST, 1996) falls short in this regard. It does not stipulate the role of government in the transformation of PACs. Instead, it stipulates what is to happen without saying whose responsibility it is and what process should be followed. Even PACs seem uncertain of their role in the transformation process. Jerry Mofokeng, former artistic director of the State Theatre, said, “What we need now is a vision beyond the first phase of the White Paper that will translate into mandates and resources to drive them”. He added, “We have to start from zero and we have to know what is coming our way and how we should deliver. This should be clear to the State Theatre board and to management” (*The Star*, 16 February 2000:8).

2.1.4 New Funding Arrangements

The third reason for the transformation of PACs relates to the need for a different funding base. There has been a debate about who should take financial responsibility for different aspects of PACs. The *White Paper on Arts, Culture and Heritage* (DACST, 1996) proposed that the physical infrastructure of the PACs (including offices, theatres and buildings), currently rented from the provinces at no cost, should become the joint financial responsibility of the national government, provincial government and municipality. This implies that the national government would no longer take primary responsibility for funding the PACs and their activities. The PACs need to become separate, independent structures, managed by the local municipalities in which they are located. State theatre companies (ballet, drama and opera) would be unbundled, becoming independent entities that would have to compete for resources and space at the complex. The State Theatre, for instance, would be the responsibility of the Pretoria City Council, the Artscape Theatre Centre would be the responsibility of the Cape Town City Council, and so on.

Eichbaum (1994c) questioned whether local authorities had ever been asked if they wished to take on the financial burden of maintaining the PACs. He felt that

this would cripple the City Councils. He further believed that local authorities were going to be dominated even more in the future by political parties. He said, “No, thank you, Mr van Graan. ...let us keep local authorities and the politicians OUT of the arts at all costs!” (Eichbaum, 1996b: 35). According to him the local authorities could barely run sewerage and refuse removal efficiently, while politicians were notoriously inept the world over when it came to the arts.

Rapholo *et al.* (1999) also criticised the White Paper for failing to indicate how PACs should engage their provinces and local municipalities in the transformation process. From the interviews that *Rapholo et al.* (1999) conducted, it was evident that DACST (1996) did not include in the White Paper any strategies to ensure that provinces subsidised the maintenance of theatres. It was something that each province had to take upon itself.

2.1.5 The National Arts Council

The National Arts Council (NAC) was established in terms of the *White Paper on Arts, Culture and Heritage* (DACST, 1996) as a statutory body with the principal task of distributing funds to artists, cultural institutions, non-governmental organisations (NGOs) and community based organisations (CBOs) (Van Graan & Du Plessis, 1998).

The PACs were expected to apply to the NAC for programme grants, as were other arts organisations. The NAC communication manager, Edwin Rihlamvu, stated that the NAC mandate was to “fund projects that deal with the artistic wealth of the nation, assisting in the process of fostering South African identity, and addressing the unique artistic wealth of a particular province and proposing benefits outside its host province” (*Sowetan*, 13 March 2001:14).

The NAC’s priority is to fund organisations or projects that are of national importance with national implications, or that are part of nation building. Preference is given to first-time applications, meaning that the PACs cannot rely on NAC funding year after year. Furthermore, funding is limited to one project

per organisation, making this a very minor source of funding for the PACs. Representation on the NAC is both provincial and art specific, with each province selecting an individual to represent their interests on the council. The Minister selects other members.

Although Eichbaum (1996b) believed that there was a need “for a different mechanism that distributes the funds more equitably across the country” he seemed not to be in favour of the establishment of the NAC. He asked, “Why on earth should the NAC wish to continue to politicise the arts, especially after the sad history of the 46 years of National Party involvement and interference in the arts?” He further argued that if a restructuring of available financial resources was deemed necessary, “then redistribution of funds needs to be made out of the *total* arts funding pot and not just the rechanneling of Arts Council funding to other bodies or individuals” (Eichbaum, 1996b). He commented that such an organisation “cannot oversee the immense task involved, and history has proven in other countries that such bodies tend to become costly infrastructures of bureaucracy which spend a great deal of public money, whilst failing to address the basic needs of the majority artists”. In his replies to statements made on television by Mike van Graan, he said,

Mr Graan’s comment about 60 per cent of current financial resources being consumed by the Arts Councils to what he terms the bureaucracy is indicative of the NAC’s total lack of understanding of the performing arts, something one would expect from a body which is comprised largely of persons who are not involved professionally in the performing arts industry.

He said that instead of viewing the Arts Councils as bureaucratic government institutions, the NAC should view them for what they are – groups constituted to manage these major facilities for the purpose for which they were designed and in the most cost-effective manner.

A group of disgruntled theatre practitioners calling themselves the Theatre Practitioners Alliance was not impressed with the NAC. They accused it of having deviated from its primary objectives of allocating funds fairly among deserving artists or projects and “moving at a snail’s pace in allocating funding” (*Sowetan*, 13 March 2001). The NAC had only been in operation for five years but was already negatively criticised. It seems artists were desperate to get funding for their works.

2.1.6 Declining Government Subsidies

An analysis of the financial statements prepared by the PACs shows that they have recently experienced a decline in government subsidies. Table 2.2 shows that income from DACST has decreased in nominal terms. The main criticism that all PACs raised about the implementation of the declining-subsidy policy is that there was no monitoring system put in place to see how the PACs were coping during the transition period. Instead, the White Paper took a prescriptive approach and stated, “This process of change will be complete by the year 2000” (DACST, 1996:23).

Year	Artscape	PACOFs	Playhouse	State Theatre	Totals
95/96	32 677 000	15 227 000	21 620 000	41 288 000	110 812 000
96/97	27 550 000	13 500 000	19 200 000	34 210 000	94 460 000
97/98	25 346 000	14 085 000	19 682 000	33 004 000	92 117 000
98/99	22 308 000	14 307 000	19 578 000	30 830 000	87 023 000
99/00	20 935 000	15 214 000	20 081 000	31 110 000	87 340 000
Totals	128 816 000	72 333 000	100 161 000	170 442 000	471 752 000

Note: Some of these subsidy amounts were slightly different from those in the PACs’ financial statements.

Another reason for the transformation of the PACs was the declining subsidies. The *White Paper on Arts, Culture and Heritage* (DACST, 1996) stipulated that from 1997 to 1999 the PACs would receive declining subsidies from central government. At the end of that time, government would only subsidise the core infrastructure, core staff and essential activities of the PACs. Furthermore, funding during this period would largely be determined by the extent to which transformation objectives had been met. The currently the financial support from the national expenditure for the playhouses “is now focused principally on the maintenance of existing facilities” .

According to Rapholo *et al.* (1999), PACs had a different interpretation of what core staff and essential activities meant. The staff of PACs reiterated that although a workshop was held before transformation was implemented, they had not been properly consulted about how transformation was going to be effected. As a result each PAC took it upon itself to transform in its own way. Further, the White Paper was criticised by Rapholo *et al.* (1999) on the implementation of the declining subsidy policy. It was said that DACST took on a prescriptive approach by stating that the change process would be complete by the year 2000 without putting any monitoring system in place to see how the PACs were coping during the transition period.

2.1.7 Composition of Staff and Management Boards of the PACs

Another reason for transformation was the composition of staff and management boards of the PACs. The staff composition used to bear little relation to demographic realities in South Africa. They reflected the racial and gender inequalities of the broader society. This had to change. Management boards had to be representative and reflect the demographics of South Africa (Van Zyl, 1996).

2.1.8 Formation of New Partnerships

The *White Paper on Arts, Culture and Heritage* (1996) identified a number of partners – other government departments, the private sector and the international community – with whom the PACs and DACST could network in order to

achieve its transformation objectives. The White Paper suggested inter-departmental co-operation to unlock potential public resources and expertise in the arts. For example, establishing a relationship with the Department of Education would assist in promoting arts education in schools. The White Paper also identified the need for government to introduce tax rebates in order to incentivise the private sector to invest in arts and culture. The private sector could be a partner in transforming PACs to be managed more like businesses than relying on government subsidies. The White Paper records that the international community provided generous support to cultural non-organisational bodies and projects, and that this assisted in ensuring the survival of many institutions. The Ministry will continue to encourage such support but will also seek assistance in developing and training local human resources, building organisational capacity and developing infrastructure.

While the *White Paper on Arts, Culture and Heritage* (DACST, 1996) identifies aspects that need to be attended to by the Ministry, Rapholo *et al.* (1999) reported that PACs were unanimous that very little had been done to promote the arts and culture by these identified partners.

2.1.9 Conclusion

The above overview of the historical context reflected on some background interests that led to the particular way in which the transformation of PACs was conceptualised and implemented.

Some people were in favour of transformation while others were not. However, PACs had no choice but to adhere to the transformation objectives as laid down by the government. From the literature, it is clear that failure would be detrimental to the PACs themselves and, to some extent, to the wider arts and culture community.

Within the framework of co-operative governance, the national government would no longer take full responsibility for funding the PACs and their activities. PACs

had to find other sources of funds. Provinces and local municipalities in which they were located would have to play a more active funding role since their inhabitants benefited the most from the presence of the PACs.

2.2 THE NOTION OF TRANSFORMATION

2.2.1 Definitions of Transformation

The history and political transformation of PACs discussed in section 2.1 requires a more systematic reflection on the key notions used thus far.

Coning (1993:35) describes transformation as the remaking of an “existing organisation into a new organisation which will be able to maintain an optimal degree of strategic fit in an environment which continues to be marked by a high degree of discontinuous change”. The key to the whole process is significantly changing the perceptions and behaviour of the majority of the organisation’s members, and in so doing developing a key core competency which will sustain the organisation in times to come. Bass (1998:32) defines transformation in almost the same terms, as a “constant search to move resources from areas of lower to higher productivity, as opposed to merely altering the magnitude of resources employed in a specific area, thereby transforming the organisation into something new, something completely different to what it was before”.

The Concise Oxford Dictionary (1999) defines transformation as “a marked change in nature, form or appearance”. According to Ngara (1998:92), transformation of an institution is a change which radically affects the nature of something, especially for the better. Ngara’s Genesis model states that real transformation is confined to what human beings have done and can do. He says that of all created things, of all species, it is only *Homo sapiens* who has transformed the world; it is only human beings who have changed the face of the earth for the better. The most vivid description is in the book of Genesis of the Judeo-Christian Bible. Whether one believes in

the Bible or not, there is nothing that, in Ngara's view, exemplifies the process of transformation as vividly as the creation story.

Much literature refers to transformation as a complete and fundamental change. For example, Phipps (1993:20) defines transformation as "a fundamental change in structure, character, or condition. It is about forming new organisations, not just adding on to the old, although parts of the old organisation will indeed remain as part of the new organisation, if they continue to serve the purpose of transformation". The *Green Paper on Transforming Public Service Delivery* (DPSA, 1996a:3) refers to transformation as a "dynamic, focused and relatively short-term process designed to fundamentally reshape the public service".

Formulating the content of transformation inevitably entails managing both its context and process. Pettigrew (1987) distinguishes between outer and inner context, content and process (see Figure 2.1). The outer context includes the social, economic, political and competitive environment in which the organisation operates. The inner context includes structures, culture and political context within the organisation through which ideas for transformation must proceed. Content refers to the particular areas of transformation – for example, products, geographical position, manpower, organisational culture. The process of transformation includes the actions, reactions and interactions of various interested parties as they seek to move the organisation from its present condition to a future, desired state (Pettigrew, 1987).

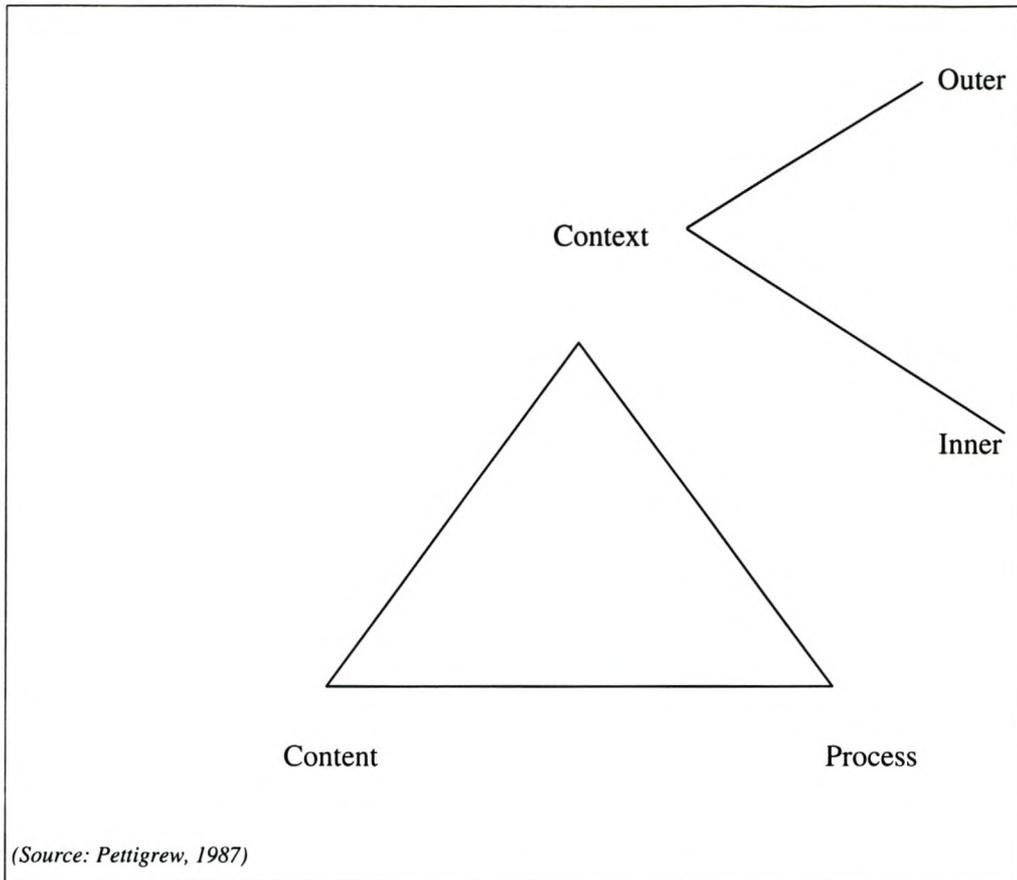


Figure 2.1 Strategic Transformation - Context, Content and Process

According to Pettigrew (1987), transformation is a product of inner reflection translated into vision and subsequent actions (context, content and process), shaped by the interest and commitment of individuals and groups (context, content) and by major environmental changes (context). It is obvious that transformation should be viewed as a continuous process with intermediate and final outcomes. More simply put, the context of transformation can be defined as a trigger for the process of transformation. With this explanation in mind, it is important to guard against a simplistic reductionist viewpoint where transformation is regarded as a reaction to economic or social determinism (Coning, 1993:35).

2.2.2 Models of Organisational Change/Transformation

Models of organisational change are quite similar in concept, and often overlap. Richard Beckhard and Reuben Harris (in Burke & Goodstein, 1991) suggest that large-scale, complex organisational change could be conceptualised as a movement from the present state to a future state. The most important phase, however, is the one in between, that they label the transition state.

According to Lewin (in Burke & Goodstein, 1991), the first step of any change process is to manage resistance to change by unfreezing the present patterns of behaviour. Depending on the organisational level of change intended, on the individual level such unfreezing might involve selectively promoting, retraining or terminating employees, and on the structural level developing highly experiential training programmes in new organisational designs on the climate level. The second step involves making the actual changes that will move the organisation to another level of response. On the structural level, we would expect to see changes in the actual organisational structures, reporting relationships and reward systems that affect the way people do their work. The final stage of the change process, reformation, involves stabilising or institutionalising changes; deliberate steps need to be taken to cement these changes in place. This institutionalisation of change is designed to make the changes semi-permanent until the next cycle of change occurs (Burke & Goodstein, 1991).

2.2.3 Levels of Organisational Change/transformation

A distinction is made in the literature between:

- fundamental, large-scale change in an organisation's strategy and culture – transformation, refocus, reorientation, or the “bending frame”, and
- fine-tuning, fixing problems, making adjustments, modifying procedures – implementing modest changes that improve the organisation's performance yet do not fundamentally change the organisation.

Burke & Goodstein (1991:66) believe that most organisational changes are designed not to transform the organisation but to modify it in order to fix its problems. In this thesis, I address the large-scale, fundamental type of organisational change – organisational transformation. According to Burke & Goodstein (1991), “frame bending” and other expressions indicating fundamental change do not imply wholesale, indiscriminate, and complete change. Thus when we refer to “fundamental change” we do not mean “in any and all respects”. Burke and Goodstein state that organisational transformation happens when an organisation faces the need to survive and must do things differently to continue to exist. Conceptually, then, it is clear that there are differences between fundamentally changing the organisation and fine-tuning it. This distinction, which is a matter of degree and not necessarily a dichotomy, is useful in determining strategies and methods to be used in the change effort. When fine-tuning, for example, it is not a must to clarify for organisational members what will not change, but in the case of transformation such clarity is required for its successful achievement.

Ngara (1998) identifies the following levels at which transformation of an institution takes place:

- *the structural or governance level*: This refers to the transformation of bodies such as the council and the board.
- *the level of demographics*: This refers to the need for institutions to reflect the demography of the nation in the composition of their staff. An important aspect of this in the context of South Africa is access for people from previously disadvantaged backgrounds. Staff development also comes into play here.
- *the level of organisational culture*: This refers to changes relating to the promotion and development of participatory governance, the degree of racial and cultural integration, the development of mechanisms and procedures for the effective management of diversity, the cultivation of a culture of quality, and the promotion of excellence in all areas of performance.

- *the level of the mission and core function of the institution:* By the transformation of the mission and core function of an institution, Ngara (1998) refers to fundamental changes of an institution with a view to ensuring both quality and responsiveness to national needs and goals.

2.2.4 Important Prerequisites for Transformation

The important requirements of transformation as stated by Koster (1993) include:

- a need for clear leadership of the transformation process;
- informing employees about the process of transformation;
- clarity and consensus of the values of the new sector;
- envisaging a future that makes sense;
- identification of areas for immediate action and results;
- clear roles and responsibilities for civil society, the private sector and government; and
- a balanced approach to crisis management and capacity building.

Strydom (1999) has identified the following prerequisites for successful transformation:

- a shared vision;
- strong commitment to transformation by participating institutions and their staffs;
- a shared view of the threat facing the current institutions and/or a shared vision of the future potential benefits from transformation;
- wide consultation with staff, and their involvement in planning and integration processes;
- transparency in key-decision-making processes;
- guarantees given as soon as possible to staff about security of employment;

- a well-thought-out plan for transformation negotiations, implementation of any transformation agreement;
- speed in achieving transformation once agreement has been reached;
- a decision as early as possible about the name of the new institution;
- strong efforts to build a sense of loyalty to the new institution and a common culture;
- clearly-defined goals;
- systematic communication with all partners and with the community;
- sufficient time for institutional change to occur;
- the provision of resources to those whose roles and relationships will change; and
- the provision of professional development training.

The views of Koster (1993) and Strydom (1999) indicate that they support the need for transformation, but both stress the importance of carrying it out with caution.

2.2.5 Challenges to Transformation

The following section refers to transformational challenges that PACs, like other organisations embarking on change, had to face.

First and foremost it should be noted that people are frightened of change. To most people, stability is a comfort zone. Robert Theobald and Peter Drucker (1989) have a fascinating way of explaining what we as a society must do in order to survive change. They state that opposition to change is natural and even healthy. Without some resistance to going off in new directions, life would be totally chaotic. There are sectors where change is inevitable. Those sectors should be more concerned about management, not whether there should be change or not. Theobald and Drucker (1989:9) assert that “today resistances need to be managed in new ways”. They state that we must find new ways to live in the tension between change and stability, order and chaos.

Theobald and Drucker also talk about another kind of resistance to change. This opposition comes from people who do not want to see power slipping away. They comment that those people will do anything they can to prevent that from happening. However, they note that that more people than we might expect are ready for change. Rather than being excited, people are angry, confused and frustrated because old ways of doing things do not work. If we positively channel these feelings of anger and frustration we can face the breakdown in our systems and our lives, rebuild, and feel more connected to each other.

Steinberg (1993:17) records Barry Ronge, as an example of someone who was against transformation. Barry Ronge is one of South Africa's most influential cultural critics who feared that transformation of the PACs would be a "cultural bloodbath". Ronge referred to transformation as "ballet companies being kicked into oblivion by the gumboots of traditional dancers and ... orchestras and opera singers fading into dissonance before the throb of the *mbira* and the cowhide drum". The *Weekly Mail & Guardian*, which was considered by many people to be a leading anti-apartheid newspaper, expressed a similar view in its coverage of the Natal Performing Arts Council's financial difficulties. The occasional black artist is quoted as expressing apprehension at NAPAC's possible demise, and the prospect of scaling down the Natal Symphony Orchestra was construed as "devastating" (Steinberg, 1993:25). Steinberg (1993:10) expressed a similar reservation and said, "Those who lobby for the PACs transformation are, by this logic, philistine – they are calling for the destruction of culture".

The second challenge that institutions and organisations face is that of empowerment. If institutions are to act as engines of change in the transformation process, they should empower those who are involved by giving them the kinds of skills that are necessary for transformation and development to take place (<http://www.polity.org.za/govdocs/policy/educ.html>).

The *Green Paper on Transforming Public Service Delivery* (DPSA, 1996a:16) quotes Zelema Harris as saying, "The old ways of managing our institutions

simply do not work any more. We do not have enough money to fix problems. But what we do have is a strong knowledge base to bring about the necessary organisational changes that will create and sustain a healthy institutional environment”.

A third challenge is co-operation among stakeholders. It can be said that the transformation of society requires co-operation between those who generate ideas and those who translate ideas into substance.

The fourth challenge is that of urgency and setting clear timeframes. Mandla Letlape (*Tribute*, November 2000) warns about the slow pace of transformation. Although he was referring to the private sector, the issue of urgency is relevant to all sectors. He feels that the pace of transformation is too slow and that if this is uncorrected it could cause friction in certain work environments in future. He says, “Unless transformation moves quickly, our efforts in uniting the continent will not yield good results”.

The fifth challenge facing all the PACs was to function like “fully-fledged businesses”, making a profit from their activities. Rapholo *et al.* (1999) felt that three years was not enough for an organisation to transform from a state-funded agency to a business without being offering support. The funding debacle has forced PACs to reconsider their status and embark on new strategies for survival. Accordingly, they are re-establishing themselves as business enterprises (SATJ, 2001).

A final challenge is the history and tradition of institutions and organisations. History and traditions must be considered if transformation is to be effective. Eichbaum (1994c) made claims to that effect which should not be ignored. He stated that the arts were never a priority at any level within our society, thus resulting in our failure to create an arts-aware society with a theatre or concert-going tradition that one finds in developed countries overseas.

2.2.6 Conclusion

From the literature it is clear that the need for transformation had its origins in the deficiencies of the past and demands for a new South Africa, as well as unprecedented national opportunities and challenges. The transformation of historically-white institutions had to introduce democratic governance structures reflecting the inclusion of various stakeholders from the communities in which these institutions are located. This transformation should not merely be “papering over the cracks”, but must embody radical and noticeable change in the various levels of an organisation; philosophy, mission and purpose of the institutions, management, staff, output, audience and funding. It is important that training happens at different levels.

These institutions/organisations should operate in an environmental climate which favours transformation, not only as a perceived necessity but also as a goal that must be accomplished.

It is clear that South Africa is increasingly under pressure and its composition, structure and capabilities are under public scrutiny. It is faced with a unique set of challenges to socio-economic development. While this may be unsettling for some, for many it brings hope that their needs, views and aspirations will now become part of the mainstream agenda.

The literature indicates that public sector transformation requires individuals or institutions/organisations to demonstrate responsibility to their constituencies. It also requires that individuals or institutions receiving public funds should be able to report how, and how well, the money has been spent.

Chapter 3

RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

The following section is a discussion of the research design and methodology that I followed in the study in order to investigate the problem as formulated and presented in the previous chapters. It is also a historical reconstruction of my design choices.

At the initial stage of the study, I conducted desktop research in the form of a literature review and document analysis. I consider this to be the first step in the successful assessment of the transformation process and outcome. The objective of such an overview is to provide crucial information, such as details of what the transformation of the PACs entailed. I also conducted intensive literature searches in libraries in South Africa. Furthermore, I scanned the Internet for information on transformation. The information gathered from the literature was verified during subsequent fieldresearch.

The literature review helped to identify the relevant issues to be explored during the empirical research phase. This made it clear that a qualitative methodology was more suitable for the study.

Evaluating a programme requires, firstly, an understanding of its social and political history. That was useful in ensuring a deeper understanding of the transformation of the PACs. I must also state that the media reports since the introduction of transformation could have played a considerable role in making the interviewees more aware of the positive and negative views of the transformation of PACs and other related issues. By looking at the four PACs as

separate entities I managed to identify up as wide a range of transformation issues and views as possible.

My reason for conducting this evaluation is closely linked to learning about unintended effects of programmes. However, the study was not limited to unintended effects. I also wanted to determine whether the proposed transformation had intended effects. According to Mouton (1999) and Posavac and Carey (1992:6), typical reasons for conducting evaluations include:

- the fulfilment of accreditation requirements;
- testing programme elements;
- accountability because of limited funding;
- testing effects of competing programmes;
- programme expansion or continuation;
- answering requests for information;
- choosing among possible programmes;
- assisting staff in programme development and improvement; and
- learning about unintended effects of programmes.

The above list of reasons for conducting an evaluation is not necessarily exhaustive. In making my choices I was also influenced by the following factors:

- resources such as time and money: I had to consider the limited time and money that I had to conduct the study;
- relationships (e.g. evaluator, among stakeholders): I realised that I had already established a relationship with the various stakeholders and that it would be easy for me to access them;
- structure (e.g. political environment, stages, administration environment); and
- purpose of evaluation.

3.2 CONCEPTUAL MODEL OF SOCIAL INTERVENTIONS

Social interventions differ in terms of scope, complexity, domain of application and timeframe. However, there are certain core features that characterise all interventions. According to Mouton (1999), they are:

- clearly defined goals and objectives;
- a target group (intended beneficiaries);
- explicit measures of success (outcome measures);
- programme components (the means to achieving the goals);
- a management and implementation system (programme infrastructure);
- a human resource base (who drives the programme);
- the stakeholders that have a direct or indirect interest in the programme; and
- the context (or setting) of the programme.

Every evaluation must be tailored to its programme and is dependent on the purpose of the evaluation, the conceptual and organisational structure of the programme, and the available resources. There is a relationship between the transformation goals and the PACs (the target group), since the transformation is conceptualised and designed to address their needs. I am assuming that the needs of the PACs determined the formulation of the transformation goals – such as becoming playhouses, financial sustainability, developing new markets and audiences for their products – as they required some form of intervention.

According to Mouton (1999:11), “programme goals need to be formulated in as concrete and observable manner as possible”. Furthermore, goals need to “be operationalised into measurable outcomes” and be clear and unambiguous, not only from an evaluation point of view but also and more importantly from a programme management perspective. Programme components – the actual manner of implementation – should lead to the attainment of the stated objectives. Mouton (1999:12) states that the “key issue concerns the internal coherence of the various components and very importantly, the congruence of the components”. Further, he asserts that it is not enough to identify programme components which

are vaguely and “potentially” in line with programme objectives if one cannot argue and convincingly prove that the programme components will most likely produce the required outcomes. He continues, “Unless we can show exactly how programme components and outcomes are causally linked, it becomes difficult to make strong inferences from programme evaluation studies”.

Programme management and the human resource base are required for the execution of the programme. Of concern is the capability of people to manage the programme effectively. It is also important to take cognisance of various stakeholders and significant interest groups. In this case, it would include DACST, provincial governance bodies, the general public in the provinces where the four PACs are located, and other community structures. All these stakeholder groupings have some interest in the success or failure of the transformation process, and would therefore be interested in the eventual results of this evaluation study.

The context in which a programme is implemented – the socio-political context and the geographical setting – sometimes turns out to be decisive. A timeframe should also be included in the context, because the timing of an intervention may determine whether or not it succeeds.

Programme evaluation refers to the use of “social research procedures² to systematically investigate the effectiveness of social intervention programmes that are adapted to their political and organisational environments and designed to inform social action in ways that improve social conditions” (Rossi and Freeman 1993:446). It also addresses some of the most fundamental and important issues that arise from the interventions that human beings make in the world. Social intervention is “structured and more permanent social actions aimed at changing something in the social world for the better” (Mouton, 1999:1).

² These are procedures devised by social scientists for studying social behaviour; they are based on systematic observation and logical rules for drawing inferences from those observations (Rosi *et al.*, 1999:448).

Before discussing the specific design, methodologies and methodological challenges of the evaluation, the following paragraphs briefly discuss the differences between “formative” and “summative” evaluation. A discussion of these differences would highlight why formative evaluation was more appropriate for this study than summative evaluation. Furthermore, formative evaluation provided a means of knowing if the products, personnel, and programmes of the PACs were worthwhile.

3.3 FORMATIVE AND SUMMATIVE EVALUATION

Mouton (1999:13) quotes Scriven’s (1980:6-7) definition of formative and summative evaluation. He states, “Evaluation may be done to provide feedback to people who are trying to improve something (formative evaluation), or to provide information for decision-makers who are wondering whether to fund, terminate or purchase something (summative evaluation)”.

For this study, formative evaluation is more appropriate. The objectives of the intervention (transformation) had to be attained so that feedback on the desired and undesired outcomes could be provided to the stakeholders to help form or shape the PACs to perform better. Furthermore, at the time of the study not all the objectives had been fully accomplished; that is, the study was carried out during the process of transformation. Summative evaluation was also appropriate because its purpose is to render a summary judgement on certain critical aspects of the programme’s performance. For example, DACST in particular needed to know whether or not to continue funding the four PACs.

3.4 EVALUATION DESIGN

A research design – here referred to as the “evaluation design” – is a framework that specifies what type of evidence is required and what methodologies need to be employed in order to address the evaluation question in a manner such that the ultimate results are valid. According to Hendrick, Bickman & Rog (1993:38) a

good evaluation design “is one that fits the circumstances while yielding credible and useful answers to the questions that motivate it”. The selection of a design affects the credibility of the research, its usefulness and its feasibility. Credibility refers to the “validity of a study and whether the design is sufficiently sound to provide support for firm conclusions and recommendations”. Usefulness refers to whether the design is “targeted appropriately to answer the specific questions of interest”. Feasibility refers to whether the “research design and plan are reasonable given the requisite time and other resource constraints” (Hendrick, Bickman & Rog, 1993:38).

Rossi and Freeman (1993:240) advise the evaluator to review the range of design options to determine the most appropriate one for a particular evaluation. According to them, the evaluator should choose the best possible design from a methodological standpoint after having taken into account the potential importance of the results, the practicality and feasibility of each design, and the probability that the design chosen will produce useful and credible results.

This evaluation study was mainly qualitative in nature, to ensure that as much detailed information as possible was collected within the limited timeframe and financial constraints. Furthermore, a qualitative design was chosen because I considered it the best way to describe the observations and developments relating to the transformation of the PACs thus far, and to measure this against the predetermined set of indicators.

3.5 UNIT OF ANALYSIS

A unit of analysis is the unit which we wish to analyse, understand or explain. Being aware of the range of possible units of analysis can help formulate more useful and interesting research questions and highlight a range of types of relevant data.

The unit of analysis that is investigated for this study is the “intervention”. The transformation policies and strategies dictated by DACST are classified as a unit of analysis. Interventions are patterned and more structured but less permanent and stable than that of institutions and organisations. The focus is on the process and outcomes of the introduction of transformation policies, and whether it has produced the desired outcomes. In order to establish with some degree of plausibility that a particular intervention has had positive effects, one has to show two things – that there has been a positive change over time, and that such a change is in fact due to the intervention and not to other extraneous factors. It is the logic of cause and effect.

3.6 METHOD OF EVALUATION

The type of evaluation research to be used for a particular study depends on the motivation, purpose and objectives of the study. According to Peter Rossi and Howard Freeman (1993), there are three broad classes of evaluation study:

- analysis related to the conceptualisation and design of interventions;
- monitoring of programme implementation; and
- an assessment of programme effectiveness and efficiency.

Emil Posavac and Raymond Carey (1992) distinguish between four types, which overlap with those distinguished by Rossi and Freeman:

- the evaluation of need;
- the evaluation of process;
- the evaluation of outcome; and
- the evaluation of efficiency.

I did the study in 2001, which is after the 1997-1999 timeframe set for the completion of the implementation of transformation process. This ruled out needs assessment and efficiency studies. The most suitable type of evaluation for this

study is a “process evaluation” which overlaps with an “evaluation of the outcome”. In both these types, “the evaluator must assess what the particular (intended) outcomes of intervention are and come up with reliable and valid measures of such outcomes” (Mouton, 1999:7). This method of evaluation is particularly useful when evaluating a programme or intervention after the design, development as well as the intervention itself has taken place.

With this type of study I believed that I would be able to assess the extent to which the “transformation policies and strategies” adopted by PACs produced the desired effects and to test the utility of the new efforts to address the problems³ documented in the previous sections.

In the context of this evaluation, I revisited the raw data gathered from the PAC transformation implementation process evaluation study that CASE conducted in November 1999 as part of the synthesis. The information gave an indication of whether or not the transformation was implemented according to plan. Having participated in the CASE study, it was easy for me to make a linkage between process and the outcomes observed. It is important to note that the CASE report was treated as another source of information. I believe that the CASE study is helpful in arguing that changes had in fact occurred during the transformation period, making it possible for me to make strong causal claims about the possible effects of the transformation.

I see process and outcome evaluation as an important tool for learning and integral to the management of further transformation processes. The evaluation involves a judgement of the transformation policies and strategies as perceived by the PACs and DACST interviewees, as well determining whether or not transformation has been achieved.

³ A problem is a condition that would be considered either unsatisfactory without the intervention of the programme in question or satisfactory – or at least more acceptable – given that intervention (Mohr, 1995:28).

Before undertaking an evaluation of any intervention it is important to obtain information about the intervention. In this instance, some of the issues about the intervention which were addressed in the previous sections included:

- the conceptualisation of PAC transformation policies and strategies, aims and objectives;
- the timeframe for the intervention; and
- the expected transformation outcomes.

3.7 DATA COLLECTION

According to Mouton (1996:146), the objective of data collection is to produce reliable data. Reliability presupposes that the attribute being measured remains stable during repeated administrations of the test, provided that all relevant measurement conditions are the same. If individuals obtain different scores on different administrations of the same test due to factors such as maturation or any other true changes in the attribute being measured, then it cannot be blamed on the poor reliability of the obtained scores (Huysamen, 1987:25).

The consistency in the obtained scores is not entirely due to the reliability of the test. There are various sources of error that could result in the production of unreliable data. These sources of error are classified into three categories (Mouton, 1996:147) – researcher effects, participant effects, and context effects. Throughout the study, I tried to minimise the sources of error in order to produce the highest possible degree of reliability. Details are outlined in the study.

In considering data collection approaches, the evaluator is seeking to find an economical but accurate way to obtain data to fit the conceptual framework underlying the study. Decisions and choices around the methods and processes of data collection deserve careful consideration because ultimate findings and conclusions depend on collected data.

3.8 SOURCES OF DATA

Data is often divided into two categories – primary and secondary data. Among the potential primary data sources that exist for the applied researcher are people, independent descriptive observations of events, activities, and so forth. Secondary sources can include administrative records, economic and social indicators, prior research studies, and secondary data sets (Hendrick, Bickman, & Rog, 1993:69).

Due to the qualitative character of the study, face-to-face interviews were the main sources of data. Stakeholders identified for interviewing included former and current PAC Chief Executive Officers (CEOs), Managing directors and other senior management officials, about their achievements in terms of the specifications in the *White Paper on Arts, Culture and Heritage* (DACST, 1996), and directors at DACST about the achievements of the transformation of PACs. Four interviews were conducted at Artscape, three were conducted at The Playhouse Company and another three at the State Theatre. In the case of PACOFS and DACST only two interviews were conducted at each. The interviews focused on:

- timeframe set for the completion of transformation;
- transformation into playhouses;
- audience development strategies;
- community outreach programmes;
- the decline in government funding;
- current and potential funding mechanisms;
- collaboration with government departments and business sectors;
- the success of different types of performances;
- changes in staff and management (Boards);
- use of facilities by previously-excluded communities; and
- the inclusion of diverse audiences, serving the broader arts community.

The participation of interviewees was voluntary. As a student I had no incentives to offer for participating in the study, except to promise interviewees a copy of the

thesis at the completion of my studies. I suspect this is why some of the potential interviewees had little interest in participating in the study. Other potential interviewees indicated that they had work overloads and were working under tight deadlines and as such did not have time to spare for an interview.

During the interviews, the interviewees might have felt obliged to report culturally-acceptable values and perceptions⁴. For example, the interviewees at DACST gave conflicting views about the actions that would be taken by the Minister of Arts and Culture, Dr Ben Ngubane. Furthermore, interviewees might have recalled only certain aspects of the transformation and thus generated unreliable and invalid responses. To control this, the information provided by DACST interviewees was checked with the PACs and vice versa. Related to this is the phenomenon of “memory decay”⁵ because the study was conducted some time after the introduction of the intervention-transformation; the interviewees could have forgotten some of the relevant information.

I conducted all the interviews in such a way as to control for variation in data collection which might cause different responses based on attributes of the researchers, such as age, gender and race.

Approximately one hour and a half was scheduled for each interview. However, more time than anticipated was required. I spent a minimum of two hours per interview listening to frustrations and concerns related to the introduction of the transformation rather than other issues as per the interview schedule.⁶

A researcher is often seen as a stranger, an outsider or an intruder (Mouton, 1996:149). I was not subjected to that problem. Before conducting interviews I had already established trust and rapport with the interviewees. By having been part of the CASE study, I already had a relationship with some of the selected

⁴ Some interviewees provide the interviewer with responses that they believe are expected by the interviewer.

⁵ Everybody, as time passes, tends to forget some of the detail of an event.

⁶ See Appendix A for the interview schedule.

interviewees and some personnel at the PACs and DACST. I sent letters requesting interviews to all four PACs, identifying myself and indicating the purpose of the interviews. This was followed up by telephone calls. In addition, before conducting the interviews I had telephonic conversations with those who were new in their positions. It is important to note that data obtained from the interviewees can be distorted if trust and rapport are not established between the interviewer and interviewee prior to the interview (Mouton, 1996:111). At the beginning of the interviews I promised the interviewees confidentiality and anonymity. As a result no interviewee names are mentioned in this document.

Interviews were all conducted in English. All parties were comfortable in English, so there was no need to use a translator. The use of translators can seriously affect the accuracy of accounts, since it involves an additional interpretation of responses.

3.9 DATA CAPTURE AND DATA FORMATS

The form in which data are found is very important because it may determine the overall feasibility of the study. Mouton (1999:68) states that there are two formats of social science data – numeric and textual. He also points out that the type of data is determined by the level of measurement. Most of the data for this study is textual. That is, it is in words, sentences and larger discursive units. As such I have used a wide range of textual analytic techniques and interpretation.

Tape recording of the interviewees was not always possible due to limited resources. Where possible data was recorded and then transcribed. In instances where I could not record I took notes. The writing down of responses gives an additional medium of interpretation that could probably be seen as another form of distortion or bias. The quality of the data set might have also been affected by the loss of indirect indicators – stutters, pauses, repetitions, and so on – in interviewee's responses. All the recorded data was captured in MSWord; this

made it possible for me to use various forms of editing such as spell checking and grammar checking.

3.10 MEASURING INSTRUMENTS

Numerous methodology sources are concerned only with measurement validity. For example, Davitz and Davitz (1996:52), Leedy (1997:32-33), and Rossi *et al.* (1999:249) refer to validity as the degree to which measuring instruments in social research measure what they are supposed to measure. In the context of this study, I was interested in validity as it applies to knowledge gained through the process of social research.

The instruments developed for the study were all customised for this evaluation. They included semi-structured interview schedules for PACs and DACST personnel (see Appendix A), and a structured observation schedule for performances.

I used interview schedules during in-depth face-to-face interviews to gather data around pertinent questions on transformation of PACs. Whenever a research project requires obtaining the same information items from multiple individuals, it is desirable to create a structured interview schedule. I considered this appropriate, since it allowed for the inclusion of several themes and issues related to the transformation and its impact. To avoid gathering useless information about outcomes, I framed the interview guidelines in the context of programme implementation.

Due to limited resources I could not exhaust all transformation-related issues. However, when constructing measuring instruments I tried as much as possible to select items which would address the phenomenon being measured. My intention in this regard was not merely to listen to and document what interviewees said. The intention was to gain a perspective that could not be derived from any document review and to interrogate utterances in an attempt to capture their depth.

In some instances after the interviews I had to make several telephone calls to the interviewees to seek more clarity about some of the issues. By using face-to-face interviews rather than relying on self-administered questionnaires I was able to minimise the possibility of interviewees interpreting categories and questions in a variety of ways.

As part of the qualitative process, I observed and assessed a number of performances at the PACs, as examples, to either corroborate or contradict some of the interview responses. I attended two performances at each PAC to observe the type of audience drawn. Understandably, the two observations cannot be taken as representative of the whole spectrum of shows staged at a particular PAC. However, I believed that a visual exploration of the performances could yield information such as the level and type of productions, type of audience, occupancy capacity of the theatres – information that might not be apparent through interviews alone.

To be able to do the assessment I developed and designed an observation schedule including both open-ended and closed-ended questions (see Appendix B). I assumed that some changes that occurred over time could be measured through observations.

In addition to data gathered through these instruments, I accessed an extensive amount of data from documents relating to previous and current performances, PAC transformation documents, finances, organograms, and so on, to give an objective picture of the transformation. However, the information was verified during interviews with the targeted individuals.

3.11 DATA ANALYSIS AND INTERPRETATION

Analysis⁷ of data is essentially in order making sense of the data collected and using the results of this process to answer the research question. We make sense of disparate pieces of data by studying them carefully and categorising them so that patterns begin to emerge (Wickham, Bailey & Cooper, 2000).

The initial step in analysing data is its organisation. How this is done depends on the type of data and the purpose of the study. In both qualitative and quantitative approaches, data may be taken through different levels of analysis which essentially represent different products. For instance, data can be worked to a stage of low-level analysis where definitions and descriptions are predominant. A further level may include narratives, explanations and evaluations of need, process, impact or cost-effectiveness. Generally, higher levels of analysis require more data and more interpretative work (Wickham, Bailey & Cooper, 2000).

In this study data collection and data analysis were planned in conjunction with and in relation to the purpose of the study. It is important to do data analysis planning prior to deciding on an approach to data collection, to ensure that the design will enable the evaluator to answer the critical study questions. Figure 3.1 gives an indication of the data analysis steps that I followed.

⁷ The term originally meant “the resolution of a complex whole into parts” (Mouton, 1999:98).

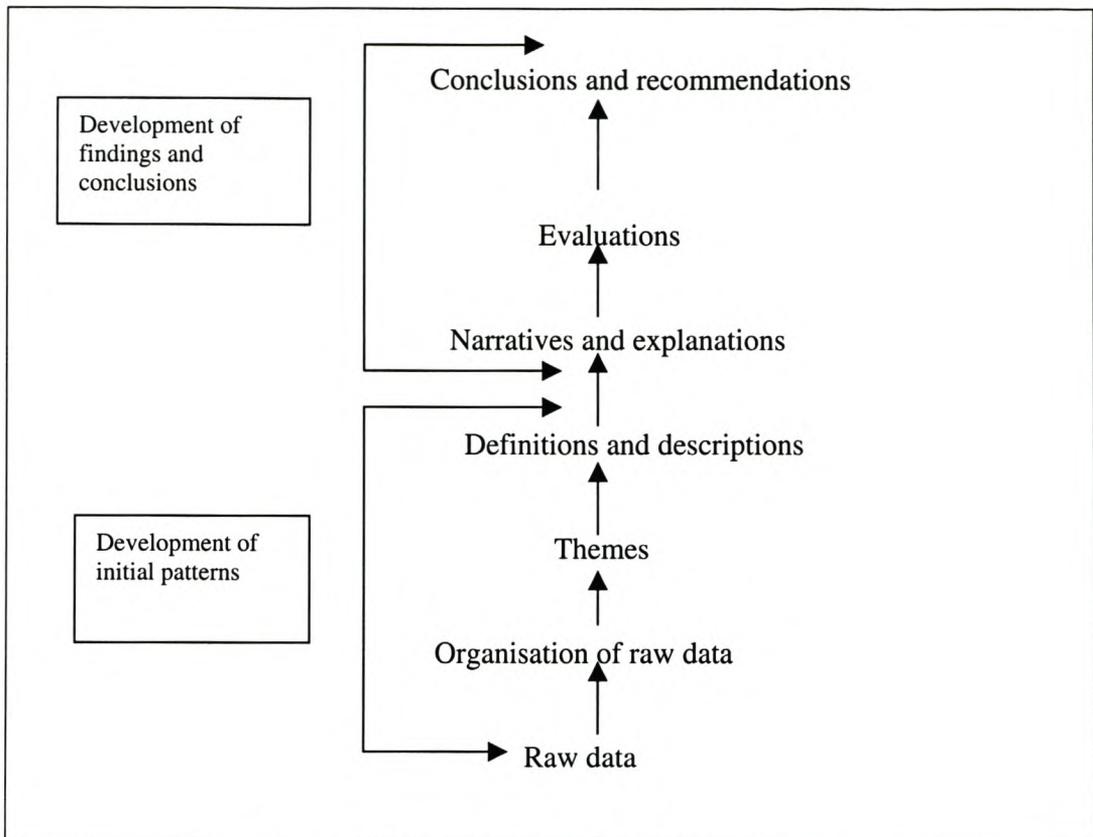


Figure 3.1 Data analysis steps

I mainly used semi-structured interview questions to collect the raw data on various aspects of the transformation. This produced a wealth of data in textual format. I reduced this to manageable proportions by summarising and organising the data into themes in order to identify certain trends and patterns. Some of the raw data collected from the CASE study was then revisited to see whether there were changes between 1999 and 2000. At this stage I analysed the narratives and explanations to develop findings. I structured various responses around the transformation of PACs, and made several conclusions about the process and outcome of transformation.

The literature study enabled me to determine whether I should use inductive⁸ or deductive⁹ logic. The analysis of this study was thus characterised by inductive and retroductive¹⁰ reasoning, in which the research findings were linked with findings from the CASE research. The aim of inductive reasoning is “to broaden the scope and applicability of the findings of sample studies to larger populations of cases” (Mouton, 1996:79). The aim of retroductive reasoning is “to forward plausible explanations of empirical patterns and regularities in data” (Mouton, 1996:79). These forms of scientific reasoning were considered appropriate given the specific research design that I used. For example, inferences from the limited observations of the performances viewed also explain the effects of the transformation.

According to Rossi *et al.* (1999:250), a poorly conceptualised outcome measure may not properly represent the goals and objectives of the programme being evaluated, leading to questions about its validity. Furthermore, an unreliable outcome measure is likely to underestimate the effectiveness of an intervention and could lead to incorrect inferences about its process and outcome. As a result, I spent a considerable amount of time developing an appropriate outcome measure.

Figure 3.2 illustrates an interpretation of the process and outcome evaluation best suited to evaluating the transformation of PACs. The figure depicts a line of outcomes in the form of a causal chain. The arrows indicate causality. I view the outcome line as best suited to the logical flow of synthesising and analysing the information reported against different transformation components or objectives. For example, in the case of the transformation of PACs one would ask what is expected to result from subsidy cuts? What is expected to result from the transformation of PACs into playhouses? What is expected to result from the diversification of the funding base? What is expected to result from the establishment of the NAC? What is expected to result from the redirection of

⁸ Genuine supporting evidence can only lead to highly probable conclusions (Mouton & Marais, 1994:112).

⁹ This is used when a researcher wants to test an existing theory (Mouton, 1996:81).

¹⁰ Going beyond the evidence at hand to come up with an explanation (Mouton, 1996:81).

funds to the CAD component? What is expected to result from the formation of partnerships with the private sector, local provincial government and international communities? What is expected to result from the development of new audiences and new markets? At the end of this logical flow I was able to assess what has been achieved as a result of these activities.

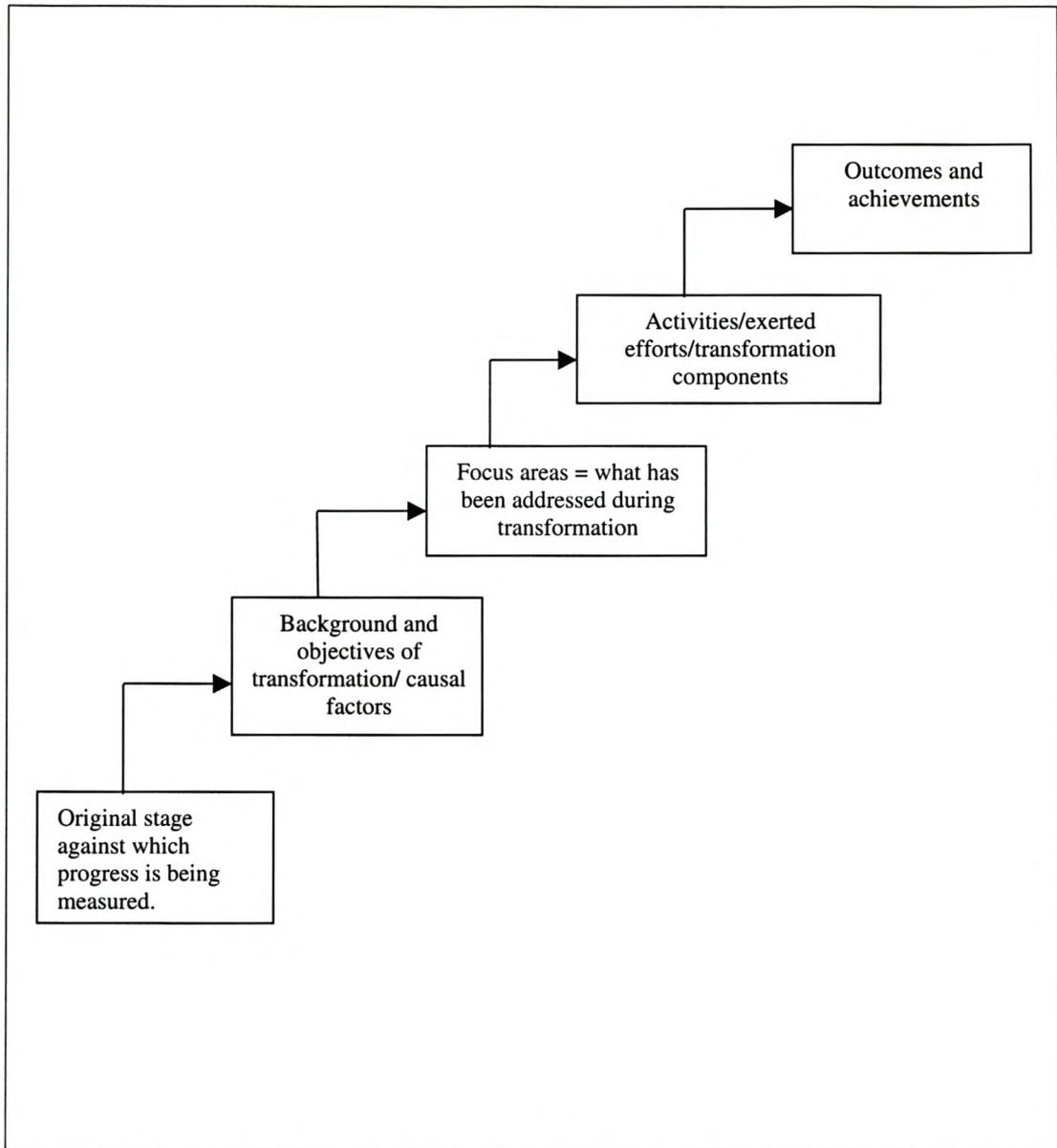


Figure 3.2 Process and outcome line

In short, the above outcome line tells what was to be done by the intervention and why, and what was to result from the intervention and how. According to Mohr (1995:18), an outcome line is a “testable assertion that certain programme activities and sub-objectives will bring about specified results”.

3.12 LIMITATIONS

Any methodology has its inherent limitations. I tried as much as possible to minimise this. Unfortunately, most people who had been with the PACs before the introduction of transformation and after the 1997-1999 transformation period were unavailable for comment. Due to the changes at the PACs, some officials were new in their positions and therefore could say little, and others had left the organisations. There were also changes in DACST in the personnel responsible for the arts institutions and particularly the PACs. All of these factors seriously affected the overall quality of my data.

3.13 CONCLUSION

Selecting a research design is a key decision for research planning, for the design serves as the blueprint of the research project. A proper research design ensures that the data collection and analysis activities used to conduct the study are tied adequately to the research questions and that the complete research agenda is addressed. At the same time, practical considerations of time, money, co-operation, and protection of participants tend to limit the design options and methodological procedures that can be employed. Design effects result from the research process itself, and thus are always present and always threaten the validity of process and outcome evaluations. With careful planning of the evaluation I managed to minimise the design effects.

Detailed description associated with qualitative work was mainly used as an end in itself and not “merely spadework preparatory to explanation” (Caporaso, 1995). The contexts and insiders’ perspectives were derived mainly through qualitative

research. While the results are indicative, the views and opinions of the interviewees cannot be assumed to represent the opinions of and issues confronting a larger target group. Hence conclusions could only be limited to respondents' views on the transformation. Minimal quantitative data was used to provide a background in which to contextualise the study. As a result, a more holistic understanding of the subject under study was enhanced in the quest for valid descriptive and casual inferences.

The greatest source of error, which I tried as much as possible to minimise, was due to data collection. Most data collection plans are never fulfilled to perfection. For a variety of reasons, almost all data sets have gaps – either entirely missing cases or ones for which some portion of the required measures do not exist.

Ideally an evaluation should commence at the same time as an intervention is being developed and designed. Unfortunately, this does not happen often. In this case, evaluators were only contracted during the implementation phase; this limited our feedback to the implementation process. Had CASE researchers been involved in the transformation design stage, we would have been able to give independent feedback on the clarity and logical coherence of the programme model. I am thus forced to rely on retrospective evidence. As a result, I could not do proper comparisons of the situation before the commencement of the transformation and after completion.

Chapter 4

FINDINGS: THE STATE THEATRE

4.1 GENERAL INTRODUCTION AND OVERVIEW

Chapters 4 to 7 document the empirical findings of the study. The information outlined is a summary of the transformation process, highlighting the experiences of the four PACs. Data was gathered from fourteen interviews with the relevant stakeholders and a total of eight performance observations at the four PACs. A wealth of data was collected from a number of documents, including annual reports, organograms, audit statements, business plans, and the recommended policy and implementation programme for PACs. Completed observation schedules were also analysed. The results tend to be qualitative in nature.

Having explored the conceptualisation of the transformation of PACs and the context under which it was imposed, I was in a position to draw conclusions about the direct relationship between the transformation intervention and the changed situation at the PACs. I was thus able to make conclusions about the process and outcome of transformation.

From the Literature review it is apparent that each of the PACs offered a different range of services/activities and accounted for these in different ways. For instance, major activities, at the State Theatre and Artscape (then PACT and CAPAB) included ballet, opera (including musicals), drama, dance orchestra and music. Major activities at The Playhouse included the dance company, musical theatre, drama, orchestra, and the education/development department which was later referred to as the CAD component. In the case of PACOFS, the major activities were drama, a part-time orchestra, catering and a CAD component (Deloitte and

Touche report, 1998:3). PACOFS is also said to be one of Bloemfontein's most popular wedding venue.

The degree to which transformation objectives have been achieved differs from one PAC to another. The State Theatre seems to be the most transformed, followed by The Playhouse Company, Artscape, and lastly PACOFS.

The most important intended outcome of the transformation policies and strategies was to change the way the PACs conduct their business. All four PACs have changed and are now being managed as playhouses, although not all of them have attained all the transformation objectives.

In the new recommendation policy and implementation programme for PACs, drafted by the State Theatre Advisory Board and members of the CEO forum¹¹ (2001:3), it is stated that the "existing policy of transforming PACs into fully-fledged playhouses should be reaffirmed and implemented urgently by government.

In all PACs, the composition of Board members changed to reflect the demographics of the various provinces. The appointment of the Boards at ministerial level was criticised because it did not take the views of the PACs' executive management into consideration. Staff at some PACs felt that its management had been alienated from the process and wanted to be involved meaningfully in the appointments, as they had to work with the Boards. Interviewees felt that the Boards of each entity should formulate a policy document, incorporating a strategic plan and cultural or artistic guidelines which would be submitted to DACST and reviewed and updated annually. In addition, the Board should consider any policy amendments recommended by the Minister, or DACST. To ensure participation in the decision making process, I suggest that the CEOs of PACs be part of the selection panel, as they will be working directly with the nominated Board members. This would ensure that there is a good

¹¹ It is a committee comprising of Chief Executive Officers of the four PACs.

working relationship between the two parties. Furthermore, there is a need to provide training and support to Board members regarding their mandate of overseeing the transformation of PACs.

4.2 THE STATE THEATRE

The analysis is based on information gathered from face-to-face interviews with three senior officials of the State Theatre. Other staff members indicated that they were too new in their positions to make any meaningful input. CASE interviews with the former CEO and the former artistic director were also revisited. Documents relating to previous programmes, staff composition, and organograms were perused.

The State Theatre was established in the 1960s as the Performing Arts Council of the Transvaal (PACT). In the mid-1990s, the name of the institution was changed to the State Theatre. It has five performance venues that were utilised for internal productions, co-productions, venue hire, and commercial ventures. Commercial ventures include selling food and alcohol. Current performances staged at the State Theatre include drama, dance, opera (including musicals), ballet and music concerts (State Theatre Advisory Board, 2000).

Since the introduction of transformation in 1997, the State Theatre did not transform into a playhouse until it was forced upon them. The performing arts remained its core business and was not functioning as a business yet, and this was a basic premise of a playhouse. The State Theatre still had permanent production houses in residence, as recommended in the Deloitte and Touche report (1998). The State Theatre was not keen on privatising in-house production companies because it entailed getting rid of people who had expertise (Rapholo *et al.*, 1999).

During March 2000, the State Theatre experienced severe liquidity problems as a direct result of the curatorship of its asset manager – Scott Asset Managers (Pty) Ltd. As a result, the State Theatre was closed by the Minister on 31 July 2000; it

did not reopen until 1 April 2001. At the time of the reopening of the State Theatre, the Minister reported that possible financial mismanagement was still under investigation. In justifying his radical intervention, the Minister said, “If the State Theatre had not been mothballed, it would have gone into liquidation, resulting in huge losses” (*The Star*, 5 April 2001).

The current management of the State Theatre believed that they had provided the basis to deliver transformation. The interviewees felt that there was a need to distinguish the various facets of transformation and then to prioritise them. They felt that affirmative action and audience development are non-negotiable facets of transformation.

Central to the transformation of the State Theatre was the need for leadership which is fully committed to transformation. Top management’s commitment is the most critical element for organisational transformation effort, and this leadership role cannot be ignored. According to Kurt Lewin’s three-phase model of change – unfreeze, move or change – refreeze helps us understand why organisations such as the State Theatre required external impetus to initiate change, and indeed, why that change was resisted even when it was necessary.

4.3 OPERATING AS A PLAYHOUSE

Transformation presented many challenges to the State Theatre. It has had to transform its method of operation. The transformation has had negative and positive effects on the State Theatre. On the negative side, the number of productions has been reduced and a number of outreach programmes have been discontinued (Rapholo *et al.*, 1999).

When the State Theatre reopened in April 2001, it did so as a playhouse. The move towards transformation into a playhouse resulted in the retrenchment of a large number of skilled permanent actors. As a playhouse the State Theatre could not retain artists because they no longer had production houses that could host

productions of independent producers and other production managers. The State Theatre would mainly be concerned with ensuring that there is always exciting performances at the theatre. One of the interviewees said, “the challenge for the State Theatre is programming, bringing the right calibre to the theatre”.

They provide technical and institutional expertise for productions hosted at the theatre, and create openings in the theatre’s schedule for outside productions and the presentation of “black art forms” on their stages. Furthermore, the State Theatre allows aspiring producers to use their venue at no charge, taking only a minimal percentage of revenue. One of the interviewees added, “...if he loses, we lose; if he succeeds, we also succeed”. In so doing they are offering an invisible subsidy to producers, and the State Theatre in return ensures that their theatres are full of performances. Before transforming, the former management never thought opening up their venue for the public to use was a good idea. Rapholo *et al.* (1999) said the former CEO and the Artistic Director thought they would not make money by hiring out the theatre. For instance one of them said, “there is always a worry to fill the theatre and to cover the costs involved”. They both felt that being a playhouse was not a practical solution. Further, they were unanimous that they would not be in a position to guarantee quality if they operated as a playhouse (Rapholo *et al.*,(1999).

One of the interviewees reported that a playhouse is supposed to serve the community. As a result some shows were subsidised because the majority of local community people could not afford full ticket prices. He said, “To make money we host art forms like opera, ballet and big musical bands which whites attend and they have the money to pay the cost. Those art forms do not need any subsidy, unlike other performances such as gospel, small musicals and jazz” (Rapholo *et al.* (1999).

4.4 NEW AUDIENCES AND NEW MARKETS

Rapholo *et al.* (1999) said that the State Theatre hoped that its audience would become more diversified if productions that appealed to a wider audience were staged. In 2000 the status quo had changed as audiences differed by production. Opera and ballet still attract mainly white audience, while music and dance productions attracted mixed-race audiences.

The interviewees felt that they could develop “new audiences if they chang[ed] from focusing on Eurocentric art or high art and start[ed] putting together new products which would appeal to all the people of the country”. Another interviewee said, “programming is a challenge. We have to figure out a way to attract new products to our venues, which will bring new audiences. For instance Phillip Tabane will be performing on our stage this week. I have given my predecessor the basis to deliver he has to ensure that there is a right mix”.

I attended a music show by Phillip Tabane. The interviews and literature suggest that before the transformation of the State Theatre, Tabane could not have performed there, as alluded by one of the interviewees. This kind of performance is new to the State Theatre and the show probably attracted new audiences. This view is supported by reference to the interview that Gevisser (1996) conducted with Hugh Masekela and Krugers’ reference to the State Theatre as the “all-white PAC”. Further, Kruger (1999:14) said, Theatre in South Africa is now more diverse...”. The theatre was full to capacity and, as expected, an overwhelming majority of the patrons were black. In 1998, one of the interviewees commented that the State Theatre is still an island in Pretoria. He went on to say that “the inner city of Pretoria is black so the theatre should be full of blacks” (Rapholo *et al.*, 1999).

I also attended an opera production called Manon. The show was well attended, and as expected the majority of the audience was white. One of the interviewees wondered, “Why are blacks not coming to watch opera?” He also said, “The musical appreciation is there but the music people are not coming to the theatre”.

Another interviewee felt that audience development was not negotiable; he said, “Guys need to be taught how to go about it. They should look at cross subsidisation of art forms”.

On the positive side, the State Theatre is currently able to attract younger audiences, unlike in the past, due to its collaboration with other NGOs and CBOs. One of the interviewees reported that in the past young people saved money to be able to attend highly-priced shows of overseas artists rather than going to the State Theatre. Furthermore, they reported that the South African arts community, unlike the overseas one, is limited insofar as participation in international markets is concerned (Rapholo *et al.*, 1999).

4.5 STAFF AND MANAGEMENT

When asked what was meant by transformation of the PACs, all State Theatre interviewees referred to a change in staff complement. For example, one of the interviewees explained that “transformation of an organisation is about changing the demographics of an organisation”. Another interviewee said, “PACs had to change the complexion of their institutions” by ensuring that there were black people at all levels of the organisation. He further indicated that for meaningful changes to be effected there should be decisive leadership. There was a general feeling that the former CEO and the former arts director did not transform the State Theatre, particularly the programmes staged there. One interviewee said, “They were just not strong enough. They wanted to protect the old and at the same time hoped to build the new”. He added that a visionary leader was required for successful organisational transformation because it was the responsibility of the leader to transform vision into reality. Another interviewee reported that even if the former management had been given fifty years they would not have transformed the State Theatre. He said, “What the former management had to do in three years took us few months to do it. They had not changed the demographics and what they were about”.

Before the introduction of transformation policies and strategies, the State Theatre had 1 1000 staff members, which has over the years declined. According to the Deloitte and Touche report (1998) the cause of this decline was due to lack of financial resources required to fill vacancies with the intention to reduce the staff size. Salaries and personnel costs were quoted as making 67% of the total expenditure.

In 2000, during its closure, the State Theatre underwent a restructuring exercise that was expected to cut down on the number of companies operating under its umbrella. The State Theatre Dance Company and the State Theatre Ballet experienced a spate of resignations by top and long-serving dancers. Although the State Theatre “spin doctors” were at pains to explain the sudden resignations as having been motivated by a desire on the part of the dancers to look for greener pastures, it was reported that speculation was rife in dance circles that resignations were the result of uncertainty surrounding the future of various programmes at the institutions (*Sowetan*: 17 May 2000:23). In line with the 1996 *White Paper on Arts, Culture and Heritage* the State Theatre like other organisations, had to get rid of permanent actors, as they were not to have in house production companies.

One of the interviewees reported that as a result of transformation the State Theatre no longer needs a large number of employees. He said, “We have changed the structure of the organisation. The staffing and structure of the new State Theatre will remain lean and mean with the new board monitoring the employment and deployment of staff to prevent swollen bureaucracies”.

All 477 employees of the State Theatre were retrenched on June 2000. During the period of closure, a skeleton staff was contracted on a month-to-month basis to operate the theatre as a playhouse. Most of the current 75 employees are former staff members. As noted in Table 4.1, most of the employees are black. Before the closure of the State Theatre, 45 per cent of employees were African and 48 per cent were white. Among Africans, the majority (98 per cent) worked in the administrative and support sections. Management (n=76) made up 15 per cent of

the total staff. Of the 76 management members, 13 were Africans, one was coloured, and one was Indian (Rapholo *et al.*, 1999).

Race	Men	Women	Total
African	39	10	49
Coloured	3	1	4
Indian	0	1	1
White	14	7	21
Total	56	19	75

Interviewees reported that the previous State Theatre Board was said to be a barrier to transformation because members were incompetent and never disclosed their knowledge of the investment. This Board was subsequently dissolved, and the Minister of Arts, Culture, Science and Technology, Dr Ben Ngubane, appointed a new advisory board “to resolve the crisis at the State Theatre and chart the way forward for arts policy more broadly” (*Sowetan*, 6 July 2000:32). The advisory board was appointed in July 2000 to co-ordinate the implementation of the public policy process with respect to the reopening of the State Theatre, handling the public process, and thereafter handing over its functions to a new State Theatre board (State Theatre Advisory Board, 2001).

4.6 GOVERNMENT FUNDING

The main issue that led to the closure of the State Theatre was the fact that the expenditure of the organisation exceeded its income. See Appendix C for details. It is important to note that the major source of funding for the State Theatre was a government grant which did not cover all expenses. For example, Deloitte and Touche. (1998) noted that the government grant for the State Theatre was less than they had requested in 1999, resulting in shortfalls in administration and

infrastructure costs. According to one of the interviewees, the shortfall appeared to have been the result of not restructuring in terms of the 1996 *White Paper on Arts, Culture and Heritage*.

Another issue was the secret Special Reserve fund. During the period 1989 to 1995, the old PACT built up a secret reserve fund of approximately R24 million; R16 million of this was accumulated by diverting government grants to the secret fund, and a further R8 million was accumulated in interest. Following its discovery, the Heath Special Investigation Unit declared that the funds had been accumulated illegally, irregularly and without authorisation. Accordingly, the full sum has been claimed by the State (State Advisory Board, 2000).

Furthermore, the State Theatre lost R18,2 million through bad investments. Apparently the former board of the State Theatre approved the investment of surplus funds in a company known as Scott Asset Managers (Pty) Ltd. This company and a sister company known as Investcorp CC invested money on the South African Futures Exchange (SAFEX). These companies succeeded in losing their investors' money in poor trading on SAFEX, and paid out false returns to some investors. After liquidation costs, the likely amount to be recouped by investors will average 10 to 15 cents in the rand (State Advisory Board, 2000).

4.7 NEW FUNDING ARRANGEMENTS

4.7.1 Declining Subsidies

Rapholo *et al.* (1999) noted that in the 1998/99 financial year government funding for the State Theatre accounted for 53 per cent of its total income. The State Theatre, like other PACs, was negatively affected by declining subsidies, resulting in retrenchments. However, it appeared that they had become more careful about expenditure, and at the same time ensured that the theatres were always full of activities which subsidised each other.

The main source of funding for the State Theatre was DACST. The interviewees reported that they received less money from DACST than in other years, but that they were able to do more than the former management did because they were “running a lean and mean structure”. See Appendix C for details (State Advisory Board, 2000). According to Mike van Graan the State Theatre currently receives a grant of R17.3m (2001:12).

All State Theatre officials spoke about the negative effect of declining subsidies. One of the interviewees regarded the State Theatre as operating “on a shoe string budget”. The declining subsidies had made them realise that they had “to do crisis management all the time”. It appeared that they had become more careful about expenditure and at the same time ensured that production standards were not compromised by the limited budget.

To cope with declining subsidies, one of the interviewees reported that they had outsourced the restaurants and doubled ticket prices. However, the Theatre offers concessions to students and pensioners, making performances more accessible. Over and above this, the State Theatre was hoping to secure corporate sponsorship to subsidise ticket prices.

Revenue from box office sales was very low, mainly because the majority of audiences were students and fellow artists. The interviewees reported that they were grateful that the State Theatre was making a contribution towards community development (Rapholo *et al.*, 1999).

4.7.2 NAC Funding

The State Theatre previously received project funding from the NAC. They were, for example, funded to host a banquet held in honour of the State President of South Africa, Mr Thabo Mbeki. All State Theatre officials, with a few exceptions, thought that the NAC was generally doing a good job in the face of budget limitations. As the CEO said, “project funding is a joke. It (NAC) should be

funded better if it has to become the funding arm in the country” (Rapholo *et al.*, 1999).

The interviewees reported that currently they did not need any money from the NAC. However, they intended contacting it to request transport funds for bringing some of shows to the State Theatre.

4.7.3 Private Sector Funding

All State Theatre officials reported difficulties in accessing private funding. However, the State Theatre has managed to secure a five-year sponsorship from Spoornet that entails giving the company a certain number of seats per year and crediting their sponsorship in the State Theatre’s programmes. Spoornet paid a lump sum of R8 million for five years’ naming rights. The State Theatre hoped to attract other companies to similar arrangements. As one of the interviewees indicated, “At the end of the five-year period another company will be able to buy the naming rights” (Rapholo *et al.*, 1999).

4.8 COMMUNITY OUTREACH PROGRAMMES

In the past, the State Theatre held children’s opera workshops and took opera productions to black and white schools in Gauteng, Mpumalanga and the Northern Province (now Limpopo). Due to financial constraints, the previous State Theatre board had stopped all outreach programmes. The State Theatre hopes to reinstate the outreach programmes in future.

4.9 FORMATION OF NEW PARTNERSHIPS

The *White Paper on Arts, Culture and Heritage* (DACST, 1996) identifies a number of partners with whom the PACs and DACST could network in order to achieve the stated transformation objectives.

The relationships with DACST, the local council, local government and other government departments were informal and at arms length. The only good relationships that the interviewees could comment about were with other PACs and with the provincial government.

4.9.1 Relationship with DACST

The interviewees reported that the relationship between the State Theatre and DACST had improved. One of the interviewees said, “I think DACST is now visible and involved in the operations of the State Theatre”. Another interviewee reported that maintaining good relations was important because PACs were the professional arm of government and that government did not necessarily have expert practitioners in the arts. He further stated that some of the people that used the State Theatre “are now holding some senior positions there” and believed that they would advise DACST accordingly. Another interviewee was of the opinion that PACs should remain accountable to DACST even though DACST should maintain an arms-length relationship.

4.9.2 Relationship with Provincial Government

One of the interviewees reported a new ongoing relationship with the provincial government. He said, “A professional relationship has also been established with the MEC. However, protocol still has to be established between provincial government and the State Theatre”. One of DACST interviewees reported that the “Minister was in contact with provinces, negotiating ways of co-operating”. Clearly, efforts were being made to develop and sustain a beneficial relationship with provincial government.

4.9.3 Relationship with Local Government

Very little financial support had been received from the local government in and around Pretoria. However, the Tshwane Metropolitan Municipality, *Beeld* newspaper and the State Theatre worked together on a number of projects, including the Culture Bus which transported audiences to the theatre. The time

seems right for the State Theatre and local government to begin discussing ways for the latter to make a financial contribution to close the gap between policy and reality.

4.9.4 Relationship with NGOs

The State Theatre has not severed its ties with the Windybrow Arts Theatre, which has been registered since transformation as a Section 21 company with its own Board and constitution. However, the State Theatre was no longer giving any financial support to the Windybrow. Together with other NGOs such as The Step Musical, Vusi Mahlasela, the black ties, and the Tshwane Modern Arts Company, the Windybrow benefited from collaboration with the State Theatre. These NGOs were able to use the facilities of the State Theatre when the need arose.

4.9.5 Relationship with the International Community

The State Theatre still has to build relationships with the international community. Asked why PACs were not involved in bringing international artists to South Africa, one of the interviewees reported that they did not have the right contacts and would not be able to raise the amount of money required to get international artists to perform in South Africa (Rapholo *et al.*, 1999).

4.10 CONCLUSION

From the interviews, it seemed that the Minister of Arts, Culture, Science and Technology, Dr Ben Ngubane, had to close the State Theatre before it could be transformed into a playhouse.

Before transformation, attracting new audiences presented major challenges, especially as the State Theatre seemed to be an island in Pretoria that catered for the artistic needs of the minority. Currently, they have some new audiences and markets because of a programme that appeals to the majority of the inhabitants of Pretoria. While prepared to let outsiders use the venue, the State Theatre acknowledged that those groups had to be subsidised in one way or another. To be

able to cope with the losses, they had to ensure that there was cross-subsidising of productions.

The potential for the private sector to fund the State Theatre exists, if they have worthwhile reasons for making an investment there.

The State Theatre prefers a closer involvement with DACST. Relations between DACST and the State Theatre have improved. However, they can be better so that both parties can be fully aware of each other's activities and maintain the desired distance.

Without doubt, the State Theatre currently offers a good example of what is meant by transforming into a playhouse, even though the transformation was forced by circumstances which were beyond their control.

Chapter 5

FINDINGS: THE PLAYHOUSE COMPANY

5.1 INTRODUCTION

Analysis in this chapter is based on interviews held with three senior managers at The Playhouse Company. A number of documents, including annual reports, organograms, the employment equity document and a programme on previous performances were perused.

The Playhouse Company, previously known as the Natal Performing Arts Council (NAPAC), was formed in 1963 and is based in Durban. The name was changed in 1995 as part of the transformation process.

During 1993, NAPAC suffered serious financial difficulties as a result of underfunding from DACST and various other undisclosed factors. NAPAC turned to the Durban City Council for financial assistance. At the same time, the Natal Cultural Congress (NCC) intensified its campaign to transform NAPAC, and the City Council agreed to assist financially provided transformation took place (Zietsman 1999).

5.2 OPERATING AS A PLAYHOUSE

The *White Paper on Arts, Culture and Heritage* (DACST, 1996) stated that PACs must become playhouses and ensure that their existing infrastructure is used for the benefit of all. Johann Zietsman (1999) stated at a DACST workshop held in Cape Town that NAPAC totally transformed and launched itself in 1995 as The Playhouse Company, thus leading the transformation process nationally. Towards

the end of 1999, Rapholo *et al.* (1999) noted that The Playhouse Company was operating as a playhouse.

Surprisingly, in October 2001, The Playhouse Company interviewees expressed reservations about the total transformation of PACs into playhouses. They were concerned about this policy, saying that the independent companies were likely to monopolise the use of PAC venues. One of interviewees said, “If implemented, it would render our country culturally amorphous, for there will not be institutions with clear missions and visions to direct the cultural trajectory of this country”. Another interviewee stated that in addressing the irregularities of the past, there will still be a need for “staging ‘in-house’ or ‘in-association’ type productions, and in view of this DACST is urged to reconsider its definition of a ‘playhouse’ and its related activities”.

All The Playhouse Company interviewees seemed to concur on the issue of not becoming purely a receiving venue. They felt that receiving venues would further empower an already enabled culture – that is, western classical orchestras, established dance companies, and wealthy outside hirers who could afford booking the theatres. One interviewee expressed this sentiment by saying, “In any case, they have been booking these venues from time immemorial ... this would take us back from whence we come. That is the display of monolithic culture at The Playhouse”.

In spite of a negative view about becoming a receiving venue, The Playhouse Company interviewees indicated that they were inundated with requests for usage of their rehearsal venues and were unable to meet the demand. Given the difficulty in accommodating numerous groups as a result of limited space, they wondered whether DACST was going to establish equitable selection criteria that would be nationally applicable.

5.3 NEW AUDIENCES AND NEW MARKETS

Before the introduction of the transformation process, NAPAC, like other PACs, had been showcasing Eurocentric productions that did not reflect the local social fabric. This has changed. According to the former managing director, Johann Zietsman (1999:1), The Playhouse Company has since “presented more new artists and new productions to more new audiences than ever before”. The Box office sales accounted for 23% of total income, which shows that the Playhouse is attracting quite a number of patrons. According to Table 5.2, although the box sales showed an improvement over the previous year's figures, they still represented only 23% of total income.

With the retrenchments, The Playhouse Company was written off as going under and many white people withdrew their support. However, white audiences have started attending shows again in the last three years, according to one of The Playhouse Company interviewees. Audiences from the pre-1994 era were staying away from The Playhouse due to a lack of access to transport or highly-priced tickets at the theatre.

The interviewees reported that young people preferred to go to international music shows, movies and raves instead of going to theatre. He regarded educating young people about the role played by theatre in entertainment and education as a challenge. Another challenge was to get people of all cultures to go to the theatre by educating them to appreciate different art forms. I believe that there is no need to change people's artistic preferences. People like Zakes Mda would support my view. He believes “people have never lived in a cultural vacuum at all” (Solberg, 1999: 36). PACs have to establish what their clients want. Give people what they want, and then they will come. I think good art sells tickets. I suggest that PACs should invest some resources into audience surveys which would inform the kind of productions that would appeal to the majority of the people in their community.

One would have expected the recent allegations of racism against some board members to affect the current productions at The Playhouse. This is not the case – The Playhouse theatre has a good number of exciting productions.

I attended Mbongeni Ngema's explosive musical hit, *The Zulu*, and Greig Coetzee's *Seeing Red* at The Playhouse. *The Zulu* swept the Durban audience with its energy and power. *Seeing Red* is all about an exploration of South African identity and an ironic look at the madness of the 1980s from the distance of this century. As expected, *The Zulu* attracted a more black audience than *Seeing Red*, which attracted a mixed audience.

Since the introduction of transformation, it appears that most of the productions at The Playhouse Company reflect on township, rural and urban lives, mosaic and cross-fertilisation of cultures ensconced in the rainbow culture concept. Just when The Playhouse Company thought it had transformed productions to rekindle the indigenous creative genius of thousands of previously marginalised artists, they were forced like other PACs to become a receiving venue (State Advisory Board, 2001). The interviewees felt that government should leave it to provinces to decide whether to continue with productions or to become playhouses, because the dynamics of provinces are not the same. As such, what works in one province may not work in another province.

5.4 STAFF AND MANAGEMENT

In line with the *White Paper on Arts, Culture and Heritage* (DACST, 1996), The Playhouse Company no longer has any full-time artists. New people replaced the management and the board with a clear mandate to transform NAPAC into a company accessible to all, reflecting the “full diversity of the society and engaged in a programme of education and development through arts” (Zietsman, 1999:1).

Jobs for artists could no longer be guaranteed because they worked on a project basis. According to the Deloitte and Touche report (1998) the “opera company was disbanded in 1992/93 and most singers opted for voluntary retrenchment. Performers are auditioned and contracted per production”. One of the interviewees emphasised that “there is no career for the artist” and that “very few of them made enough money from a project to sustain them beyond a few months”. The interviewee felt it was imperative to provide a career path for artists who still needed to realise their potential.

According to one of the interviewees, the administrative section had been strained by the reduction in staff, and the remaining few people had to do more work. He added that state subsidy cuts had also meant a lack of salary increases, which had a negative effect on staff morale. Cuts in funding created negative publicity in the media, which is driving audiences further away.

Race	Men	Women	Total
African	57	20	77
Coloured	8	12	20
Indian	16	14	30
White	17	14	31
Total	98	60	158

In 1993, staff numbers were reduced from around 600 to 350, retaining the orchestra and the Playhouse Dance Company. This number was further reduced during the 1997/98 financial year to the minimum core of 199 (Rapholo *et al*, 1999). The number of full-time staff members decreased over the next two years, with women still in the minority (see Table 5.1). Interviewees felt that they could not retrench more staff members. One interview said, “We all know the extent of

unemployment in our country and the social upheaval that accompany it". Another interviewee said, "Our country can no longer afford to dump its nationals in the ever-widening unemployment pool". In short, interviewees felt it was imperative that existing staff be retained at all costs. They explained that in order to fast-track empowerment programmes, they needed to retain the existing staff so that skills acquired over many years were not lost to the industry in general and to The Playhouse Company in particular.

Subsequent to the alleged racial attacks against some board members and other undisclosed issues, the Board of Directors of The Playhouse Company was asked to resign by the Minister, Dr Ben Ngubane. The Board members did not do so, and there was speculation that they would be in office until the end of their term, in March 2002. DACST did not recognise them. In October 2001, there was officially no Board and The Playhouse was expecting the Ministry to deploy an administrator. In the interim, the management of The Playhouse Company was smoothly managing the institution.

5.5 GOVERNMENT FUNDING

In order to place the operations of The Playhouse in context, an analysis of its financials was necessary. See Appendix C for a copy of financial statements which reflect the following:

Table 5.2 Financial analysis of The Playhouse over four years				
	1996/97	1997/98	19998/99	1999/2000
DACST/State subsidy	61%	58%	55%	72%
Box Sales	23%	23%	22%	8%

In 1999, The Playhouse Company was at the forefront of transforming the arts in South Africa. However, it still relied heavily on government subsidies which covered 72 per cent of their activities (Zietsman, 1999). In 2001, there was still reliance on government funding. As a result, interviewees felt powerless. For example, one interviewee said, “We have no option but to abide by what is being provided. We can only exploit loopholes in an effort to get DACST to understand policy shortcomings that need to be urgently addressed”.

Further analysis of the 99/00 budget shows that of the total income expected (R28 681 630), a large proportion (78%) was to come from grants received from government and parastatals (R22 326 000) with the state subsidy accounting for the largest proportion (70%). The decline is attributable to poor box sales. See Table 5.2 for details.

One interviewee reported that in the past five years they have managed to build a financial surplus through concerted efforts in saving and fundraising for certain projects and productions. The bulk of the surplus has been utilised to financially assist the KwaZulu-Natal Philharmonic Orchestra (KZNPO) and the Siwela Sonke Dance Company.

For the first time in the history of the PACs, DACST gave them an indication of funding for the next three years. The Playhouse Company had in the past tried to encourage DACST to look into the possibility of budgeting for the PACs over a longer period instead of one year. It was felt that one year was a very short time in which to achieve one’s objectives. Budgeting over three years would enable PACs to make artistic plans and to manage their institutions like a business. With long-term plans, including artistic products and financial plans, PACs would be in a better position to communicate with potential donors.

5.6 NEW FUNDING ARRANGEMENTS

5.6.1 Declining Subsidies

Due to declining government subsidies, The Playhouse Company (then NAPAC) had to downsize the company through outsourcing, privatisation and retrenchments (Zietsman, 1999).

The Playhouse Company received a reduced state grant of R22.6m (SATJ, 2001:12). The Playhouse Company interviewees felt that further state subsidy cuts would result in them closing down. Consequently, South Africa would rely on independent companies to drive the mission, vision and cultural trajectory of the country. They felt that the effect of that would be cultural oblivion.

One of the interviewees reiterated that cuts in the following years' subsidies would lead to further job cuts among core staff that provided a very essential service to The Playhouse Company. Another implication would be lower quality maintenance and less education and development work. It is ironic that budget cuts would have a negative effect on the very area that government is trying to strengthen.

5.6.2 NAC Funding

Although funds had been received in the past for specific projects, it was felt that due to limited resources the NAC could not supply all project-related funds required by The Playhouse for its productions. One of the interviewees explained, "...there is not much that we can get from the NAC because of their limited budget and the number of organisations that should be benefiting from them". Hence, funds received had to be supplemented.

The NAC was criticised for not being accessible to all. For instance, their application forms were only available in English. Furthermore, they did not go out into communities to encourage people to apply for funding. Perhaps the NAC could look into the type of groups and individuals they attract and determine if there are gaps in the types of people they reach.

5.6.3 Private Sector Funding

The Playhouse Company received very limited direct funding from the private sector. Sponsorship acknowledged during interviews included a truck donated by Transnet and funding for the South African Women's Arts Festival.

As described by the one of the interviewees, the private sector funded what the previous apartheid government considered to be pressing issues, and arts did not feature on that agenda. The Playhouse Company interviewees felt that if government gave enough attention to the arts, the private sector would also invest money in this sector (Rapholo *et al.*, 1999).

5.7 COMMUNITY OUTREACH PROGRAMMES

The community outreach component was part of the development investment made by The Playhouse Company. This investment covered the bulk of the cost of artists' fees, transport, accommodation, provision of the set, hiring of costumes, and the tickets themselves. In particular, African rural areas were the target audience because of the interest displayed (Deloitte and Touche, 1998).

The Development and Outreach component of The Playhouse Company ensured that people in surrounding and rural areas were able to access adapted productions in their areas and at a very low price. Zakes Mda supports the idea of taking theatre back to the people. He however indicates that the main thing that practitioners can do is "to create the kind of theatre where the people themselves are participants, and not mere consumers of a finished product which comes from outside" Solberg (1999:36). Outreach programmes focused on drama, dance and music programmes. One of the interviewees pointed to an educational programme implemented in primary and high schools throughout the province. He saw this educational programme as responsible for transforming their "artistic plan and thinking, audiences, and funding base".

There was also The Playhouse Company's popular Steps Into Dance classes. The classes took place on Tuesdays and Thursdays. Registration for classes was R60 a year, with R10 fee for a class. Once-off classes cost R20 each ((Rapholo *et al.*, 1999).

In addition to focusing on schools, The Playhouse Company supported a number of community art centres and performing groups in the province. This included three community centres that it set up or helped to establish as part of the CAD projects. Support provided to these centres included training in financial management for their administrators and managers, fundraising, and so on. Mentoring was also offered to those who successfully completed the courses (Deloitte and Touche, 1998).

The Playhouse Company had an Arts and Educational Department that specialised in providing training, development and skills empowerment to previously marginalised artists. The interviewees felt it would be "regrettable if this department would close down for it would be tantamount to disempowerment".

Children interested in the arts were not left out, as there was a programme called the Creative Kids Club. This club was a fun way for children aged between eight years to sixteen years to learn more about the performing arts. It included music, dance and drama tuition. Its emphasis was on stimulating creative talent, and encouraging and nurturing an appreciation and enjoyment of the arts among young children (Rapholo *et al.*, 1999).

5.8 FORMATION OF NEW PARTNERSHIPS

The Playhouse Company is continually expanding its strategic alliances and has numerous relationships with partners in a variety of sectors. The Company networks with various government entities in the province such as the Department of Economic Development and Tourism, the Department of Education and Culture, the Department of Trade and Industry, the KwaZulu-Natal Tourism Authority, Portnet, the Transformation Department, the Pietermaritzburg

Umsundisi Transitional Local Council, the Durban Metropolitan Council, and the Indlovu Regional Council.

5.8.1 Relationship with DACST

Relations with DACST were said to be formal and at arms length, but were said “to be better than they were in 1999”. Nevertheless, one of the interviewees believed that PACs should be accountable to the National Ministry of Arts, Culture, Science and Technology through their Boards.

During the interviews, a number of accusations were levelled against DACST. They portrayed DACST as not doing enough to promote the arts and support the PACs. While issues like HIV/AIDS and SMME development received high priority from the relevant departments, it was felt that DACST was not doing enough to inform South African citizens about developments surrounding the performing arts. Furthermore, it was felt that DACST had not done enough to empower the PACs to market themselves.

PACs were said to be succeeding because of the efforts of specific individuals committed to the arts rather than the initiatives of DACST or any other government department for that matter. Clearly, development and success that hinge on one person are not sustainable and are destined to fail.

5.8.2 Relationship with the Provincial Government

The Playhouse Company interviewees felt that the initial deadline of 30 June 2001 to finalise or conclude agreements between the three tiers of government with regard to funding of the Playhouses was completely unreasonable. Regarding the government position that PACs should cease to exist if provincial support was not forthcoming by March 2002, The Playhouse Company interviewees felt that the national government should not dictate the future of playhouses in provinces. They felt that provinces should decide on their fate and destiny.

The provincial government has yet to provide funding to The Playhouse Company. One interviewee emphasised that he would like to see improvement as far as receiving funding from that sphere of government was concerned. He indicated that the meetings which were held in the past with the relevant MEC had not yielded any financial rewards, even after the MEC had pledged support to The Playhouse Company. However, he was hopeful that eventually they would get better support from the province.

According to one of the interviewees, the provincial government should provide financial support for the running costs of core infrastructure of regional facilities, and should also provide a sufficient budget to PACs to offer tours, school programmes, teacher training and other education development projects. Playhouse interviewees expressed disappointment about government's approach to the matter. One interviewee said, "One would have thought that the national government has the power to influence the directions of provincial and local arms of government". Another interviewee felt that DACST was abdicating its primary responsibility. He commented that it was their contention that "the national government should put certain mechanisms in place which will compel the provincial and local governments to fund PACs".

5.8.3 Relationship with Local Government

One of the interviewees described their relationship with the other spheres of government as "very positive" following the support demonstrated by the local council. In 1993/94 the council guaranteed The Playhouse Company funding on condition that it transformed. The Playhouse Company receives about R1,5 million annually from the Durban Metropolitan Council (see financial statements- Appendix C), which interviewees felt should be increased. In return, it is at times requested to stage productions aimed at encouraging people to pay their rates.

5.8.4 Relationship with Production Companies and NGOs

The Playhouse Company continues to collaborate with privatised companies previously resident at NAPAC. These include the Fantastic Flying Fish Company,

the KZNPO, and the Siwela Sonke Dance Company. Collaboration takes place around the following:

- school programmes in May and August;
- dance seasons at The Playhouse and the Grahamstown Festival; and
- opera productions in May featuring the KZNPO.

The production companies also did a number of productions independently of The Playhouse Company. These were then staged at The Playhouse for a fee. These independent companies seemed to have a symbiotic relationship with the PACs. However, interviewees felt that The Playhouse Company should not stop producing their own works and rely on those identified companies to book venues to showcase whatever they wanted. They felt that local traditional exponents would not have money to book the theatres (Rapholo *et al.*, 1999).

5.8.5 Relationship with the International Community

It seemed that The Playhouse Company was not keen to form any relationships with the international community as prescribed by the *White Paper on Arts, Culture and Heritage* (DACST, 1996). One of the interviewees said, “There is no mention made of any incentives of international collaborations. DACST should consider that and lead us in that regard”.

5.8.6 Relationship with the Provincial Arts Culture Council

One of the interviewees reported that the Provincial Arts Culture Council (PACC) had an important role to play in funding the arts, and that The Playhouse Company had already received a grant from this body for a specific project. Funding was indirect in the sense that the PACC funded outside groups to stage productions at The Playhouse.

5.9 CONCLUSION

The interviewees felt that the government should consider making amendments to the policy on performing arts institutions. They felt strongly that further state subsidy cuts would result in the closing down of the PACs, which would doom South African arts and culture.

The Playhouse Company had been able to establish and maintain good relationships with other arts organisations and government departments.

Although The Playhouse has a diverse income base, a large proportion of its funds still comes from DACST. They were making efforts to ensure that they raised additional funds.

Chapter 6

FINDINGS: ARTSCAPE

6.1 INTRODUCTION

The analysis in this chapter is based on three in-depth interviews held with Artscape senior officials. Documents relating to their organogram, financial statements and previous performances were also perused. In addition, some of the raw data from the CASE study was revisited.

Artscape, formerly known as CAPAB, has been actively involved since 1997 in transforming itself from a production house into a playhouse. The name change was meant to reflect the fact that the institution was now being run as a playhouse. To facilitate transformation, a task team made up of a cross-section of the Artscape Board, management and staff with professional support from an arts consultant, was established in 1998.

One of the interviewees reported that Artscape had, as a result of opening up its venue to the community, succeeded in building new audiences. Community people who needed access to a theatre were able to use the Artscape Theatre Centre (formerly known as the Nico Malan Theatre). Another interviewee reported that since the transformation process began, Artscape “operates in an effective and efficient manner based on business principles” (Rapholo *et al.*, 1999:80).

6.2 OPERATING AS A PLAYHOUSE

In the interviews, transformation was generally viewed as a process that Artscape had already completed. However, it was acknowledged that there were still further

objectives to be met. One interviewee said, “We still need to look at the business as an entity from the business perspective. We still need to build walls of what we have started....” (Rapholo *et al.*, 1999:80).

Since transforming into a playhouse, the Artscape Theatre Centre could be rented to host large international conferences, exhibitions and displays. It is also rented out to local, national and international art producers. Local producers who cannot afford the rental are charged a nominal cost and Artscape subsidises the difference. Interviewees viewed the hiring out of venues in a positive light as they generated some income for the Centre (Rapholo *et al.*, 1999:80).

On the negative side, this change from being a production house to a playhouse has resulted in a reduction of the artistic and development work, which are the prime objective of a playhouse, in favour of commercial operations. SATJ (2001: 16) stated that it was with specific respect to the decline in serious indigenous work, that there was “some perception in South African theatre circles that apartheid was, ultimately, good for theatre”. An increase in commercial operations will also limit the availability of the venue to community groups. Furthermore, the change has intensified the demand for increased stage staff because the change over times for different productions have increased dramatically.

6.3 NEW AUDIENCES AND NEW MARKETS

All interviewees reported that audiences varied by production. For example, an opera would draw audiences from white communities, while the singer Sibongile Khumalo would attract a mixed group. It was reported that whenever they had performances or productions by local black community groups, the theatre would be filled to capacity. Interviewees believed that the public viewed performing on stage at the main theatre as an achievement, hence the support from local audiences. In an interview that was conducted with Zakes Mda (Solberg 1999:34) he indicated that when the “city venues opened, it was the ambition of every playwright of note to have his plays performed in the city venues rather than in the

township, because that's where they got recognition". SATJ (2001:16) would argue that an overwhelming majority of people go the Artscape theatre because there is a perception that township theatre is inferior and consequently theatregoers would rather travel into the towns...where "superior" productions can be enjoyed". It thus however seem Artscape has succeeded in opening up its venue to the local community and is committed to the discovery, development as well as promotion of artistic talent within the province.

Another aspect of the transformation at Artscape was an increase in the variety of activities. Previously, activities were mostly limited to ballet, opera, drama, orchestra and jazz art, but now the focus has shifted to include other art forms such as choral music and poetry reading (Deloitte and Touche, 1998).

According to one of the interviewees, since transformation Artscape has been able to attract a broader audience to its performances because they are now presenting a diverse artistic programme. For instance, they now have a programme in place to introduce black people to opera. This was not an easy task because of economic factors. For example, "more people (black and white) spend their disposable income on cell phones than on theatre". Interviewees pointed out that people followed what they knew or understood the most, making it difficult for them to be attracted to new art forms.

Financial constraints, such as the reduction in state grant, made it difficult for Artscape to engage fully in the development of new programmes for new audiences and new artists. However, Artscape managed to make ends meet with the limited financial resources at its disposal.

The Artscape development department, Silapha, was initiated in 1997 to provide assistance to community groups and to present development projects. Silapha focuses mainly on audience development. It is also involved in a broad range of developmental, educational and outreach projects such as the Children's festival. The Children's festival is a series of dance, drama, mime, puppetry and stage

vocals held during the first week of the July school holidays for those aged between 6 and 16 years (Rapholo *et al.*, 1999:80).

6.4 STAFF AND MANAGEMENT

According to the Deloitte and Touche report (1998) Artscape had a staff complement of 474 which has been reduced from 690.

Regarding personnel rationalisation and downsizing, one of the interviewees reported that the core infrastructure necessary to manage Artscape had been reduced to a level where “effectiveness, efficiency and co-operative management” could still be maintained. The resulting new structure was felt to be ideal because it was less bureaucratic and the staff was more productive. One interviewee said, “We have more of a flat structure and that speeds up decision making”. (See Appendix D for Artscape’s organogram.)

On the negative side, transformation forced a reduction in staff numbers. One interviewee indicated that the “declining subsidies and the transformation process have forced us to retrench across the board. Hence, we do not have full-time actors any more”. She described the process as painful because some of the affected employees had long service records. In addition, she said staff reduction has “resulted in low staff morale, uncertainty and resistance to change”. The loss of artists confirms Eichbaum’s (1996a,b) fears about PACs transforming into playhouses and therefore getting rid of in-house production companies.

Through staff training, Artscape is investing in the remaining staff members by ensuring that they are multi-skilled. As explained by one interviewee, “We are now able to match the available skills with our needs”.

Artscape has applied an affirmative action policy. For example, in 1999 they appointed a woman for the first time to manage the artistic programme. However, the majority of staff members (66 per cent) are men (see Table 6.1). Artscape has

also appointed an Equity Officer, whose job is to drive the institution towards reaching the goals set in the Employment Equity Act. (Artscape, 1998).

Commenting about the involvement of the Board in the management of the Artscape, interviewees felt that the majority of Board members had busy schedules and therefore could not be as involved as they wished.

Table 6.1 Full-time staff complement at Artscape, October 2001			
Race	Men	Women	Total
African	16	2	18
Coloured	79	35	114
Indian	0	0	0
White	21	24	45
Total	116	61	177

6.5 GOVERNMENT FUNDING

Like other PACs, Artscape mainly relied on government funding in the past. The interviewees felt that even if they found other ways of raising funds, the government should continue to provide funding to these institutions. One of the interviewees said, “The nature of our business consumes more than it can bring in” (Rapholo *et al.*, 1999).

6.6 NEW FUNDING ARRANGEMENTS

Artscape has become more commercial since the beginning of transformation. Income is received from a number of sources including DACST, the provincial administration of the Western Cape, international organisations such as SIDA, and

a number of private sponsors. Income is also generated from renting out the venue, sets, equipment, costumes, and external productions, and from decorating studios. However, the building is large, resulting in very high overhead costs. It is also difficult to charge market-related rental fees to local communities because they simply cannot afford them.

The interviewees reported that they could not count on box office sales income because this source was shared with various groups that used the venue.

6.6.1 Declining subsidies

Artscape funding subsidy has declined over the years. However, of the four PACs it currently receives the largest grant of R23.5m (SATJ, 2001:12). Artscape officials said that the decrease in government funding had a negative effect on the functioning of Artscape. The decrease also meant focusing less on productive work (Rapholo et al., 1999).

On the positive side, Artscape is currently able to determine core competencies and run like a business. One interviewee explained that they are “now sticking to a strict budget”. Furthermore, since the introduction of subsidy cuts Artscape has started exploring other sources of funding. For details see the financial statement (Appendix C).

6.6.2 NAC Funding

As previously stated, NAC funding is project-based and is limited to one project per company per year. Entities such as opera, ballet, drama or orchestra are excluded from the NAC definition of a “project”, limiting what PACs can apply for. However, an individual production house or arts company can be classified as a project and receive funding on that basis. Artscape interviewees felt that ballet and orchestra could not exist on such a basis, as they were permanent structures that required annual funding (Rapholo *et al.*, 1999).

6.7 COMMUNITY OUTREACH PROGRAMMES

Artscape funded its outreach programmes from private sources and from the provincial government. Generally, Artscape tried to make inroads into the previously disadvantaged communities by engaging schools in theatre programmes and workshops (Deloitte and Touche, 1998).

The Silapha arts division went out to communities searching for diverse products and art forms. Silapha acknowledged that arts and cultural development of children and youth is a proven method of counteracting negative social influences. Silapha has been successful in reaching disadvantaged communities, and introducing more people – especially the youth – to the arts (Rapholo *et al.*, 1999:80).

From these accounts it is clear that since the transformation of Artscape, a good relationship has been established with the local community. Unlike in the past, the community was more aware of the activities of Artscape as a result of their community outreach efforts (Rapholo *et al.*, 1999).

6.8 FORMATION OF NEW PARTNERSHIPS

The summary below describes the relationships that Artscape has with national, provincial and local government departments.

6.8.1 Relationship with DACST

On the whole, Artscape interviewees expressed dissatisfaction with support from DACST. They felt that the role and activities of DACST should be reviewed. One of the interviewees suggested that DACST should view PACs as entities that could add value to their identified projects. Nevertheless, interviewees were hopeful that the relationship would improve. One of the interviewees said, “A new sub-directorate has been formed within DACST which will be able to attend to our needs”. I think DACST is trying to engage PACs through the newly-formed CEO Forum.

6.8.2 Relationship with the Provincial Government

Transformation had also fostered a partnership with the province. As in other provinces, the Artscape Theatre Centre is owned by the provincial government, which is responsible for major maintenance of the building. Artscape interviewees reported that they received financial support from the provincial government for infrastructure and for development of department-specific productions (Rapholo *et al.*, 1999:80).

6.8.3 Relationship with Local Government

The interviewees said that Artscape had received funding from the local government for specific ballet, opera and contemporary dance projects.

6.8.4 Relationship with Production Companies and NGOs

Early in 1999, transformation led to the privatisation of the orchestra, opera, ballet, drama, and jazz art as Section 21 companies. These art departments are now known as the Cape Town Philharmonic Orchestra, Cape Town Opera and Jazzart Dance Theatre. The orchestra was privatised in 1997. The unbundling of CAPAB into a number of independent companies was cited as an example of a transformation objective that had been achieved.

Artscape worked closely with these NGOs and enjoyed a good relationship with arts NGOs and CBOs in the province because they had similar goals. Artscape interviewees viewed their relationship with these organisations as mutually beneficial. The NGOs and CBOs, for instance, hired costumes, venues and lighting equipment from Artscape at special rates. In return, Artscape gained publicity from their productions, thus improving its public image. Other support for the NGOs included sharing of expertise in terms of assisting with the

preparation of business plans, helping with administrative matters, and marketing their organisations and products. All interviewees reported that since these collaborations they have noted some diversity in the Artscape audience.

I attended the launch function of a partnership between Artscape and Alliance Francaise de Mitchell's Plain. The function was well attended by people from different socio-economic backgrounds and age groups. With this partnership Artscape hopes to become more accessible to community people and to remove any barriers that make it difficult for young artists to have access to Artscape. The above-mentioned parties agreed to work together on a programme which aims to increase cultural awareness in previously disadvantaged communities. Furthermore, the two parties will be able to share productions, resources and visual arts. One Artscape interviewee commented that the "partnership would promote the diversity of culture and better quality of life".

Healthy relationships with other NGOs in the province had a direct effect on the communities by providing job opportunities during the production process.

6.8.5 Relationship with the Provincial Arts Culture Council

It was reported that since the PACC had just been established, Artscape officials could not comment on their relationship.

6.9 CONCLUSION

Since the change in the Artscape programme and political climate in the province, Artscape has offered activities and attracted a more diverse audience. As explicitly expressed by the Artscape officials, reduced funding defeated the purpose of being a playhouse because the PACs were left with no choice but to generate more income. One of the ways to achieve this was to concentrate on purely commercial operations at the expense of arts development. Operations would therefore focus on the "elite professional" and those who could afford to pay a professional fee. Alternatively, Artscape would like the State Theatre to consider cross-subsidisation of art forms.

From the interviews and records it is clear that Artscape was committed to multicultural diversity in their staff composition.

Artscape officials reported problems with private funding. In order to facilitate private funding, perhaps government needs to expedite a tax rebate for donors as suggested in the *White Paper on Arts, Culture and Heritage* (DACST, 1996). The onus was also on the PACs to make their activities more attractive to the private sector without compromising their aims and objectives in promoting arts and culture.

Chapter 7

FINDINGS: PACOFS

7.1 INTRODUCTION

The analysis in this chapter is based on the two interviews that I conducted with senior officials at PACOFS. I had intended to conduct at least three interviews, but unfortunately other senior officials were not available. My analysis is also based on interviews that CASE conducted in 1999 with some senior officials. Furthermore, a number of documents were studied, including the organogram, the annual report, programmes on previous performances and financial statements.

Progress towards transforming into a playhouse entailed structural changes such as granting independence to the drama company, closing down the CAD components, employing an *ad hoc* symphony orchestra and chorus, and reallocating satellite theatres in Kroonstad and Welkom to their respective town councils. However, PACOFS continued to play the role of a facilitator for artists, renting out and selling tickets on their behalf and earning a percentage of the proceeds.

7.2 OPERATING AS A PLAYHOUSE

In the case of PACOFS it was reported that restructuring was started in 1996; it was meant to be completed in March 1999. However, transformation into a playhouse was viewed in a negative light. It was felt that the transformation of PACs from production houses to playhouses reduced the role that PACs could play in nation building and capacity building, and that it would abolish arts and culture. Furthermore, PACs would have little control of what appeared on their stages (PACOFS, 1996).

7.3 NEW AUDIENCES AND NEW MARKETS

Unlike a few years ago, PACOFS is now successfully able to present an annual programme that is integrated, relevant and affordable to a diverse audience. They stage productions and performances that attract historically disadvantaged people from diverse backgrounds to the Sand Du Plessis Theatre. As expected, audiences vary from one production to the next, with white artists attracting a predominantly white audience and black artists attracting mostly black ones (Rapholo *et al.*, 1999).

Black groups and black audiences were unable to access the Sand du Plessis Theatre, mainly because of the negative perceptions of it. As a result, PACOFS offered paid black artists to perform at the Theatre. “Despite this support, black artists could not draw large crowds because black audience still perceived the Sand du Plessis Theatre as a white institution. So, PACOFS always subsidised the shortfall that results from poor attendance of such shows” (Rapholo *et al.*, 1999).

I attended a jazz concert held during the Macufe Festival. Tickets for the concert were sold out and the show was well attended, black people being in the majority. I also attended a musical show, *Musiek + Repliek Klas van 79*. PACOFS provided the venue but was not involved in the production of the show. The show was a white production that attracted, as expected, a predominantly white audience.

7.4 STAFF AND MANAGEMENT

In accordance with the *White Paper on Arts, Culture and Heritage* (DACST, 1996) and a Deloitte and Touche report (1998), PACOFS has had to cut staff numbers from 366 to 116 (see Table 7.1).

Table 7.1 Full-time staff complement at PACOFS, October 2001			
Race	Men	Women	Total
African	33	31	64
Coloured	15	12	27
Indian	0	0	0
White	12	13	25
Total	60	56	116

In 1996 PACOFS introduced an affirmative action policy in an attempt to redress the imbalances of the past. In 1998 it adopted an employment equity policy in compliance with the governments policy on employment equity in the workplace. A number of employees were voluntarily retrenched (PACOFS, 1996). A new board was democratically elected in 1996.

7.5 GOVERNMENT FUNDING

The following analysis is based on a copy of the attached financial statements.

1996/97

According to the Deloitte and Touche report on PACs, of the R19,3 million requested, only R13,8 million was advanced to PACOFS in this financial year. As a result, PACOFS experienced an administrative shortfall of R1,6 million and a shortfall of R3,3 million for their orchestra.

1997/98

In this year, PACOFS received a grant of R14 540 000, which accounted for 77,3% of the budget for that financial year. Municipalities only contributed 6,6% (R1 249 205) to that year's budget. (Deloitte and Touche, 1998). However,

considering the budget priorities of municipalities and the amounts that they are allocated by national government, this may be a significant amount.

1998/99

PACOFs again relied heavily on funding from DACST, which comprised 84% of their total income (R18 397 669) in this financial year. The state subsidy comprised a higher proportion than in the previous financial year, indicating a decline in income from other sources. This is the reverse of what government expects of PACs.

Income from private sources constituted only 5%. The rest of the income was earned from sundry activities, such as renting out sound systems and the stage. Income from DACST is R17.3m (SATJ, 2001:12). In nominal terms, it has remained constant. If inflation is taken into consideration, then there has been a decrease. PACOFs had a number of funding sources; however, the government contributed the largest proportion. See Appendix C on Financial statements. Other sources such as box office receipts constituted an insignificant proportion (4 per cent) of their total budget and could not even cover artists' fees. Increasing ticket prices was considered, but the strategy was not implemented because only a few people would then be able to afford the performances (Rapholo et al. 1999).

7.6 NEW FUNDING ARRANGEMENTS

7.6.1 Declining Subsidies

The main challenge faced by PACOFs stemmed directly from the declining subsidies which affected the quality of shows. A sizeable chunk of funds received from DACST was used to finance the maintenance of core infrastructure. A continuous decline in subsidies would therefore necessitate further retrenchments, as well as the phasing out of some of the current activities.

The decline in subsidies mostly affected artists from previously disadvantaged backgrounds, as they required financial support in order to stage productions at the theatre (PACOFS, 1996).

7.6.2 Private Sector Funding

Although attempts were made to explore other sources of funding to augment income from DACST, officials indicated that they found it difficult to secure private sector funding. According to the financial statement it is only in 1997 that they managed to secure R32 000 income from the private sector.

7.6.3 NAC Funding

Interviewees felt that the NAC was already doing enough. They had referred individual artists to the NAC for funding.

7.7 COMMUNITY OUTREACH PROGRAMMES

Due to financial constraints, PACOFS had to reduce their community outreach programmes. Although PACOFS officials felt that these programmes had a developmental effect, they said that such initiatives could only be continued on a small scale. They continued to stage the *Macufe festival* with assistance from provincial government and some companies such as Coca-Cola. Over the years, the show encouraged local artists to perform and was reported to be received positively by local communities.

7.8 FORMATION OF NEW PARTNERSHIPS

PACOFS is isolated from other PACs and the NGO community in the province. Rapholo *et al.* (1999:80) believed that “PACOFS has to network with stakeholders involved in the arts if it wants to make a meaningful contribution to the development of the arts, not only in the Free State but in South Africa”.

According to Rapholo *et al.* (1999), the MEC of Sports, Culture, Science and Technology in the Free State stated that PACOFS could not receive the desired support from the provincial budget because of the small size of the province allocation.

7.8.1 Relationship with DACST

PACOFS interviewees accused DACST of not giving them sufficient support when transformation was introduced. One of the interviewees said DACST should have, at the initial stage, conducted workshops around the transformation process to engage the PACs with the project. Furthermore, like the Playhouse Company, PACOFS would appreciate it if DACST could review some of the recommendations made by the White Paper. Interviewees felt that the DACST should look at each PAC as an individual entity because what seems to be working at Artscape does not necessarily mean it will produce the same results at PACOFS.

One of the interviewees felt that PACs should remain accountable to DACST. National government should remain responsible for formulating policy, and for financial maintenance of the core functions of the PACs, including core staff, staff training, and upgrading of buildings and equipment.

7.8.2 Relationship with the Provincial Government

PACOFS reported having a business relationship with provincial government through the Department of Sports, Arts, Culture, Science and Technology. The province regularly made use of PACOFS services such as catering. Since the introduction of transformation, the Department of Public Works is responsible for building maintenance.

One of the interviewees felt that provinces should support PACs by funding community development projects in all the regions of the province. Furthermore, they should provide and maintain venues for community-based arts and cultural groups.

7.8.3 Relationship with Local Government

The interviewees mentioned no formal relationship between PACOFS and the local councils. Their opinion was that attempts to secure financial support from local authorities were unsuccessful because there was no legislation or policy compelling local authorities to support PACs.

7.8.4 Relationship with Production Companies and other NGOs

Ongoing collaboration exists between PACOFS and the companies that were separated from them. However, PACOFS was doing very little to stimulate interaction with other NGOs involved in the arts (Rapholo et al., 1999).

7.8.5 Relationship with the Provincial Arts Culture Council

In October 2001, two years after the end of the transformation timeline, the PACC had not been established. One of the interviewees at PACOFS felt that the MEC for Sports, Culture, Science and Technology should be more involved in spearheading the establishment of the PACC. This would facilitate communication between PACs and the Ministry of Arts, Culture, Science and Technology.

7.9 CONCLUSION

It was clear that PACOFS officials were opposed to the concept of a playhouse. They believed that it limited the role that PACs could play in transforming arts and culture in South Africa. They echoed the same sentiment that was expressed by The Playhouse Company, that the transformation of PACs to playhouses would result in the collapse of arts and culture in South Africa.

Chapter 8

CONCLUSION AND RECOMMENDATIONS

8.1 INTRODUCTION

This analysis focused on inherently-valued outcomes, which most commonly related to inherent problems. Experiencing the unexpected is the watchword of transformation, but being prepared for the unexpected increases the chances of handling it effectively.

Empirical findings show that some of the PACs have come a long way in transforming themselves in line with the directives of the *White Paper on Arts, Culture and Heritage* (DACST, 1996). However, various problems in achieving these directives were experienced by the PACs. Of concern is that the state subsidy still constitutes the largest proportion of funding for all the PACs.

From the literature review and the empirical data it is clear that the PACs were meant to promote the arts, preserve the canons of our society, and at the same time preserve the character and identity of our country. These institutions should strive to implement the mission and vision of the White Paper, the Reconstruction and Development Programme, and the State President's call for African Renaissance and a rainbow culture. One of the interviewees said, "We do not have conservatories in this country and that is why these institutions should continue to exist. They should be our cultural repositories". He felt that if these institutions were to close down, "We will land into cultural doom and cultural oblivion".

Like other aspects of our society, PACs had to undergo fundamental transformation rather than restructuring to achieve the vision embodied in the

country's commitment to human dignity, the achievement of equity, and the advancement of human rights and freedoms. In this way, they could lay the basis for an exciting, vibrant artistic practice and cultural life in which artists realise their full potential and a better quality of life. Article 27 of the Universal Declaration of Human Rights states that "everyone shall have the right to freely participate in the cultural life of the community [and] to enjoy the arts".

It is also clear that PACs face dual demands for increased participation, driven by demographic and developmental imperatives. On the one hand, there is the socio-political demand for access by larger audiences, especially from population groups and social classes hitherto largely excluded. On the other hand, there is the socio-economic demand for highly trained personnel with a wider ranges of skills and competencies, especially if the requirements of economic development are to be met.

Transformation of the PACs is complex and not clearly defined. It was not originally spelled out what constitutes transformation and what does not. The term seems to have been loosely used. There was no clarity about what was expected of the PACs. As a result the transformation process did not always produce the intended effects. It is necessary to go beyond the documents to acquire a broader understanding of the process. DACST was criticised by the PAC interviewees for not "spelling out" how transformation should be achieved. Clearly, DACST played an important role in specifying the direction of change without insisting on specific solutions. Linked to the capacity to implement transformation policies is "the capacity for strategic policy-making and planning (which) should be the starting point of public sector transformation" (Koster, 1993:5). It is only through the actual implementation of policy that a desired course of action comes to fruition. It was felt that some form of guidelines from DACST would have been useful in this regard.

The realities of transformation include fears, concerns, trends, and initiatives that help or hinder efforts towards transformation. Some of the fears mentioned in the study include the fear of:

- deteriorating standards;
- loss of employment;
- loss of core skills;
- incomplete ownership of the change process; and
- institutional collapse.

Unfortunately, the change process is not smooth even if one is attentive to Lewin's model of change. Changing behaviour at individual and organisational levels means inhibiting learned responses and producing new responses that feel awkward and unfamiliar to those involved. It is all too easy to slip into the familiar and comfortable.

Institutional transformation and other expressions indicating fundamental change do not imply wholesale, indiscriminate, and complete change. Reference to "fundamental change" does not mean "in any and all respects". The literature and empirical findings suggest that if fundamental or even significant change is to occur with any success, some characteristics of the organisation must not change. That is, for an institution or organisation to survive such transformation and eventually prosper, certain fundamentals need to be retained – for example, the organisation's ultimate purpose and key people. The principle here is that for people to be able to deal with complex change which seems encompassing and chaotic, they need to have something to hold on to that is stable.

8.2 OPERATING AS PLAYHOUSES

All PACs have made considerable moves towards becoming playhouses, although the State Theatre changed primarily because of external pressure rather than an internal desire or need to change. It is indicated that the major theatres or

playhouses as they are now termed, that were built and maintained by the apartheid government are battling to remain viable, SATJ (2001:16).

The playhouse concept was often negatively conceived as it inevitably led to subsidy cuts, retrenchments and staff restructuring. These commercial theatres, which have been independently owned and managed, are thriving along with numerous “theatre cafes” and similar “live entertainment” venues which combine food, alcohol and performance.

On the positive side, PACs appeared to be run well as leaner organisations. They also have a wider variety of activities than before. Further, they are trying to diversify their funding base to cope with reduced subsidies.

Accordingly, even where playhouses were functioning adequately, there were insufficient viable performing or production companies to utilise their facilities. Many of their budgets were absorbed for operational costs so that insufficient funds remained to buy in or promote productions by performing companies. As a consequence, there has been an inadequate reallocation of funds from infrastructure costs to artists and performing companies.

MinMac, a forum for Ministers and MECs, recommended that the existing policy of transforming previous performing the infrastructure of arts councils into playhouses should be reaffirmed and implemented. In future, DACST should ensure that new policy directions are spelled out to PACs and see that steps are taken to ensure that everyone co-operates with changes that are to be implemented.

8.3 NEW AUDIENCES AND NEW MARKETS

In many cases, audience development has not brought the desired results. It may be that this responsibility needs to be shared by all partners, including national and provincial government.

Rapholo *et al.* (1999) reported that in some provinces the Arts and Culture government departments were prepared to put effort towards increasing demand for products of the PACs among previously disadvantaged communities. Such willingness needs to be encouraged by meeting regularly and discussing strategies.

Barriers to increased audiences mentioned in the study included high ticket prices, failure by PACs to provide performances that attract diverse audiences, competition from movies and international artists, long distances to the venues, and lack of affordable transport. PACs should invest more time and effort in programmatic marketing. The product being marketed has to appeal to the targeted audience. This would attract a stronger donor and audience base which would result in lower ticket prices.

PACs still have many challenges to face among black audiences if they plan to attract new, diverse audiences. This process will not be achieved overnight and will require resources. I recommend that all PACs should conduct an environmental analysis on a regular basis in order to learn about their audience so that they can reposition themselves in the market.

8.4 STAFF AND MANAGEMENT

Organisational transformation involves more than structural changes. Historically-subsidised PACs had to reflect the broad representivity of the country before being eligible for support, or they had to implement meaningful transformation plans. As a result, relationships had to change dramatically between, *inter alia*, the individual and his career, between colleague and colleague, and between worker and job.

The new organisational structures or organograms at the four PACs embody the transformation from a hierarchical to a matrix structure (see Appendix D). This sort of change means a transformation in structural and power relations. The matrix structure provides a co-ordination mechanism and a means to manage

diversity. It offers a way to counteract the hierarchical structure which limits innovative behaviour. Furthermore, it provides better accommodation for project management and task forces and for the flexible use of human resources (Gerryts, 1995:64).

According to scenarios developed by Deloitte and Touche, all the PACs, with the exception of PACOFS, should have had 42 administrative personnel each by the 1999/2000 financial year and PACOFS should have had 32. In addition, the State Theatre would have had 173 theatre and production staff compared to 154 at Artscape and 116 at PACOFS. As of October 2001, The Playhouse Company and Artscape were confident that their staff numbers were within reasonable limits. In the case of the State Theatre, their staff numbers would increase because they had positions which were not yet filled.

Staff composition was changed in all four PACs to reflect the demographics of the various provinces. All PACs have an affirmative action or employment equity policy in place. However, these are at various stages of implementation. There may be a need to set up a monitoring system for the PACs to see that these are implemented according to policy.

The findings of the study indicate that none of the four PACs made guarantees to staff about the security of employment. They were all terribly concerned about the loss of jobs (See Chapters 4 to 7 for more details.). One of the prerequisites, which was done in good time by all four PACs, was to change the names of the new institutions.

In all probability, transformation should start with an objective introspection by top management. The question which DACST should have asked themselves is whether the form of leadership at PACs is appropriate for a transforming institution. This is because top management, including the Board, must activate and facilitate the process of transformation. For this purpose they need to be true transformational leaders.

8.5 GOVERNMENT FUNDING

Prior to DACST arriving at policy positions regarding the funding of PACs, Deloitte and Touche was commissioned by government to conduct a study into the PACs, to provide activity-based costs for each council, and to consider various options for funding allocations. It is apparent from the study that about fifteen years ago theatre in South Africa was less an issue of economics. Today focus has shifted to that of financial viability.

The *White Paper on Arts, Culture and Heritage* (DACST, 1996) envisaged that the private sector and provincial and local spheres of government would provide funding for the PACs. Although this has happened to various degrees in the different provinces, all PACs felt that the support received in kind or cash was not sufficient in the light of subsidy cuts by national government. What was even more frustrating was that it was left to individual PACs to negotiate with the various partners for further funding. Hence, the government subsidy still accounts for the largest proportion of funding, while provincial support is largely limited to the maintenance of infrastructure. Box office sales remain poor, bringing in an insignificant proportion of income. The Minister of Arts, Culture, Science and Technology, Dr Ben Ngubane, has started engaging provinces about their support.

8.6 NEW FUNDING ARRANGEMENTS

8.6.1 Declining Subsidies

The *White Paper on Arts, Culture and Heritage* (DACST, 1996) stipulated that from 1997 to 1999 the PACs would receive declining subsidies from central government. At the end of this period, government would only subsidise core infrastructure, core staff and essential activities of the PACs.

Declining subsidies are a major problem with which PACs have had to contend in the last few years. In all PACs, interviewees attributed the massive reduction in staff to decreased funding from national government. Positively, it appears that

PACs had become more careful about expenditure. They reported that the declining subsidies had made them realise that they had “to do crisis management all the time”.

The reduction of funding was to be implemented without compromising present activities. It seems that this objective was accomplished; PACs reported that even though there has been a reduction in the subsidies, production standards are not compromised by the limited budget.

In line with the notion of accountability and transparency, DACST has used public funds to cover South Africa’s artists. Hence, there was a need to transform government funding of PACs by cutting the state subsidies of these four PACs in order to channel funds to other artists. A transformed South Africa is judged, *inter alia*, by its effectiveness in delivering services which meet the basic needs of all South Africans. Improving service delivery means redressing the imbalances of the past while maintaining continuity of service to all levels of society, focusing on meeting the needs of the poor and of those who had previously been disadvantaged (DoE, 1996b).

It is necessary to stress that accountability is not a matter of concern only to public functionaries. Every member of the public has to play a part in exacting accountability.

8.6.2 NAC Funding

The National Arts Council was established as a statutory body with the principal task of distributing funds to artists, cultural institutions, non-governmental organisations and community-based organisations.

As documented in the thesis, relations between the NAC and the PACs were rather distant. Ideally, one would have expected the PACs to have formed a close relationship with their provincial representative on the NAC to ensure that their needs were known and put forward to the NAC. Instead, the NAC was criticised

for not having enough funds to service the arts and culture community. This raises questions about how the future administration of the PACs is going to be negotiated between the provinces and the NAC when the three partners at this very late stage are still “worlds apart”. To ensure that the NAC has sufficient resources to achieve its mandate, government has increased funding to the body.

From the reviewed literature on NAC funding criteria, it is evident that the NAC does not fund projects that are aimed at pure entertainment. Furthermore, emphasis is placed on national rather than local importance. PACs so far have focused on the geographical areas in which they work, and it is a challenge for them to begin working on programmes of national significance.

8.6.3 Private Sector Funding

The private sector does not receive the same tax benefits when funding local arts as when they fund international performers. Clearly, government has not yet done enough to try to encourage support from the private sector.

Whatever the reasons for lack of support from this sector, new relationships and strong institutional identities need to be formed. This process will take some time as PACs have to learn how to interact with the private sector. The process may be difficult for PACs as they have previously operated as state-funded agencies and seem to lack the necessary experience to seek partnerships outside of government. PACs should consider focusing more on institutional marketing than marketing individual shows. Institutional marketing is cheaper. Good relationships with the media would earn free publicity. This requires staff in the marketing departments who possess public relations skills and private sector experience, and, where possible and appropriate, commissioning outside agencies to carry out this mandate.

8.7 COMMUNITY OUTREACH PROGRAMMES

Before embarking upon the transformation process, it was envisaged that DACST would fund Community Arts Development components in each of the centres where a PAC was located. The Boards of the PACs would then ensure that the CAD components fulfilled the transformational objectives laid down by the Ministry. Board members' duties include the achievement of transformational objectives and ensuring that the PAC is self-sufficient. Therefore, they have to have knowledge and interest in the arts as well as business management experience. They also need to be familiar with the articles of association of their organisations. The deloitte and Touche activity-based report (1998) indicates that in the 1996/97 financial year the CAD allocation amounted to R9,5 million divided among the PACs. This was increased to R15,5 million in the 1997/98 financial year and to over R20 million in the 1998/99 financial year.

The CAD component consumes more funds than it can generate, an aspect that PACs found ironic in the light of subsidy cuts from national government. For co-ordination purposes, it is important that the CAD component is seen as part of the PACs rather than as a separate entity.

8.8 FORMATION OF NEW PARTNERSHIPS

As stated in the *White Paper on Arts, Culture and Heritage* (DACST, 1996), the prime role of the national and provincial government is to develop policy which ensures the survival and development of all art forms and genres, cultural diversity with mutual respect and tolerance, heritage recognition and advancement, education in arts and culture, universal access to funding, equitable human resource development policies, the promotion of literature, and cultural industries. PACs were unanimous that very little had been done by identified partners to promote arts and culture. For example, the White Paper identifies the need for government to find ways of providing incentives to the private sector through tax rebates to invest in arts and culture. The CEO Forum of the four PACs recommended that if a practical partnership arrangement could not be established

by DACST to ensure the viability of the PACs, then the existing national funding should not be continued at the current rate after the financial year 2001/2002.

8.8.1 Relationships with DACST

From the interviews with DACST officials and with staff at the PACs, it is clear that communication between DACST and the PACs has improved. However, DACST was only vaguely aware of some of the activities of the PACs. It is hoped that communication would be improved through the newly-formed CEO Forum.

Transformation might have been less traumatic if DACST had put in place a forum for regular formal and informal feedback. There are a wide variety of possible feedback mechanisms available – for example, meetings, research, and site visits to the PACs. Shifting responsibility to provinces is another useful strategy.

Despite regarding the role of national government primarily as policy making, PACs still expected some form of support from DACST. There was agreement that DACST should provide resources needed to run the PACs. Resources mentioned included finance and skills development. Some interviewees felt that the arts needed good ambassadors to promote it, and DACST was urged to take the lead in that regard. On the other hand, DACST felt that it could not provide support and maintain an arms length relationship.

This disparity needs to be urgently explored and resolved so that each side knows what to expect from the other. While maintaining the arm's length principle, DACST should set out written guidelines to be followed by all entities funded by it, establishing procedures for proper administration, approval and reporting under strategic plans and budgets.

8.8.2 Relationships with Provincial and Local Governments

To date, provincial support is largely limited to the maintenance of infrastructure. Support from the provinces would be much appreciated as PACs are faced with

maintaining the buildings where they are housed. PACs have no fiscal decision-making powers as far as the provincial budget is concerned, leaving them at the mercy of the provinces every financial year. Provincial government has other arts and culture organisations to look after in addition to the PACs. Most of these organisations do not receive any funding from national government outside of project-based funding from the NAC. Rapholo *et al.* (1999) reported that while PACs did not see any significant contribution from their provinces, provinces spoke of the support that they provided to arts and culture organisations in general.

PACs also reported lack of support at local government level despite the fact that there are many local councils operating within a province. Some councils may absolve themselves of this responsibility if they feel that the PACs are far away from their areas. As PACs are meant to provide a service to a province rather than their physical area of location, it is imperative that liaison with councils be looked into seriously. The problem of distance from the main theatre can be overcome by collaborating with smaller community centres as part of the CAD component or community outreach. In this way, the local council will see direct benefits for its ratepayers.

The deadline to conclude agreements between the three tiers of government – national, provincial and local – in regard to funding the PACs was extended to June 2001. In October, at the time of the interviews, the Minister of Arts, Culture, Science and Technology was reported to be engaging provinces about the matter. One DACST interviewee indicated that provinces are willing to provide support, but put certain conditions for the PACs. As a result the matter is still under discussion. Another DACST interviewee indicated that the national government has taken the stand that in “the event that local and provincial government support for PAC theatres or venues is not forthcoming then they should cease to exist on 31 March 2002”.

The *White Paper on Arts, Culture and Heritage* (DACST, 1996) falls short of indicating how PACs should engage their provinces and local municipalities in this transformation process. There are no guidelines laid down to facilitate the relationship with provinces and local authorities. From the interviews, it was evident that DACST did not have any strategies in place to ensure that provinces subsidised the maintenance of theatres in line with provisions in the White Paper. It was something that each province had to take upon itself.

The fact that fundraising and sponsorship efforts have not been very successful indicates a need for training in this regard. It may be useful for DACST to take the lead in order to make potential funders receptive to suggestions made by the PACs.

8.8.3 Relationships with Production Companies or NGOs

Evidently, in all PACs there was sufficient interaction with NGOs involved in the arts. To become more relevant to the needs of their communities, the need for more collaborative efforts cannot be overemphasised.

While some people saw these NGOs as amateurs in arts productions, others saw them as useful in providing emerging artists with an opportunity to perfect their skills before the “big break” of performing for the PACs. Thus, these NGOs can be used for the development of artists, one of the cornerstones of the transformation of the arts community in South Africa. Furthermore, PACs can form joint ventures with these companies and NGOs on some productions. This collaboration would benefit both PACs and production companies, rather than seeing them as amateurs who are likely to destroy arts and culture in South Africa.

8.8.4 Relationships with the International Community

Relations with the international community seem to benefit the international arts community more than the South African one. It is therefore important how DACST defines co-operation with the international arts community. Furthermore, care needs to be taken in engaging the international community because South

Africa is a diverse society and this has to be reflected in its arts and culture. It is also important that DACST, together with the PACs, should examine why people are prepared to spend so much for international shows but not for local productions.

8.8.5 Relationships with the Provincial Arts and Culture Councils

None of the PACs could comment meaningfully about the PACC's established in each province in accordance with the White Paper, due to the fact that these structures had either been recently formed or had not been formed at the time of the interviews. Even those that had been formed have proved ineffective or unable to channel sufficient funds or other support to entities in their provinces. This is disconcerting as the transformation process should have been completed. The delay in setting up the PACCs may have contributed to the insufficient financial support that PACs receive from the provinces and to the reluctance on the part of provinces to take responsibility for the PACs without guaranteed funding from central government. It should be borne in mind that the PACCs are also responsible for funding other arts and culture organisations in addition to the PACs.

8.9 FURTHER RESEARCH STUDIES

I found the study exciting and empowering, and would suggest further research in the following areas:

- An impact assessment of the introduction of the NAC as a new funding arrangement.
- Evaluation of products offered at PACs to assess to what extent programmes have changed to accommodate previously disadvantaged communities.
- Assessment of public views on the transformation of the PACs thus far – people who live in a community are a rich information resource about the needs, perspectives, and values of community members. As a result, community members in areas where PACs are located might contribute to

assessing the impact of their transformation. They might also provide insight about the implementation of future transformation interventions.

- External and internal environmental analysis of the communities that the four PAC serve.

8.10 CONCLUSION

From the study I conclude that the current state of the PACs in South Africa seems to necessitate urgent amendments to existing policy. PACs should operate in an environmental climate which favours transformation, not only as a perceived necessity but also as a goal that must be accomplished. The environmental climate conducive to ideal transformation emanates from a strong community ethos which influences the institution to reflect the philosophy of the community, and to set for itself clear targets and timeframes for transformation. There can be no effective transformation which is not informed by strategic planning, so there must be actions to propel the institution in this direction. Thorough planning involving discussions which lead to consensus will bring forth true transformation. Transformation must be derived from internal institutional processes, as opposed to external incentives such as transformation in order to qualify for state funding, as has been the case with many institutions.

In short, I conclude that it will be possible for everyone to freely participate in the cultural life of the community by addressing crucial areas such as

- greater access to public funds to support the creation and dissemination of art;
- the development of new markets and audiences;
- increased funding for the arts, culture and heritage;
- the redirection of skills;
- provision of infrastructure to disadvantaged groups; and
- human resource development

Given the ease with which the arts, culture and heritage may be abused for sectional purposes, Wallace van Zyl, (1996) indicates that artists and the general public have to rise above the pettiness of selfish practices.

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APPENDICES

Appendix A
INTERVIEW SCHEDULE

INTERVIEW GUIDELINES: DACST

1. Generally what transformation objectives do you think PACs have achieved? Probe for (becoming playhouses, staff complements, new funding strategies etc.)
2. Broadly what do you think has been the effects of transformation?
3. Were these outcomes (negative and positive) expected by the Govt.?
4. Is the issue of tax rebates for incentivising the sector to fund PACs finalised?
5. If not why not?
5. What has been the effect of reduced subsidies?
6. May I have the state grant figures for the year 00/01?
7. Do you think the time set 1997-1999 for transformation was reasonable? Why?
8. Lets talk about the relationship between the PACs and Provincial Arts Councils in each of the 4 provinces.
9. What is the role and mandate of MINMAC?
10. What is your comment about the relationship between DACST and the PACs, PACs and local and provincial governments?
11. As far as you know, are PACs receiving project funding from the NAC?
12. Do you think the NAC has sufficient funding? What is the operating budget? Has it been increased as it was said to be limited?
13. Other than DACST, who else funds the NAC?
14. Lets talk about redistribution of resources? (probe, the funding opera and ballet reduced so as to channel money into the CAD components)
15. Finally, let us talk about board changes at the various PACs

Thank you for your time

Interview Guideline-PACs

Good day, my name is Kedibone Seutloadi. I am a student at the University of Stellenbosch. I am doing a doing a Masters programme in Social Sciences Methodology and have completed the set coursework. I am currently working on a thesis "*Impact Assessment of the Transformation of the Performing Arts Councils*". In 1999 the Community Agency for Social Enquiry (C A S E) was commissioned by the Department of Arts, Culture, Science and Technology (DACST) to look into the implementation process of the transformation of the four Performing Art Councils. I was one of the researchers who worked on the project and therefore intend taking the study further.

1. Generally what do you understand by organisational transformation?

2. According to your view what was meant by transformation of the PACs?

3. Do you think your organisation has achieved transformational objectives as laid out by the White Paper (probe for objectives e.g becoming a playhouse, affirmative action, formation of new partnerships, audience development, new boards etc.)?

4. Why do you say that?

5. What do you think still needs to be done to achieve them all?

6. Can we talk about how has transformation of the PACs affected your organisation?

7. Do you think your organisation was well prepared and ready to transform? Yes/No

8. Why do you think so?

9. What do you think about the timing of the transformation of the PACs?

10. What are your views about the timeframe that was set (1997-1999) within which the process of transformation had to be completed?

11. What has been your source of funding since the decline in government funding (from 1997-2001)?

12. What fundraising activities have your organisation been engaged in?

Probe whether successful

13. Do you have any suggestions or recommendations regarding future transformation of PACs?

THANK YOU FOR YOUR TIME AND CLOSE INTERVIEW

Appendix B
OBSERVATION SCHEDULES

OBSERVATION SCHEDULES

Organisation: _____

Date: _____

Observer: _____

Show: _____

Time: _____

1. In general terms, describe the audience

2. Who were in the majority? Write most appropriate

Young/old:

Black/white:

3. Make any other comments

-End-

Appendix C
FINANCIAL STATEMENTS

PACOFs financial statements

Income	1995	1996	1997	1998
Grants				
State subsidy	15 523 000	13 864 000	14 540 000	15 408 000
Municipalities	1 268 984	1 070 847	1 249 205	755 219
Interest	1 333 589	1 530 886	2 001 495	1 279 519
Rental of halls & equipment	403 743	414 725	463 188	396 034
Other income	437 549	780 179	545 156	558 897
Total income	18 966 865	17 660 637	18 799 044	18 397 669
Expenditure	17 974 299	15 878 784	17 803 793	18 524 310
Net results of art div.	6 240 039	4 552 856	4 241 831	3 840 367
Theatre running expense	1 176 837	1 165 896	1 379 076	1 444 412
Audience development	891 805	715 636	487 911	212 958
Admin expense	3 263 138	3 603 391	5 029 034	5 628 537
Audit fees	62 610	63 962	64 650	68 500
Development cost of buildings	44 592	1 515	4 743	-----
Production services	5 468 719	5 186 511	5 799 874	6 231 334
Theatre management	392 207	225 282	487 230	487 230
Depreciation	434 352	363 735	277 444	409 944
Donation	-----	-----	32 000	-----
Net surplus	992 566	1 781 853	-----	-----
Appropriation	500 000	-----	-----	-----
Net transfer from reserves	500 000	-----	-----	128 666
Net surplus for year	1 492 566	1 781 853	995 251	2 025

**Business Plan for the New State Theatre
For the 2001/2 Fiscal year**

BUDGETS

Detailed budgets are appended at Appendix A-D.

The following is a summary of these budgets:

Description	R
Rental income from residential property (Appendix D)	82,041
Income from décor and wardrobe hire and workshop and warehouse rental (Appendix C)	163,099
Income from complex management including theatre and office hire and parking garage (excluding electricity charges) (Appendix A)	3,204,146
TOTAL INCOME	<u>3,449,286</u>
Payroll (Appendix B)	7,740,594
Overheads (Appendix B)	2,494,702
Electricity charges (Appendix A)	3,153,542
Structural rehabilitation (Appendix A)	-
Equipment repair (Appendix A)	1,000,000
Service and maintenance (Appendix A)	3,000,000
Repayment of DACST loan	2,998,000
Repayment of arrear electricity bill	2,250,000
TOTAL EXPENDITURE	<u>22,636,838</u>
NET EXPENDITURE	<u>19,187,552</u>
Recommended funding sources:	
DACST	19,187,552
Gauteng Provincial Government	-
Pretoria City Council	-
TOTAL	<u>19,187,552</u>

MTEF BUDGET

DACST	2001/2 R	2002/3 R	2003/4 R
Payroll	7,770,000	8,500,000	9,300,000
Overheads	2,500,000	2,750,000	3,025,000
Overpayment	2,998,000	-	-
Arrear electricity	2,250,000	-	-
	<u>15,448,000</u>	<u>11,250,000</u>	<u>12,325,000</u>
Income	3,448,000	3,750,000	4,325,000
	<u>12,000,000</u>	<u>7,500,000</u>	<u>8,000,000</u>
GAUTENG			
Equipment renewal	1,000,000	1,000,000	1,000,000
Structural rehabilitation	-	-	-
Service and maintenance	3,000,000	3,300,000	3,600,000
	<u>4,000,000</u>	<u>4,300,000</u>	<u>4,600,000</u>
PRETORIA			
Electricity	3,150,000	3,465,000	3,800,000
TOTAL	<u>19,150,000</u>	<u>15,265,000</u>	<u>16,400,000</u>

Artscape financial statements

The table below shows income received over the years

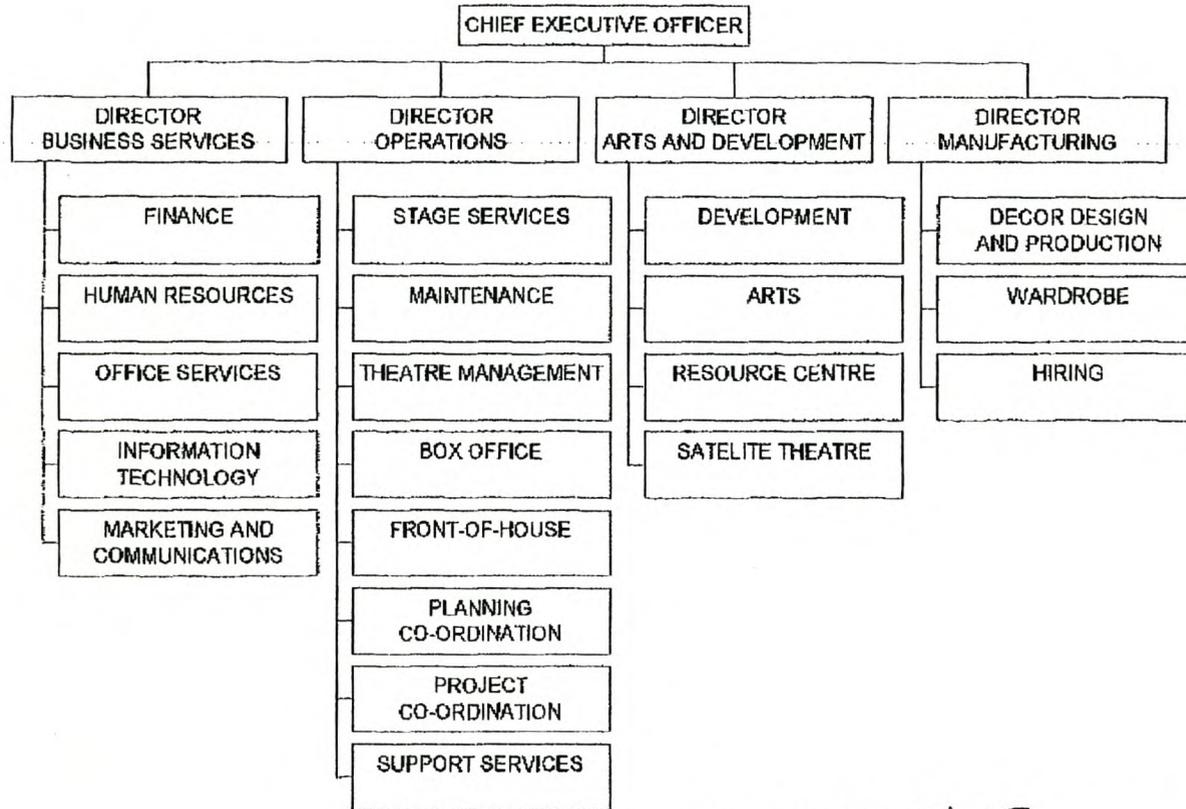
Income	1997/1998	1998/1999
Grants	31 248 859	27 587 000
State subsidy	26 327 000	23 387 000
Provincial govt.	4 920 675	4 200 000
Local authorities	1 184	-----
Box office & other inc.	4 856 084	2 684 687
Opera	1 980 768	1 724 941
Drama	694 454	-----
Ballet	1 858 012	1 449 500
Jazzart	276 024	98 561
Music	217 179	-----
Nico co-presentations	-170 353	-73 037
Outside presentations income	-----	147 722
General income	6 196 306	5 553 794
Total income	42 301 249	35 805 481
Less expenditure	35 418 676	39 572 571
Arts departments	13 945 043	17 209 744
Opera	4 708 365	6 269 018
Drama	1 067 713	-----
Ballet	5 180 272	7 275 320
Jazzart	662 615	1 459 927
Music	328 185	-----
Orchestra	1 997 893	2 205 479
General	18 809 092	20 939 333
Leave	-8 381	186 230
Depreciation	436 563	539 431
Eastern Cape	2 236 359	645 833
Surplus/deficit	6 882 573	- 767 090
Acc. Surplus at 1/04/9	3 017 361	9 899 934
Acc. Surplus at 31/03/99	9 899 934	6 132 844

Playhouse financial statements

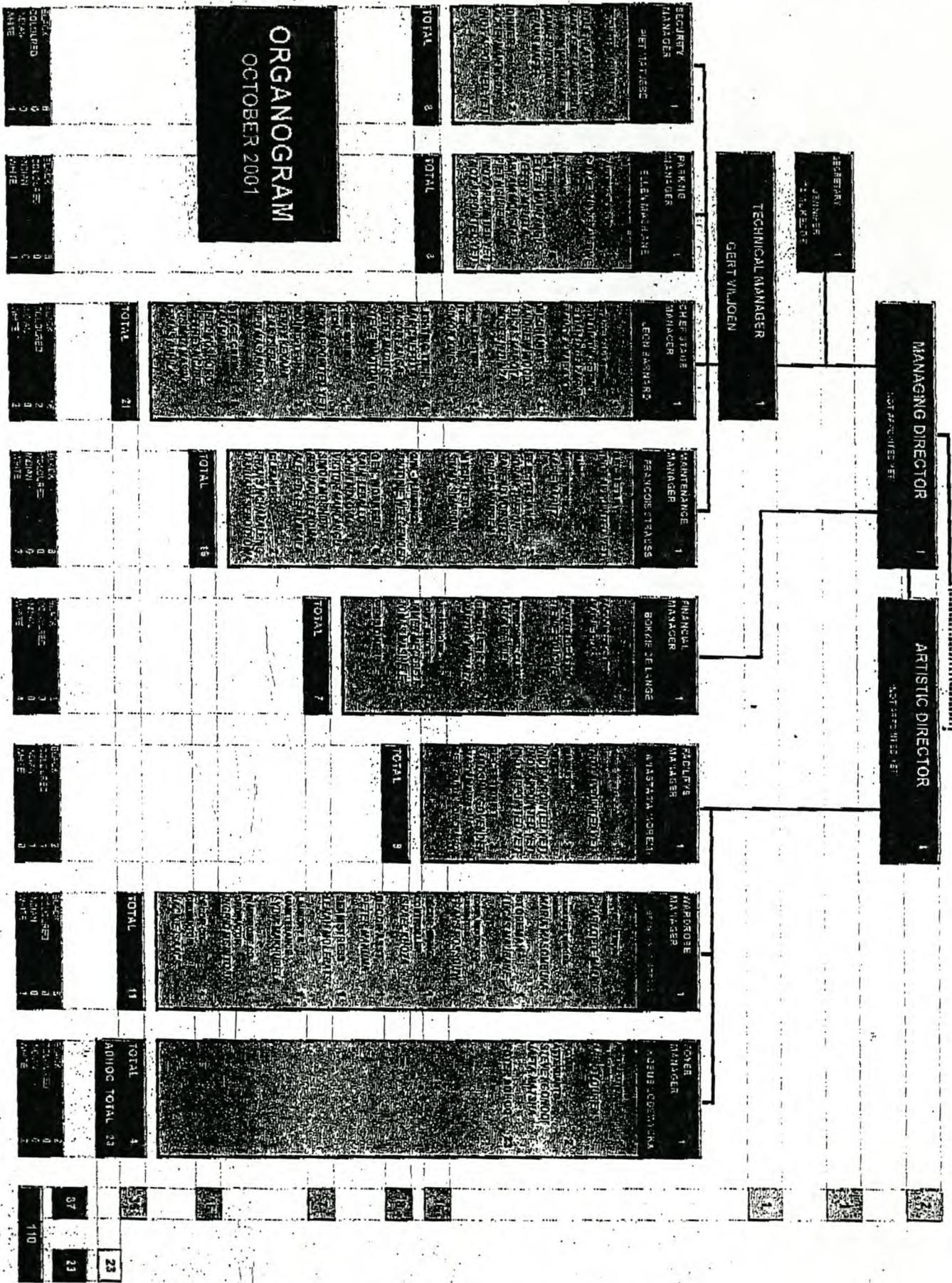
Income	1996/97	1997/98	1998/99	1999/2000
Grants	23 630 872	21 322 100	23 141 740	22 326 000
State subsidy	22 097 000	19 787 000	20 416 000	20 081 000
Durban Metro	1 500 012	1 500 012	2 552 652	1 500 000
PMB City Council	33 860	35 088	138 000	35 000
Other	00	00	00	710 000
Box office	8 430 780	7 932 833	8 493 812	2 184 519
Other income	3 945 263	4 634 727	5 405 774	4 171 111
Total income	36 006 915	33 889 660	37 041 326	28 681 630
Expenditure				
Production costs	21 932 099	19 785 611	19 344 510	00
Production services	4 166 194	3 957 757	3 599 959	00
Natal Playhouse	4 501 391	4 340 438	3 917 685	00
Support services	6 637 068	7 045 622	7 246 687	00
Other expenditure	1 257 910	865 849	2 025 327	00
Total expenditure	38 494 662	35 995 277	36 134 168	28 694 901
Net deficit before transfer	(2 487 747)	(2 105 617)	907 158	435 414
Transfer from reserves	1 000 000	00	00	00
Net deficit after transfer	(1 487 747)	(2 105 617)	00	00
Accum. funds at begin of yr.	4 333 733	2 845 986	740 369	1 647 527
Accum. funds at yr. end	2 845 986	740 369	1 647 527	00

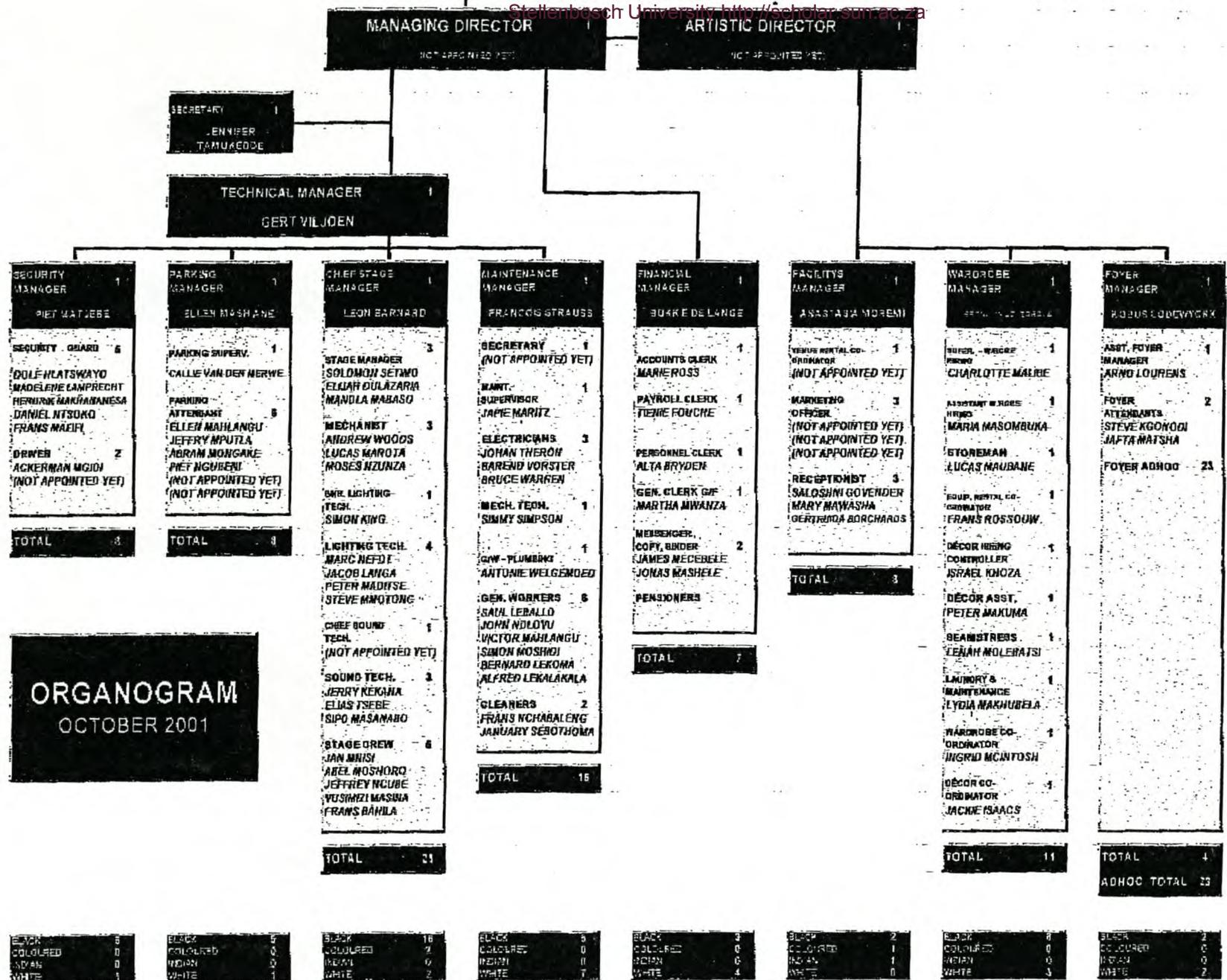
Appendix D
ORGANOGRAMS OF THE FOUR PACS

ARTSCAPE



*Payroll - core staff
- 2 monthly basis*





2
1
1
16
6
7
16
36
23
07
23
110

ORGANOGRAM
OCTOBER 2001

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WHITE	1

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INDIAN	0
WHITE	1

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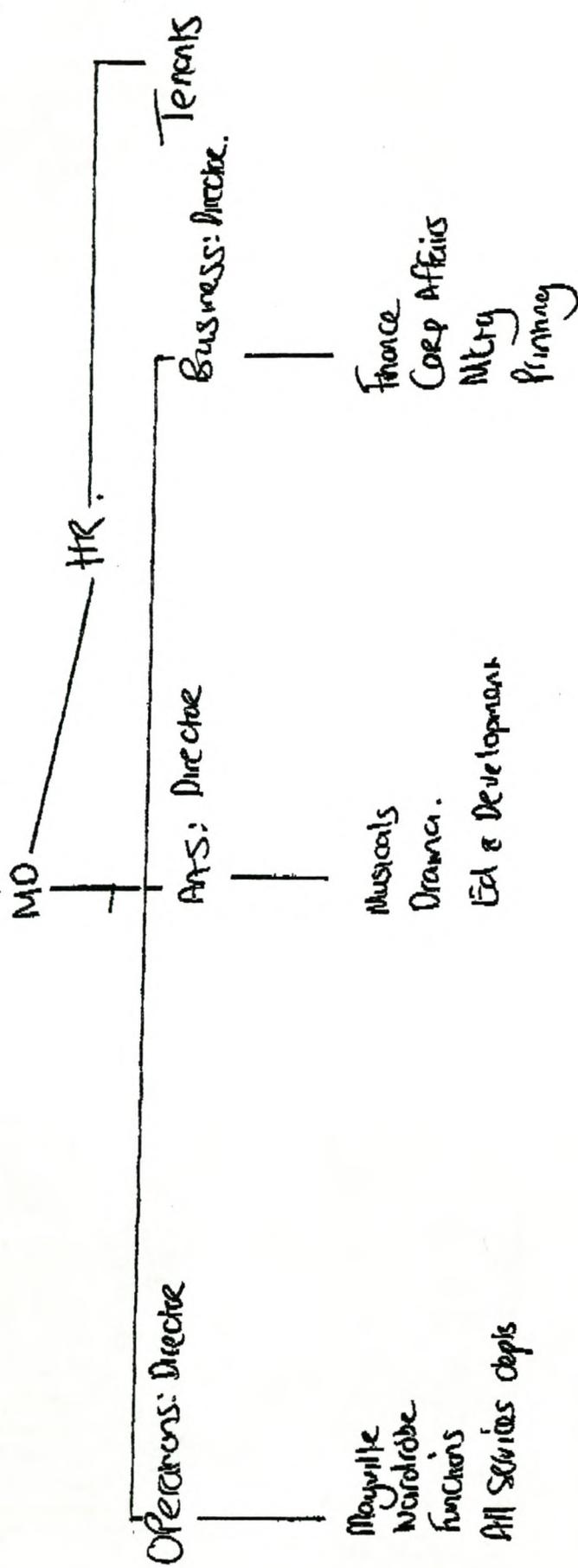
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INDIAN	0
WHITE	4

BLACK	2
COLOURED	1
INDIAN	1
WHITE	0

BLACK	6
COLOURED	0
INDIAN	0
WHITE	3

BLACK	2
COLOURED	0
INDIAN	0
WHITE	2



Alt: Kedibone
From: Michelle
3699476

The MD's secretary cannot find her copy so
I have just rewritten what it looks like.

Appendix E
CORRESPONDENCE

P.O. Box 879

Ferndale

2160

16 July 2001

The Playhouse Company

Managing Director

Mr Ndlovu

Fax: 031 305-3161

Greetings,

I am a student at the University of Stellenbosch. I am doing a doing a Masters programme in Social Sciences Methodology and have completed the set coursework. I am currently working on a thesis "*Impact Assessment of the Transformation of the Performing Arts Councils*".

In 1999 the Community Agency for Social Enquiry (C A S E) was commissioned by the Department of Arts, Culture, Science and Technology (DACST) to look into the implementation process of the transformation of the four Performing Art Councils. I was one of the researchers who worked on the project and therefore intend taking the study further.

I am aware that you are new to the position but I believe that you can make valuable input regarding the "*the impact of the transformation*". I therefore request to have an interview with you sometime this month. The interview

should last for about an hour. I would also appreciate talking to someone in your organisation whom you think can make input on the subject.

Without putting any undue pressure on you I will contact your office early next week as a follow-up to this note. Should you have any queries or need more information please feel free to contact me.

Thanking you in anticipation.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Seutloadi', with a large, stylized initial 'S'.

Kedibone Seutloadi (Ms)

011 462-1135

082 878 8375

**P.O. Box 879
Ferndale
2160**

05 February 2001

**ATTENTION: Michael Maas c/o Berth Gassert
ORGANISATION: Artscape
Fax:021 419-8756**

SUBJECT: Meeting proposal

Greetings,

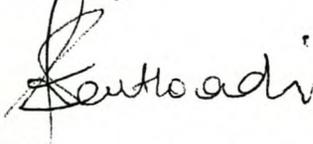
In 1999 the Community Agency for Social Enquiry(C A S E) was commissioned by DACST to look into the implementation process of the transformation of the four Performing Art Councils. I was one of the researchers who worked on the project and therefore intend taking the study further.

I am doing a Masters programme in Social Sciences Methodology with the University of Stellenbosch. I have completed the modules and currently working on a thesis "*Impact Assessment of the Transformation of the Performing Arts Councils*".

I therefore kindly request a meeting with you to generally discuss the impact that transformation has had on Artscape. The meeting would at the most last for an hour. I will be in Cape Town from the 9 February until the 14 February and therefore would appreciate meeting you on any day/time during my short stay in Cape Town.

Thanking you in anticipation.

Sincerely,



Kedibone Seutloadi (Ms)
082-878-8375