

Balances Scorecard as pianist's tool for the implementation and control of business strategies

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Abstract

This qualitative research was based on six case studies of historically world-famous pianists and focused on the early periods of activity of the individual pianists. The research defined the key success factors for pianists at the initial stage of business through the use of the Balanced Scorecard (BSC) model as a strategy for gaining recognition and reputation. The BSC method can enable the pianists to develop their potential and define the ways for them to implement their vision to ensure long-term success.

Keywords: Pianists, key success indicators, balanced scorecard, vision, strategies, image

1 Introduction

Classical music, as part of world and most of all European cultural heritage, is preserved through musicians' live interpretations, in front of audiences, which is why such artistic offerings are always unique. Various American (e.g. Brown 2002; Page 2016), German (e.g. Gembris in Tröndle 2011), Austrian (e.g. Bernhofer in Krämer & Malmberg 2016) and Slovenian (e.g. Bervar Kralj 2002) studies all reveal a declining interest in classical music so it has become yet more important to find ways of increasing audience numbers. In this regard there is the question of whether classical musicians can function also as entrepreneurs. To answer this meant identifying and defining success within the framework of the key entrepreneurial functions (innovation, marketing, financing and networking) for a self-employed pianist. Using a complex methodol-

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ogy to extensively research the business activities of a self-employed pianist showed certain success factors were fundamental in designing the BSC system for pianists.

The article is structured in five parts. The theoretical framework focuses on a presentation of the BSC method as one of the tools used for achieving successful business outcomes. The defined factors for entrepreneurial success are described in the background section and the methodology section shows the methods for defining success factors for pianists as well as the results. The results section shows how the application of BSC method is influenced by the unique characteristics of self-employed pianists. The conclusion features a discussion of and commentary on the values of the method employed within the research.

2 Theoretical framework

A BSC was set up in the beginning of the 1990's at Harvard Business School in the USA, when Robert S. Kaplan (Kaplan & Norton 1992, 1993) and his team tried to establish how to add non-financial indicators next to financial indicators in companies' business reports. According to Schneidewind (2006: 180), who called BSC a management instrument, significant changes in the business environment gradually increased the importance of so-called soft factors, such as co-worker satisfaction, customer satisfaction, motivation, ability to change, flexibility of an organisation etc. Since then awareness has increased about the positive impact of the optimised soft factors on the hard factors (e.g. the scope of financing). Nevertheless, they are all interconnected and show for example that financial-economic indicators based on accounting data and oriented towards the past and the operational activities are not sufficient for future-oriented companies. Such indicators most importantly lack entrepreneurial strategies and non-financial results. Whilst this does not mean that financially oriented indicators are redundant, they must be connected with soft factors according to the needs of a company. Successful development of potential requires the support from all stakeholders to turn strategic designs into practice. A company should follow

one-dimensional objectives, but should consider the existing network of various fields within an organisation and their relationship with the environment.

An effective BSC for measuring success is a model with four dimensions or perspectives² for successful performance: financial, consumer, internal business processes and learning and growth (Rejc Buhovac 2002: 103). According to Kaplan & Norton (1992, 1993), the BSC provides answers to four basic questions: how do we look to stakeholders or how should we appear to our stakeholders to succeed financially (financial perspective), how do costumers see us or how should we appear to our customers to achieve our vision (consumer perspective), what must we excel at or what business process must we excel to satisfy our stakeholders and customers (internal business process perspective), can we continue to improve and create the value or how will we sustain our ability to change and improve to achieve our vision (learning and growth perspective).

These perspectives provide a comprehensive view of successful performance and together with appropriately selected indicators,³ they form a balance needed between the financial and non-financial indicators. According to Schneidewind (2006: 182–183) the core indicators for the customer perspective are customer acquisition, retention and satisfaction. In the field of a cultural activity, the customer perspective could be measured by market-position, creation of an image, increased customer satisfaction, increasing levels of recognition, an increase in loyal customer numbers along with, acquisition of a younger target audience as well as an increase in the number of new customers.

The financial perspective represents the company's economic objectives and the key indicators are the return on investment, profitability, revenue growth, productivity and cost reductions. Whilst the return on

² A perspective can be understood as a thematic selection of objectives, indicators, initiatives and measures that function in the same way and serve as points of reference for the implementation of strategically relevant management criteria (Reichman in Schneidewind 2006: 183).

³ The indicators with different content enable the users to identify the state, or the changes of a state of various important phenomena and can be a result of measurement or evaluation (Pučko et al. 2009: 154–155).

investment and profitability are not important indicators for a non-profit activity, increasing revenues along with searching for new financial sources, provision of financial sources and liquidity, reduction of costs and generation of savings are important to achieving economic objectives.

In terms of the internal process perspective, the focus lies within the core processes important for the achievement of other objectives. This includes for example innovation processes, improvement of internal processes, acceleration of standardisation, reduction of conflicts, and reduction of the time spent for planning, reduction of errors etc.

The learning and growth dimension is linked with personnel, satisfaction of the employees, further education and most of all with the ability to introduce changes. It is connected for example, to expanding knowledge of foreign languages, the share of qualified professionals, the number of new products, the index of improvements, levels of innovations, the quality of services, internal communication etc.

These perspectives are not exclusive and can be changed according to a company's requirements. In establishing objectives, main and partial, their allocation to related perspectives and communication with all stakeholders provides balance and therefore the BSC model is regarded as a "transparent report". Strategic goals in the BSC model context are distinguished by unique company-tailored characteristics, by providing strategy and measures for each concrete perspective and examining strategies for each individual perspective. Defining strategic objectives for each perspective is the starting point in the preparation of a BSC and as the core activity; it has a decisive influence on quality. The definition of objectives includes financial and non-financial indicators, their desired and actual values, and strategic actions to achieve individual objectives as well as deadlines, financial planning and persons responsible for the achievement of an individual objective. The indicators, as in the values of objectives and strategic actions are not separated but are closely connected and establish cause and effect relationships. The chain of cause and effect shows the connection and dependency between key

success indicators.⁴ Awareness about this interconnectivity depends on a mutual understanding of the strategy, which improves teamwork among the management. Strategic objectives can only be transferred if other objectives are achieved. It is the connection of all partial objectives that describes the entire strategy. Due to concrete indicators, the mission, vision and strategies can be presented transparently.

According to Schneidewind (2006: 187), setting up and implementation of the BSC model requires time because it has to be introduced gradually since its effectiveness in a company depends on the quality of its implementation. Each model in a company is unique; therefore, there are no patterns that could be copied. Kaplan & Norton (2000: 323) stress that the indicators are defined around the drivers of the operation and enable the company to achieve the core result indicators. It is therefore necessary to establish the objectives for each perspective in detail, to determine the detailed indicators, to determine the way to measure and present each indicator, to create a graphic model, a diagram of connections between indicators within one of the perspectives and the connections with other indicators or objectives of other perspectives. A strategic diagram of balanced system success indicators (a strategy map) represents a cause and effect connection between key success factors (the factors and the results) and is the most demanding part of the creation of the tools needed for the implementation of the strategy (Pučko et al. 2009: 175–177). It shows a unity of interconnected strategic success factors of a selected strategy. As such, it shows that a BSC system should include partial goals and their indicators, which measure and monitor the implementation of strategic success factors in the organisation's operation. This ensures a successful implementation of a business strategy.

Authors such as Turbide & Laurin (2009), Weinstein & Bukovinsky (2009) and Schneidewind (2006) state that the BSC is suitable for the non-profit artistic sector as well. Turbide & Laurin (2009: 56) stress that

⁴ The key success indicators are activities the organisation must engage in if it is to succeed in reaching its objectives (Weinstein & Bukovinsky 2009: 48). The key success factors can help us select priority fields at the operational level (Pučko et al. 2009: 151).

a substantial number of non-financial indicators are expected within artistic organisations in their BSC system.⁵ Schneidewind (2006: 187–188) stress that non-financial indicators are difficult to measure. A non-profit organization in the artistic sector that wishes to assess the consequences of its management process, must also take account of the interests of artists and cultural policy. A cultural organisation adopts metrics that are based on artistic, cultural and political objectives. The usually dominant financial-economic criteria do not have to be considered as a stand-alone perspective given these criteria are not the prime objective for a cultural non-profit organisation but rather a framework condition. Niven (Weinstein & Bukovinsky 2009: 48) stresses that dependence on financial metrics often leads to an emphasis on short-term decision-making, which reduces the organisation's ability to implement its strategy through long-term investments. Long-term success is predicated upon organisational alignment, a process of linking the organisation's corporate mission, values, vision and strategy with its plans, process and actions. It allows for current operations and initiatives to be viewed in the context of whether they advance the organisation's strategic goals that should be the focus of organisation's management control system and its program of performance measurement. According to Schneidewind (2006: 187–188), a cultural organisation focuses on fulfilling its mission, customer satisfaction, the audience and its resource providers. With the use of controlling services that reveal and measure the organisation's achievements, an organisation can improve the quality of its cultural products and satisfy its customers and resource providers. It needs a management approach that optimises the interests of artistic freedom, artistic quality, economic value and audience satisfaction in any given set of circumstances. The implementation and use of the BSC model are very useful in cultural organisations providing various perspectives supported by a vision and strategies.

⁵ Contemporary models for monitoring the success of performance attach substantially higher importance to the non-financial indicators. The non-financial indicators are physical measurements or descriptive information expressing or projecting the state or the development of a specific studied phenomenon. The non-financial indicators can cover not only the business performance fields but also the critical success factors and some key business objectives (Rejc Buhovac 2002: 161).

Cultural entrepreneurship is an institutionalised form of a cultural life and signifies a unity of interactions between persons and means as well as goods and services with the products offered to the audience in multiple forms. A cultural activity involves a complex system that brings together different competencies and objectives that are broader than initiatives based around a particular artistic work or sector. Numerous cultural activity characteristics originate in the past and as such it is important to be familiar with the historical background to understand it (Heinrichs 2006: 9–10). This is especially important in the field of music including pianists.

3 Background: Pianist success factors

The six case studies of pianists reveal that a pianist's success is linked to implementation of a mission and a vision. At any given time a pianist uniquely serves the art and the humankind; by implementing his mission, he fulfils his vision of an honourable and renowned artist. Even though a pianist's main motivation is artistic self-realisation, he should also take account of economic realities to become financially successful. This requires a broad circle of people as the supporting network. The first members of this network are those involved with initiating the pianist's career so there is a key role played by close family members, teachers or persons who recognise the young pianist's qualities that are the foundation of successful entrepreneurial self-employment. They help the pianist build a network of professional and financial support. An economically successful pianist forms multiple networks⁶ offering ideal and varied types of informal and formal support. Members of the network offer the pianist moral, professional and financial support even before he becomes self-employed. A successful independent artistic and entrepreneurial pathway is nearly always the result of the choices made including the appropriate school and teacher as well as participation at

⁶ In practice, entrepreneurs very frequently receive various resources from the same person, which means that this person is present in the entrepreneur's various sub-networks. A phenomenon that marks intertwining of function within a network is called a multiplexity of entrepreneurial networks (Antončič in Ruzzier et al. 2008: 85).

events such as concerts or competitions where he can be spotted by potential members of the network, resource providers, suppliers of pianos, conductors, artistic directors and agents – in other words, it is the result of successful networking.

Preservation and spreading of an entrepreneurial network are therefore key to achieving success for a self-employed person. It is important to have formal as well as informal connections and receive all kinds of support. An important aspect of the network is the moral support in which parents and teachers are usually replaced by spouses, friends or individual members of a formal sub-network. The need for moral support probably exists because of the nature of pianist's activities involves selling a 'product' that can be sometimes very stressful. Equally a pianist's connections with financial and material support providers are also important. In the past, these roles were carried out by aristocrats as well as wealthy individuals and pianos manufacturers. Nowadays, these roles are exercised through national or local educational institutes, music competition funds, piano manufacturers, well-established record companies as well as the concert agencies that organise a pianist's performances.

A pianist is faced with diverse and strong competition from other musicians and service providers promising a pleasant experience. Therefore, he must be innovative to create competitive advantage as well as to preserve his position in the market; successful pianists constantly innovate their innovations mostly relate to music and aesthetics and show that music industry innovations are not limited just to technologies. These innovations now occur in music aesthetics, legislation, work relations, organisation and structures, job roles etc. Tschmuck (2006: 183) differentiates between technological, social and aesthetic types of innovation in the music industry.

Up until Liszt, innovations related to new styles and shapes in the piano-related literature as well to their interpretations and from his period on, they mainly concerned interpretations of already-known works. The pianists, as professional interpreters, have to continuously create innovative interpretations of the older works within certain stylistic,

cultural and social frameworks to exceed the expectations of music professionals and concert organisers, the audience and resource providers. According to Montparker (1998: 89–90) individual artists differ from each other by certain intangible creative qualities. This "special chemistry" that each individual pianist creates with his interpretation of a composition, is the most important aspect of the performance. In being able to uniquely interpret the work whilst at the same time, staying faithful to the composer's intentions, they can be original and innovative.

The pianist's work is marked also by technological innovations, especially those relating to piano manufacture, as well as recording and computer technologies that continuously encourage them to work harder and search for perfection, to discover musical and aesthetic innovations and to improve their brand. Innovation for pianists is evident in the public relations area, as well as relationships with concert organisers and resource providers. However, the most important are innovations related to products and musical aesthetics. The later are essential for creating a professional style, which a pianist uses to develop his image, a key factor in successful marketing.

According to Borgstedt (2008), a pianist's realm comprises the way he interprets the musical notation, the way he follows, observes and understands the composer's instructions or how he forms his own interpretation, all of which is reflected in a critics' reviews. Apart from his interpretation, these articles also focus on the interpreter's professional style. The generally accepted criteria for defining a professional style are perfection, authenticity and exactness. This professional style is also expressed in the pianist's personal understanding of music and in his way of interpreting a particular composer. It depends on how the pianist understands and reacts to the composer, expressing his mental and emotional world. A pianist's professional style originates from his personality and is an important component of his image. A pianist's image is most often created in the media and by the public in articles that reference his interpretations and professional style. The interpreter's professional world creates attention and a pianist's image is never perfect or complete. It is possible to track the revolving main criteria of interpreta-

tion, professional style, repertoire, awards and honours from music competitions and unique characteristics. To promote sales requires an image of an individual with special characteristics and abilities that are stressed and supported by the media. The media thus has the decisive power in establishing important musical personalities. The pianist's image is an important element of media discourse, suggesting a reality that is a construct depending on the media orientation, socially accepted norms or desired lifestyles. In the end, at a pragmatic business level the users' perspective thus dictates what is successful.

Because musicians are self-employed, there is more focus on the interpretation and on the musician's personality, which has become a constant component of a concert. The important figures in music are outstanding individuals, virtuosos that build strategies to achieve success and financial reward based on the excellence of their abilities and personal characteristics. Business excellence is also closely related to the image of an important personality since it attracts admiration as well as attention (Borgstedt 2008). The pianists in this study enjoyed a lot of attention and have been successful in marketing themselves. Even though they are active in various social frameworks, they selected similar business and marketing strategies to achieve success in their business performance.

In the case of a work of art, it is essential to focus on substantive effects since the audience's response during the performance, comments, reviews, media reports and the feedback from listeners and readers, as well as polemics play an important part. Artistic goals must comply with the audience's needs to ensure the artist meets its goals and satisfies the audience's wants. (Klein 2011: 113). The consumers, i.e. audience, enter the exchange process only after they are certain they gain a benefit whether that be entertainment, education, culture, being part of something, discussions, experience (Schneidewind & Tröndle 2003: 74). Individuals evaluate the advantages of the consumption of culture firstly according to their own aspirations and goals that include the usual expectations and these have been the main motive for attending cultural events since time immemorial. The presence of fine arts, an experience

of creativity and aesthetics can broaden our perspective and affect our minds and feelings. The art shapes our personality, we feel dedicated to beautiful, good and valuable matters. The purpose of art and culture is also entertainment. Providers of artistic activities, especially musicians, compete with other leisure activity providers having an entertaining value that brings relaxation, entertainment and offer a break from everyday life (Gottschalk 2006: 105–107).

An important element for the implementation of the exchange is not the supplier's point of view but the benefit of the product as perceived by the consumer. Marketing thus succeeds if the supplier can recognise the benefit of a product from the listener's point of view. A supplier can address a consumer by using different strategies to present the benefits. The basic benefit, the best possible performance, can be offered by using the strategies relating to the quality of, and aiming offer the best possible, performance. Cultural services also offer social benefit since nobody likes to sit in an empty concert hall even if attending an excellent event. Specific social context is important. A concert should be perceived as an event one has to be at (Klein 2011: 110). This could be achieved by using an appropriate image strategy, by striving for artistic quality, reflected in international recognition, reputation and popularity, which is the main task of each pianist. In order to establish oneself in a very competitive international market it is necessary to plan the acquisition and maintenance of a market or to develop strategies for entering and positioning on the market.

Tours are one of the usual ways of implementing a concert activity and involve strategies of market penetration and market development strategies. At the same time, there are also differentiation strategies to help pianists gain recognition and reputation and establish their image. Up until the 19th century pianists such as Mozart, Beethoven, Liszt were also composers, developed new products and new interpretation. This strategy of developing products enabled them to satisfy their audience and increase their popularity. From the 20th century onwards pianists, who were only interpreters, developed their market by carefully selecting their audience including important musicians and potential support-

ers. This strategy had been used by their predecessors who performed for important aristocrats and focused on building their reputation and recognition. Development of the market and products are the usual strategies used for positioning in existing or new markets, while a pianist often retains his audience by also adapting to their current wishes even though this means that he does not strictly follow his original vision and mission.

It is also important for pianists to perform in important musical centres and at prestigious locations. The market penetration strategy enables them to successfully position themselves on the market provided they have good teachers. They then play in front of important, critical audiences to build their reputation. In the past, if a pianist wanted to enter the market it was important that he was proclaimed as a prodigy with enormous musical talent. A contemporary pianist's entrance to the market now involves winning an important competition. Competition, involving a strategy for relationships with competitors, used to be an important way of acquiring reputation and recognition from music professionals and public. While winning a competition might represent a key factor for entering the market and positioning on the market today, it is artistic quality, reputation and recognition that are the main goals of each pianist. These strategies enable differentiation and formation of an image that in the longer run can bring competitive advantage and as a consequence financial success.

A pianist has to consider, budget and monitor the financial as well as non-financial factors of his activity to forecast and monitor his business success. He can plan to achieve objectives and define them in a business plan to determine its vision and mission, and using a SWOT analysis, assess opportunities and threats of its market activity and his own strengths and weaknesses. He can set up strategies and tactics to successfully use opportunities, avoid failures, realise one's potentials and eliminate weaknesses. In relation to this, a pianist can decide about the sale by areas and market segments, a desired figures of monthly incomes, product policy, price policy and promotion activities. Once he

projects his operating costs and expenditures, he can create a financial plan.

One of the most difficult tasks for a self-employed pianist is to discover revenue sources and scope, to assess operating costs and ensure liquidity and to generate savings. Revenue generated in the market usually includes revenue from concerts of various organisers, revenue from self-organised concerts, income from teaching or financial awards from competitions. At the beginning of a career, when a pianist begins to establish himself, revenue is usually small and irregular so he looks for additional source of financing. A musician can apply for funds at various foundations, sponsors and donors as well as for public sources at a national, regional or local level. Each source has its own logic and rules. An artist must find out which sphere is the most suitable one for him at a given moment in time and has to use an innovative way to obtain financing since the competition is strong despite his recognition and reputation. Therefore, the BSC model shown below was prepared and focuses on the implementation of a strategy for gaining recognition and reputation as the key success factor of a self-employed pianist.

4 Methodology

The content of this paper is a part of a larger qualitative research on the business aspects of a self-employed pianist activities. A qualitative approach was chosen because of the nature of the research content and the problem under consideration. The research strategy was a phenomenologic case study suitable for the study of the business aspects of the activity of a self-employed pianist. On the one hand, a deductive research approach was used for studying existing material on entrepreneurial activities and the cultural or artistic sector. From this it was therefore easier to form a baseline research model and to integrate the findings in the framework of the existing knowledge in this field. On the other hand an inductive approach was used to define the business

aspects of pianists by implementing a secondary analysis or the analysis of the material.

In the analysis the focus was on a smaller number of pianists i.e. Mozart, Beethoven, Liszt, Rubinstein, Buchbinder and Lang Lang. In order to assess the problem, information on their implementation of business tasks was gathered in the actual socio-economic environment. The study focused on early periods of activity of individual pianists, ten years before self-employment and ten years after self-employment. The reason for this is that the pianists usually start to implement their activities early on in their life including education, and attending master courses, taking part in competitions and performing in public to build their reputation and establish themselves on the market.

Further, historical-biographic and historical-comparative methods for the collection and analysis of the information on the activity of the pianists in the past were used. The data was obtained mainly by studying the relevant literature and other written sources on individual pianists and events that had had an impact on their activity, by studying documents such as letters, biographies, concert programmes, books of pianists' contemporaries and younger authors. Secondary data from web sources was used as well. The study also included contemporary pianists provided they were deemed to be successful and there was sufficient data available about their work. The data was compared and differentiated in order to establish the business operation of successful self-employed pianists. Business aspects of their activity were evaluated with a qualitative analysis of the content, which is important for the analysis of texts, newspaper articles, reports, speeches, discussions etc. The last phase of the qualitative analysis involved interpretation of the selected, organised and analysed data and the presentation of the findings. The analysis and the interpretation were used for the definition of the key factors that have an impact on business performance of pianists.

In such a research process, defined success factors helped in the design of the BSC method. As an illustration, all studied pianists Mozart, Beethoven, Liszt, Rubinstein, Buchbinder, Lang Lang attended various competitions and were awarded or recognised as important musicians.

Mozart, Beethoven and Liszt were attending "competitions" in improvising. Rubinstein, Buchbinder and Lang Lang won prizes in international competitions. These were the ways to gain recognition and reputation. Such competition results were selected and employed as critical success factor. Placement at an international competition was a goal and the name of the competition and results an indicator in the review of a pianist's objectives and indicators in terms of learning and growth. Thus it follows that victories in competitions were placed in the learning and growth perspective of the strategy diagram. Similarly, other reviews of a pianist's objectives and indicators for all four perspectives of the BSC model were designed and considered in a strategic diagram of a pianist with a strategy for gaining recognition and reputation.

5 The results: BSC for pianists

A study of innovation, networking, marketing and financing of pianists employed as micro-entrepreneurs, revealed that even though they function on their own, it is possible to create a model of their entrepreneurial activity. The BSC model can be used within the individual areas of work to determine key success indicators and establish a cause and effect connection between them according to the perspectives included in a model. A self-employed pianist works on his own and therefore plans, coordinates and implements all the activities planned in the BSC. The basic elements for setting up a BSC are a theoretical base for the model, knowledge about the activity of other self-employed pianists and especially about their successful or unsuccessful strategies for achieving objectives, knowledge about the broader environment, and clear own vision and mission.

It is important how a pianist develops his potential and how he will perform for his customers to fulfil his vision. He has to know which strengths to use to satisfy business partners and how to approach finance providers in order to obtain financing. All four perspectives in a pianist's BSC are thus important; customer perspective, financial per-

spective, learning and growth perspective and business processes perspective.

The stories of successful pianists show that all areas of work include the main and critical goal to become an established and renowned artist. A successful pianist builds his reputation in all areas that helps him enter the market more easily, gives him access to other sources of financing, and collects satisfactory income. The learning and growth perspective (table 1) includes outstanding performance and other functional knowledge that facilitate and improve communication and access to information. How to attain outstanding performance and which indicators are used for its measurement? Firstly, by taking music lessons provided by excellent pianists during regular education and by attending master classes. The quality of performance is also assessed by other excellent musicians at competitions. A pianist's reputation and recognition can also increase after public performances at important locations and after receiving positive reviews. The strategy for gaining reputation can be better implemented if a musician is familiar with non-musical knowledge and skills that facilitate communication and access to important information. He can reach these partial goals if he speaks foreign languages, knows how to use a computer, as well as cooperates and socialises with people from other professions, mainly lawyers and economists. From the internal business processes point of view (table 2), a pianist should form a programme and create his own interpretation. These artistic qualities are important components of his image. A pianist's public image, reputation and recognition are also affected by his way of communication with customers, resource providers and the media, by his accuracy, reliability and politeness. The critical factors of a successful operational process are innovativeness in the design of a product and in public relations.

<i>Critical success factors</i>	<i>Goals</i>	<i>Indicators</i>
Education at renowned schools under renowned professors	Excellent performance	Schools and professors
Participation at master classes	Excellent performance	Successful auditions in front of excellent pianists
Good competition results	Placement at an international competition	Name of the competitions and results
Positive reviews	Reputation and recognition, possibilities to perform	Number of reviews received and their content, number and place of performances
Knowledge of foreign languages	Effective communication	Active knowledge of at least one global language
Computer skills	Effective communication, information	Mail, the internet, music and non-music programmes
Acquisition of new members of the network	Effective communication, information and other benefits	Benefits from the network, names of members and their number

Table 1: Review of a pianist's objectives and indicators in terms of learning and growth

Source: Goličnik (2015)

<i>Critical success factors</i>	<i>Goals</i>	<i>Indicators</i>
Own interpretation	Pianist interpreting a specific composer or having a specific style of playing	How often is this recognised by the professional public (media publications)
Innovativeness in the programme	Specific programme, something different, new	How often is this recognised by the professional public (media publications)
Effective communication with customers, interesting presentation – CV, fast responsiveness, nourishment of contacts	Possibilities to perform	Number of performances, invitations to other events...
Effective communication with resource providers, interesting presentation – CV, nourishment of contacts	Acquisition of funds	Volume of funds, frequency of financing
Effective media communication	Publications in the media, reviews, interviews	Regular, occasional, type of media...
Effective communication in the network	Possibilities to perform, obtain funds, appearances in the media	Benefits from the network, names of members and their number

Table 2: Review of a pianist's objectives and indicators in terms of business processes

Source: Goličnik (2015)

A pianist's market strategies reveal what is important for his reputation and recognition in terms of customers (table 3). He uses the strategies to raise the attention, obtain, preserve and attract more audience. The audience expresses its satisfaction by regular attendance at concerts, in its reaction on a pianist's concert and by bringing others to his concerts. In the past, it used to be important for the pianist to be proclaimed as a prodigy. Today we use the term "young talent" although many people still prefer the term "Wunderkind". Activities and performances in important music centres, where a pianist can be heard by persons that can offer him new options for performing, and access other financial sources, was a success factor of all important and successful pianists. Results at competitions and media publicity can raise the attention of the professional as well as of the general public, increase the possibility of performing and recording, attract the attention of the audience and potential agents. Selection of a programme, cooperation with piano manufacturers and publicity work are ways to gain recognition, reputation and creation of an image also in the eyes of potential buyers.

Assessment of successful implementation of marketing strategies for gaining reputation and recognition is a very demanding task for a pianist. If a pianist organises concerts by himself, the financial effect is an indirect criterion of loyalty and satisfaction of the audience. If he is invited by organisers to perform, the criterion can be the price and the frequency of performances. The greater the reputation and recognition of a pianist, the more income will be generated in the market. More performances lead to increased recognition by the audience as well as by record labels, piano manufacturers and agents who usually later on take over the marketing function.

<i>Critical success factors</i>	<i>Goals</i>	<i>Indicators</i>
Satisfaction of the audience	Concert visits	Number of audience, profit
Satisfaction of the organisers	Concert visits	Achieved price
	Possibilities for further performances	Number and frequency of performances
	Scope of publicity	Concert announcement, reports
New audience	Visit of the event	Number of audience
Interest from recording houses, piano manufacturing companies, agents, critics; new members of the network	Recording offers	If yes, how many?
	Offers for cooperation	Terms and conditions for cooperation
	Critiques published in the media	Number and nature of reviews

Table 3: Review of a pianist's objectives and indicators in terms of customers

Source: Goličnik (2015)

Practice shows that at the beginning of a career the income generated on the market is not sufficient to cover all costs and present an inappropriate payment. A pianist must therefore search for additional financial sources. This is when reputation and recognition play an important role. The criteria of recognition and reputation are critical from the point of view of learning and growth, business processes and marketing and are used by public and other financial resource providers in the allocation of funds. If a pianist does not have sufficient additional sources of financing and does not build appropriate reputation and

recognition, he is sometimes forced to adapt to specific audience, which is not always in line with his mission. Non-compliance of strategies with the vision and mission brings failure in the longer run and this is why artists need additional financial sources for implementing their vision. It always takes a lot of time to obtain public funds or funds. This is why the income perspective has to be planned for a longer period to avoid illiquidity.

In terms of finances, it is very important for a pianist to create an appropriate range of revenues to cover costs and to have appropriate payments. The growth in revenue is therefore a key factor in financial success. It is also important for a pianist to have enough funds available to settle current obligations. Business performance results and liquidity are affected by the acquisition of other financial sources and careful management of assets that are important factors of financial success as well. Financial indicators determined in a business plan are the criteria for monitoring and evaluating performance from the point of view of finances. These are presented in the table 4. Acquisition of additional finances usually refers to individual projects. Financial projections that are set up for longer time periods can be also prepared for bigger individual projects. This happens very often in case of pianist who is preparing thematic concert cycles or recordings. A BSC model prepared for each project enables a pianist to monitor and evaluate a project and it is also important when a pianist applies for public or other funds since the resource providers usually request a submission of the project's evaluation.

Even though a strategic diagram of an organisation usually created in a company for the BSC model, might not be necessary in case of a self-employed person, this article tries to establish the critical factors in a cause and effect relationship and create a strategic diagram for the application of the strategy for gaining recognition and reputation (figure 1).

<i>Critical success factors</i>	<i>Goals</i>	<i>Indicators</i>
Revenue growth	Achieved planned volume of revenues	Generated revenues in the market
	Acquisition of additional sources from public funds, sponsorship and donations; new members of the network	Source, volume and frequency
	Money awards	How many, sources
Cost management and liquidity	Revenues exceeding expenditures	Actual values regarding the projections in the profit and loss statement in the business plan (annual revenues and expenditures, monthly revenues and expenditures) Sources for financing
	Liquidity	The actual available value regarding the projected balance sheet and cash flows (annual volume of cash flows)

Table 4: Review of a pianist's objectives and indicators in terms of finances

Source: Goličnik (2015)

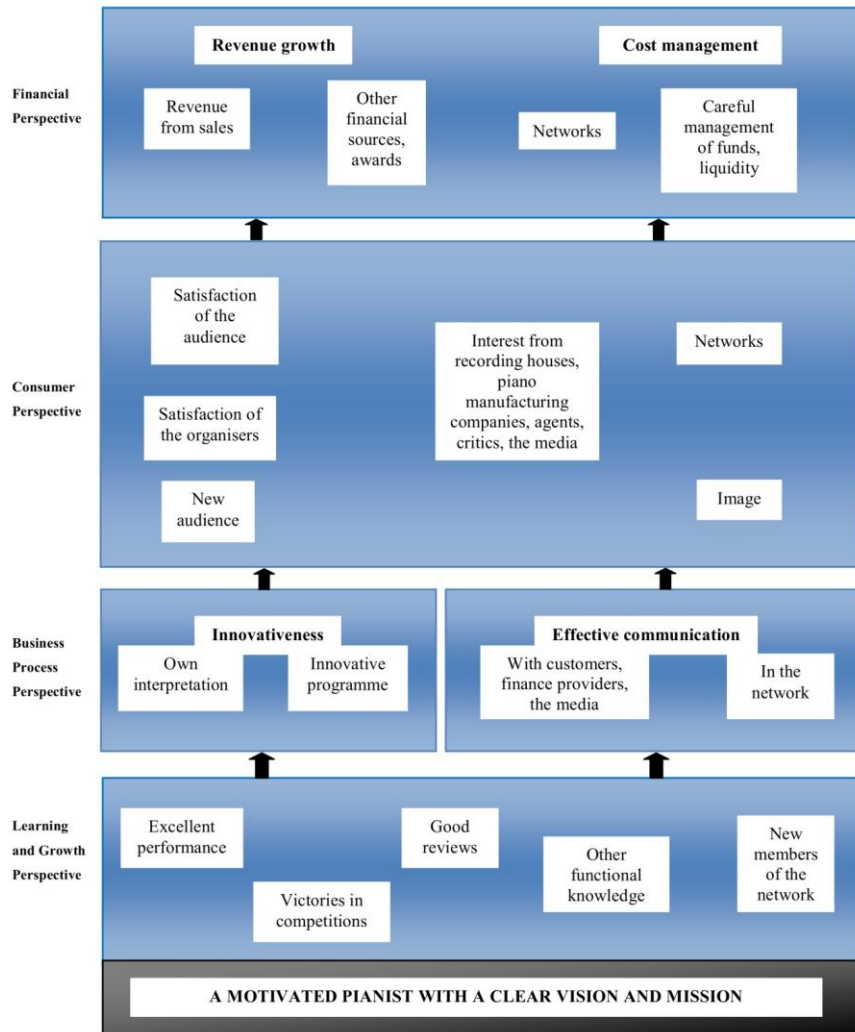


Figure 1: Strategic diagram of a pianist with a strategy for gaining recognition and reputation

Source: Goličnik (2015)

The diagram shows key success indicators in a cause and effect relationship and is therefore an important tool for a pianist. It offers him guidance in individual circumstances so that the consequences of his activity are favourable in terms of all business perspectives. It shows how the implementation of a strategy from one perspective affects the key success indicators from other perspectives of business activity.⁷ For example, a good placement in a competition enables a pianist to enter the market and at the same time attracts the attention of critics. In terms of finances, this enables him to access other financial sources, apply for public funds, possibly find a new donor or sponsor and consequently a new member in his network. Similar connections can be found for each factor and indicator since the diagram is based on the results of a comprehensive study of business perspectives of a pianist's activity that revealed key success indicators of business performance. An example of a BSC for pianists underlines the implementation of the strategy of gaining recognition and reputation as the key success indicator of a self-employed individual – a business novice.

6 Conclusion

This paper focuses on a model of an entrepreneurial activity of pianists in the initial phase of self-employment. Schneidewind (2006), Weinstein and Bukovinsky (2009), Turbide and Laurin (2009) supported the arguments that the BSC model is useful for the cultural and arts non-profit sector. The model shown and commented within this paper thus represents a step forward since key success factors for business activity of pianists were defined and explained, and accordingly a Balanced Scorecard model was designed for a self-employed pianist – a novice in the business. This model enables a pianist to develop his potential and define the ways in which he wants to perform for his customers to fulfil his vision. A pianist can decide about the areas in which he has to excel to

⁷ Some authors also show all of the connections in a diagram. The present article does not include such a diagram since it would not be transparent because of the substantial number of connections.

meet the expectations of his business partners and how to approach finance providers to obtain funds. All four perspectives in a pianist's BSC thus play an important role – customer, financial, learning and growth and business perspective. The pianist's main and important objective is to become a renowned and established artist. He builds his reputation in all areas of operation and the reputation helps him enter the market, access other financial sources and generate satisfactory income.

The model includes success factors, determined by individual perspectives that proved in cases of the studied pianists to be the decisive factors for the acquisition of reputation, recognition, glory, successful entrance on the market and generation of income. The model is effective only if the objectives are measurable, so that a pianist can monitor when and to what extent they are met. In this way, he evaluates the selected strategies. This is why an exact definition of indicators is the most difficult part in the creation of the model. It is difficult to express the non-financial indicators in numbers since, for example, an award at an important international competition is worth as much as several awards won at the competitions that are not among the top ones according to the professional public. The situation is similar in terms of reviews and publications on the media. It is important who writes a review and which media publishes it. It is also necessary to carefully consider the evaluation of the effectiveness of the communication with the media and resource providers since the achievement of that objective strongly depends on external factors that are difficult for a pianist to foresee. Definition and monitoring of financial indicators also represent a demanding task for a pianist since he has to learn about the budgeting, determining the time frame for financial realisations. It is difficult to make accurate projections because of mixed financing.

In the postmodern society, where classical music is in competition with other musical genres, most of all with the pop culture the majority of young people identifies with, young classical musicians are faced with numerous challenges when they want to build their public image in an innovative way. The BSC model can thus be of great use for musicians. This model could be established as a model for monitoring networking

or innovation strategies, in a similar way as it is made for the strategies for gaining recognition and reputation. Similar cause and effect relationships would definitely reveal similar key success indicators. Even though this paper focuses only on pianists, since their work includes rather specific characteristics in comparison to other musicians, the guidelines for those at the beginning of the career would be useful for other musicians or artists as well.

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