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## PREGLEDNI NAUČNI RAD / OVERVIEW SCIENTIFIC PAPER

# STRATEGIC MANAGEMENT AND COMMUNICATION PROCESSES: CULTURAL INSTITUTIONS PREFERENCE

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**Abstract:** *This paper analyzes organizational structure, managerial practices, and challenges in performing arts management, with a focus on the Croatian National Theatre in Zagreb (CNT in Zagreb). The aim of the research is to examine the impact of contemporary managerial and communication strategies on the development of Drama, Opera, and Ballet, and to identify key aspects influencing the professional and artistic progress of employees. The research is based on a combination of qualitative and quantitative methods, including literature analysis, case studies, and a survey conducted among theatre professionals. The results of the research indicate the need for more structured managerial approaches, improvements in organizational communication, and a systematic professional development of employees, which could significantly contribute to increasing the efficiency and sustainability of theatre institutions. It is concluded that strategic reorganization and the implementation of contemporary management models can positively impact working conditions, corporate communication, team dynamics, and the long-term sustainability of performing arts in Croatia.*

**Keywords:** *Strategy, management, communication, performing arts, market.*

**JEL classification:** *Z11, M12, L82*

## INTRODUCTION

The performing arts, including Drama, Opera, and Ballet, represent a crucial segment of the cultural industry that requires specific managerial and communication approaches. Managing these institutions involves challenges related to the organiza-

tion of artistic, technical, and administrative staff, while internal and external communication plays a key role in their successful operation. Work motivation is a fundamental element of human personality that drives various forms of actualization and is inseparable from organizational behavior. In the context of performing arts management, employee motivation directly influences professional development, creativity, and operational efficiency within the organization (Gacin, 2013).

Furthermore, communication in theatre institutions is crucial for coordinating among various stakeholders—artists, technical staff, management, and the wider public. Special emphasis is placed on internal communication, which shapes organizational climate and employee satisfaction. In most companies in Croatia, management processes are not systematically developed or are at a very low level, relying primarily on inspiration and intuition, which can have negative consequences for the long-term sustainability of the organization (Šupuković, 2019).

The subject of this research is the analysis of managerial and communication strategies in theatre institutions, with a special focus on the organizational structure and management challenges at the Croatian National Theatre in Zagreb (CNT in Zagreb). The aim of the research is to determine to what extent modern management models can contribute to the improvement of organizational processes, professional development of employees, and the long-term sustainability of theatre institutions.

The research is based on a combination of qualitative and quantitative methods. The qualitative segment involves literature analysis and case studies of relevant theatre institutions, while the quantitative part relies on a survey conducted among theatre professionals. Empirical data includes responses from employees and external collaborators of the Croatian National Theatre, analyzing perceptions of working conditions, opportunities for professional development, team dynamics, and organizational support.

The fundamental hypothesis is H0: “The modernization of management models and the implementation of more structured communication strategies can improve the professional development of employees, optimize work processes, and increase the operational efficiency of theatre institutions.”

The final section of the paper presents conclusions and recommendations for improving management in the performing arts, emphasizing the need for more structured managerial approaches, the enhancement of organizational communication, and systematic professional development for employees.

## LITERATURE REVIEW

Existing literature on performing arts management emphasizes the complexity of management, which requires a balance between artistic autonomy and administrative and financial challenges (Baumol, 1966). Studies show that the key to successful management of theatre institutions is the ability to align artistic excellence with economic sustainability (Throsby, 1994). Additionally, professionals in the theatre industry face unique stressors, requiring specialized support systems to preserve professional development and work motivation (Boatright, 2010). This section of the paper provides a comprehensive review of relevant studies on the organization of theatre institutions, management strategies, and employee professional development programs.

Emotional intelligence is a key characteristic of leaders, as it allows for better awareness of one’s emotions and their impact on others, resulting in more effective

leadership. Research increasingly reveals the connection between emotional intelligence and leadership abilities (Northouse, 2015). A democratic leadership style emphasizes employee involvement in decision-making, improving team collaboration and ensuring continuous communication. Unlike autocratic leadership, here the leader collaborates with the team in planning and decision-making (Valčić, 2024). Theatre reviews did not challenge management or the quality of artistic work but highlighted certain communication challenges within the organization (Agid, 2010).

Corporate communication, along with marketing and management, shapes strategic communication plans, thus becoming a key part of the management structure (Tomić, 2008). This review connects strategic management and communication processes in cultural institutions, emphasizing the importance of emotional intelligence, democratic leadership, and effective communication within organizations.

### **MANAGEMENT IN PERFORMING ARTS**

Management in performing arts requires complex organizational and managerial strategies that integrate effective communication, team collaboration, and innovative leadership models. Successful collaborative leadership models in artistic organizations are based on continuous and structured communication, openness to discussion and evaluation of ideas, with attention focused on common goals and developmental processes. These approaches are key to optimizing team dynamics within Drama, Opera, and Ballet at the Croatian National Theatre in Zagreb (CNT in Zagreb), where communication and coordination across various artistic and technical segments play a crucial role in achieving a high level of professional and artistic development of employees (Reid, 2022).

Furthermore, management practices that focus on building relationships and trust through regular communication and negotiation strategies can create an environment conducive to innovation (Reid, 2022). Within CNT, this may reflect the need for more clearly defined organizational roles, improved collaboration between departments, and the establishment of systems for continuous education and professional development. Given the complexity of a theatre organization, it is essential to implement effective management processes that include strategic planning, communication, and analysis of key performance indicators (Brocke, 2014). The integration of modern business process management methods, such as Six Sigma and scorecard techniques, could improve operational efficiency and long-term sustainability of theatre institutions.

Additionally, cultural and artistic institutions increasingly emphasize participatory and collaborative work models, which, through dialogue and idea exchange, can significantly impact the awareness and creative development of participants (Hristova, 2015). In the context of CNT, this approach could contribute to greater integration between the artistic and managerial segments of the organization, creating space for innovative approaches to artistic production and management.

Finally, open communication between management and employees has been shown to be crucial for the successful operation of organizations, especially in environments with geographical or functional fragmentation (Certo, 2015). Standardization and improvement of communication channels within CNT could facilitate coordination across different departments and contribute to more efficient management of the performing arts.

The results of this research indicate the need for more systematic managerial approaches, strategic restructuring, and strengthening of organizational communication to increase the efficiency and sustainability of theatre institutions in Croatia.

Managing cultural institutions involves planning, organizing, leading, and controlling activities that enable the realization of artistic programs. Key challenges in this sector include financing, organizational structure, audience development, and adapting to modern technological solutions. Special emphasis is placed on the development of human resources as a key success factor for cultural institutions. Continuous investment in education, skill development, and professional advancement of staff is necessary to maintain dynamic cultural development and preserve and promote cultural identity at the national and international level (Zelić, 2024).

Herzberg's research "The Motivation to Work" (1959) used the Critical Incident Technique (CIT). The study asked participants to describe a moment or incident when they felt good or bad at work. The results showed that people are dissatisfied with poor working conditions and external job characteristics but are rarely satisfied with good working conditions, which Herzberg called hygiene factors. They are more satisfied with intrinsic aspects of what they do, called motivators. Co-authors Bernard Mausner and Barbara Snyderman had a significant influence on all stages of the research. The results pointed to the misconception of measuring these two groups of factors on the same continuum and the fallacy of a "general" average satisfaction measure. "The Motivation to Work" and the hygiene-motivation theory that arose from it, along with many subsequent studies, sparked further research (Herzberg, 2017). Summarizes the first ten repetitions of the study in *Work and the Nature of Man* (1966), while the article "Once Again: How to Motivate Your Employees?" (1968), the most widely printed article in the history of *Harvard Business Review*, offers a summary of twelve repeated studies. These studies, together with many others, confirmed the existence of two independent groups of factors found in *The Motivation to Work* (1959). (Herzberg, 2017).

Empathy is highlighted as a key component of effective communication and leadership in theatre institutions. According to research, it not only improves interpersonal relationships and team collaboration but also contributes to the long-term sustainability of work processes. It is emphasized that modern organizations increasingly rely on empathetic approaches to employment and employee retention, noting that the ability to understand and act in accordance with others' emotions enhances work efficiency and communication competence. Furthermore, research shows that empathy positively correlates with the perception of fairness within the organization, better job performance, increased communication competence, and a greater propensity for pro-social behavior (Kinicki, 2021).

The application of emotional intelligence principles in managing theatre institutions is also crucial for the development of successful organizational strategies. Active listening, awareness of non-verbal communication, and the ability to adopt different perspectives are essential for improving the work environment and decision-making effectiveness. Research also indicates the importance of adapting communication styles and strategies to the specific characteristics of the audience, employees, and other stakeholders in the theatre community (Kinicki, 2021).

Organizational structure is a key factor in determining how individual and team efforts are coordinated and how resources are distributed within an organization. Spe-

cialization represents an organizational element that defines the degree of task division into separate work positions. A higher degree of specialization often leads to greater efficiency in performing specific tasks but may reduce employee flexibility. Formalization refers to the degree to which employee behavior is directed by explicit and codified rules and procedures. A high degree of formalization contributes to the standardization of work processes but may limit creativity and employee autonomy. Centralization refers to the degree to which decision-making is concentrated at the highest levels within the organization. In highly centralized systems, key decisions are made by top management, whereas in decentralized systems, decision-making authority may be delegated to lower management levels, enabling quicker adaptation to changes in the environment (Rothaermel, 2023).

Note that In many companies in Croatia, management processes are not systematically developed or are at a very low level, relying primarily on intuition and inspiration instead of structured managerial methods. Since theatre institutions share many similarities with creative industries, it is clear that the application of modern management methods can improve operational efficiency, employee professional development, and the long-term sustainability of the performing arts sector (Šupuković, 2019).

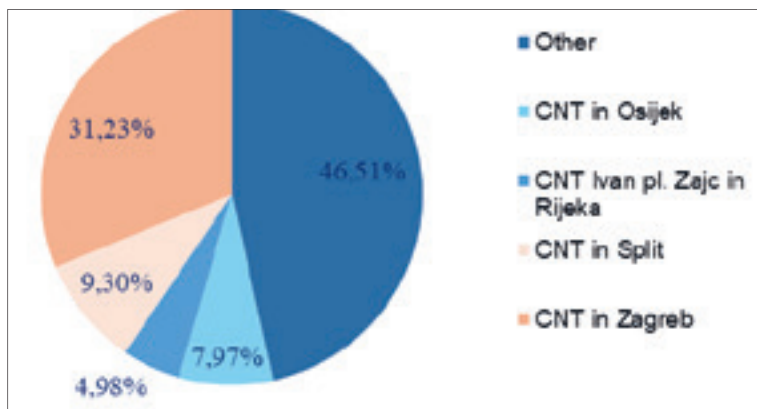
A review of the literature clearly shows that effective management in cultural institutions is the result of a combination of rational managerial strategies, corporate communication, and specific artistic needs. The connection between artistic creativity and organizational structures is crucial for the development of theatre institutions, and future research should further explore how different managerial models can contribute to the professionalization of the performing arts sector.

## RESULTS AND DISCUSSION

1. How would you rate the quality of working conditions in the institution where you work, including the availability of equipment, rehearsal space, and technical support?
2. Are resources and programs available to help manage stress and preserve your mental and physical well-being?
3. To what extent does your organization provide opportunities to participate in professional development programs that contribute to your professional and artistic growth?
4. How would you describe the quality of interpersonal relationships with colleagues and superiors within the organization?
5. Do you believe that your working environment fosters team collaboration and provides a supportive atmosphere for professional development?

**Analysis of Collected Data:** This analysis provides insight into the response patterns of participants to a questionnaire consisting of six questions with ratings ranging from 1 to 5 (1 - Strongly Disagree, 2 - Mostly Disagree, 3 - Neutral, 4 - Mostly Agree, 5 - Strongly Agree). Descriptive statistical analysis will cover statistical indicators such as the average rating, standard deviation, median, as well as correlation analysis among the responses.

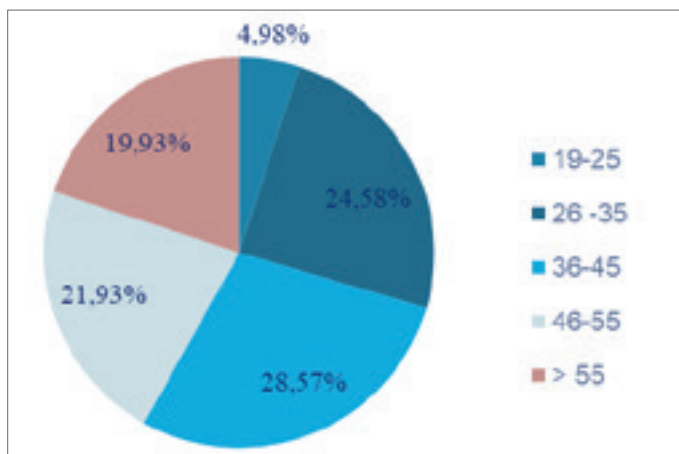
The study involved 301 participants, who are employed or were part of organizational production projects in various cultural institutions of performing arts and belong to different age groups.



**Figure 1:** Sample Distribution by Theatres

Source: Processing of author in MS Excel based on data obtained from the questionnaire

Of the four theatres listed in Figure 1, the highest percentage comes from the Croatian National Theatre in Zagreb (CNT in Zagreb) with 31.23%, followed by the Croatian National Theatre in Split (CNT in Split) with 9.3%, the Croatian National Theatre in Osijek (CNT in Osijek) with 7.97%, and the CNT Ivan pl. Zajc in Rijeka with 4.98%.



**Figure 2:** Age distribution of Respondents

Source: Processing of author in MS Excel based on data obtained from the questionnaire

Figure 2 shows the age distribution of respondents in five age categories, with the largest share in the 36 to 45 years group (28.57%), while the smallest share is in the 19 to 25 years group (4.98%). The other groups are evenly distributed with shares of 24.58% (26-35 years), 21.93% (36-45 years), and 19.93% (55 years and older).

Table 1 presents the statistical indicators related to employees' perceptions of professional conditions and support within their organization. It displays average responses, median, standard deviation, as well as the values for kurtosis and skewness. The questions cover the availability of resources for professional development, mental



and physical well-being support, opportunities for participation in professional training, and relationships among employees.

**Table 1:** Professional Conditions and Support in the Work Environment

Questions	Average	Median	Standard deviation	Kurtosis	Skewness
Do you believe that your organization, or the one you have collaborated with, provides sufficient opportunities for professional and artistic growth and development?	2,75	3	1,18	-0,95	0,06
How would you assess the quality of working conditions in the institution where you work, including the availability of equipment, rehearsal space, and technical support?	2,69	3	1,15	-0,79	0,15
Are resources and support programs available to you for stress management and maintaining mental and physical well-being?	2,30	2	1,25	-0,66	0,62
To what extent does your organization enable participation in professional development programs that contribute to your professional and artistic growth?	2,03	2	1,15	-0,68	0,73
How would you describe the quality of interpersonal relationships with colleagues and superiors within the organization?	3,68	4	0,98	0,24	-0,65
Do you believe that your work environment encourages teamwork and provides a supportive atmosphere for professional development?	3,21	3	1,17	-0,58	-0,37

Source: Processing of author in MS Excel based on data obtained from the questionnaire

Data analysis from the table shows that employees have divided opinions regarding working conditions and the availability of resources for professional development. The average ratings range from 2.03 to 3.68, indicating moderate satisfaction, but also room for improvement.

The best-rated aspect is the quality of interpersonal relationships, with a score of 3.68, while the lowest-rated aspect is the opportunity to participate in professional development programs (2.03). The standard deviation suggests some variability in the responses, while skewness and kurtosis indicate that the distributions of answers are not entirely normal, which may suggest the presence of different groups of respondents with different experiences.

**Question 1:** Do you believe that your organization, or the one you have collaborated with, provides sufficient opportunities for professional and artistic growth and development?

This part of the analysis presents respondents' answers regarding the availability of opportunities for further growth and development. Table 2 displays the responses in percentages by category, along with calculated statistical measures.

**Table 2:** Descriptive Indicators for the Question on Opportunities for Professional and Artistic Growth and Development

I completely disagree	18,27%	Average	2,75
I mostly disagree	24,25%	Median	3
I am undecided	28,24%	Standard deviation	1,1
I mostly agree	22,92%	Kutosis	-0,95
I completely agree	6,31%	Skewness	0,06

Source: Processing of author in MS Excel based on data obtained from the questionnaire

Here, we observe a relatively low average (2.75), suggesting that most responses were not in the positive range. The median is 3, meaning that half of the respondents considered the situation to be somewhat better than negative. A skewness close to 0 indicates that the responses were symmetrically distributed. The kurtosis of -0.95 suggests that the responses were more moderate and evenly distributed, without a strong presence of extreme values.

Table 3 below presents the levels of employee satisfaction across different theaters. The results show variations with certain regional differences.

**Table 3:** Distribution of Employee Satisfaction by Theater

Theater	1	2	3	4	5
<b>CNT Ivan pl. Zajc in Rijeka</b>	6,67%	33,33%	46,67%	13,33%	0,00%
<b>CNT in Split</b>	35,71%	28,57%	28,57%	3,57%	3,57%
<b>CNT in Osijek</b>	37,50%	29,17%	20,83%	8,33%	4,17%
<b>CNT in Zagreb</b>	14,89%	28,72%	23,40%	26,60%	6,38%
<b>Other</b>	14,79%	18,31%	30,99%	28,17%	7,75%

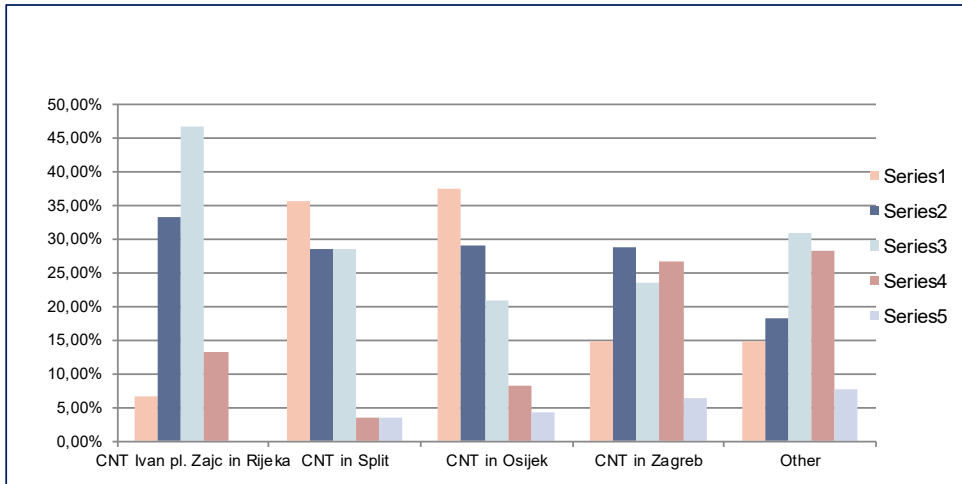
Source: Processing of author in MS Excel based on data obtained from the questionnaire

The research shows different levels of employee satisfaction across institutions. The highest percentage of dissatisfaction is present in CNT in Osijek and CNT in Split, while CNT Ivan pl. Zajc in Rijeka has the highest percentage of satisfaction with a rating of 3. CNT in Zagreb shows a more even distribution of ratings but also a lower percentage of extreme satisfaction.

To provide a more intuitive insight into the distribution of employee satisfaction, the percentages from Table 2 are also visually presented in **Figure 3**.

Figure 3 confirms variations, with an emphasis on regional differences. CNT in Zagreb shows moderate levels of satisfaction, while CNT in Split and CNT in Osijek have a higher percentage of dissatisfied employees.





**Figure 3:** Distribution of Employee Satisfaction by Theater

Source: Processing of author in MS Excel based on data obtained from the questionnaire

**Question 2:** “How would you assess the quality of working conditions in the institution you work for, including the availability of equipment, rehearsal space, and technical support?”

This part of the analysis examines how employees perceive their working conditions, with a particular focus on the availability of equipment, rehearsal space, and technical support. The results indicate a negative or slightly negative perception, suggesting that there are challenges in providing optimal working conditions.

**Table 4:** Descriptive statistics for responses to the question about the quality of working conditions

Very bad	18,27%	Average	2,69
Bad	25,58%	Median	3
Average	31,23%	Standard deviation	1,15
Good	18,60%	Kurtosis	-0,79
Very good	6,31%	Skewness	0,15

Source: Processing of author in MS Excel based on data obtained from the questionnaire

The average (2.69) indicates a somewhat negative perception of working conditions, while the median suggests that most responses are closer to a neutral rating. Skewness is 0.15, indicating a slight shift toward higher ratings, but still an overall negative impression. This data can also serve as a starting point for improving infrastructure and support for employees.

**Question 3:** “Are resources and support programs available to you for managing stress and maintaining mental and physical well-being?”

Respondents evaluated the availability of programs and resources that help them maintain mental and physical well-being. Following table provides insight into

the general opinion of respondents regarding the availability of these resources, which may indicate potential shortcomings in current programs or the need for improvements.

**Table 5:** Descriptive Statistics of Respondents' Attitudes toward Resources and Support for Stress Management

I completely disagree	35,55%	Average	2,30
I mostly disagree	23,92%	Median	2
I am undecided	22,26%	Standard deviation	1,25
I mostly agree	11,30%	Kurtosis	-0,66
I completely agree	6,98%	Skewness	0,62

Source: Processing of author in MS Excel based on data obtained from the questionnaire

The average score is low (2.30), and the median is 2, which means that most respondents feel they do not have enough support for stress management. A skewness of 0.62 indicates that most responses are clustered towards the more negative end of the scale. Only a small percentage of respondents (18.28%) feel that resources and support are sufficiently available, suggesting a need for improvements in support programs to enhance participant satisfaction and well-being.

**Question 4:** “To what extent does your organization provide opportunities for participation in professional development programs that contribute to your professional and artistic growth?”

Respondents rated the extent to which their organization allows participation in such programs. The results of the table provide insight into employees' attitudes toward the availability and quality of these programs, which can help understand attitudes toward professional development and highlight areas where improvement is needed within the organization.

**Table 6:** Descriptive Statistics of Attitudes towards Opportunities for Participation in Professional Development Programs

I completely disagree	46,51%	Average	2,03
I mostly disagree	19,93%	Median	2
I am undecided	19,27%	Standard deviation	1,15
I mostly agree	12,29%	Kurtosis	-0,68
I completely agree	1,99%	Skewness	0,73

Source: Processing of author in MS Excel based on data obtained from the questionnaire

The results in the table indicate that most respondents believe their organization offers very few opportunities for professional development. The average (2.03) is very low, and the median is also 2, which indicates the perception that the organization provides very little training or support in this regard. Skewness of 0.73 shows that most responses are skewed toward the negative side. The results suggest a significant need for improvement in this area to increase professional development opportunities for employees.

**Question 5:** “How would you describe the quality of interpersonal relationships with colleagues and superiors within the organization?”

Respondents assessed their relationships with colleagues and superiors, providing insight into the atmosphere and dynamics within the organization. This data can indicate how interpersonal relationships within the organization affect the work environment and employee satisfaction.

Table 7 displays descriptive statistics of respondents’ attitudes regarding the quality of interpersonal relationships with colleagues and superiors within the organization.

**Table 7:** Descriptive Statistics of Attitudes towards Interpersonal Relationships with Colleagues and Superiors within the Organization

I completely disagree	2,99%	Average	3,68
I mostly disagree	7,97%	Mediana	4
I am undecided	25,91%	Standard deviation	0,98
I mostly agree	44,19%	Kurtosis	0,24
I completely agree	18,94%	Skewness	-0,65

Source: Processing of author in MS Excel based on data obtained from the questionnaire

Here, we have positive responses, with an average (3.68) and median (4) suggesting that most respondents have a good relationship with their colleagues and superiors. The skewness is negative but not to a large extent, meaning that the responses are generally skewed towards the more positive outcome. Kurtosis of 0.24 suggests that most respondents provided moderate to positive responses, without too many extreme ratings. The results in the table indicate that the majority of respondents have a positive opinion about interpersonal relationships within the organization.

**Question 6:** “Do you believe that your work environment encourages teamwork and provides a supportive atmosphere for professional development?”

Respondents assessed the extent to which they believe their organization supports collaboration and development within the team. This data can indicate stronger or weaker aspects of the work atmosphere and potential areas for improvement.

Table 8 shows the descriptive statistics of respondents’ attitudes regarding whether their work environment encourages teamwork and provides a supportive atmosphere for professional development.

**Table 8:** Descriptive Statistics of Attitudes towards Work Environment and Team

I completely disagree	3,62%	Average	3,21
I mostly disagree	7,45%	Median	3
I am undecided	30,71%	Standard deviation	1,17
I mostly agree	38,06%	Kurtosis	-0,58
I completely agree	20,17%	Skewness	-0,37

Source: Processing of author in MS Excel based on data obtained from the questionnaire

The average score (3.21) and median (3) suggest that most respondents feel they work in a supportive team, though perhaps not in an exceptionally positive environment. The skewness of -0.37 indicates that the responses lean toward lower ratings, but not to a significant degree. The results from the table suggest that most respondents believe their work environment provides a supportive atmosphere for teamwork and professional development, but with moderate views.

The overall perception of professional development, working conditions, and stress management resources is negative, with low ratings and several indicators pointing to dissatisfaction in these areas. However, relationships with colleagues and superiors, as well as the team environment, were rated significantly better, suggesting that the work environment in terms of interpersonal relationships and team support is more positive.

The survey questions cover various aspects of the work experience, such as opportunities for advancement, quality of working conditions, access to resources for stress management, training programs, relationships with colleagues and superiors, and the overall team atmosphere.

To better understand the connections between these factors, a correlation analysis was performed between the responses to the questions asked. The results of this analysis are shown in Table 9.

**Table 9:** Correlation between answers about various aspects of the work experience

	Question 1	Question 2	Question 3	Question 4	Question 5	Question 6
Question 1	1					
Question 2	0,35	1				
Question 3	0,25	0,36	1			
Question 4	0,38	0,26	0,37	1		
Question 5	0,36	0,16	0,18	0,21	1	
Question 6	0,50	0,29	0,22	0,36	0,65	1

A correlation coefficient of 1 indicates a perfect positive relationship between two variables, meaning that changes in one variable directly cause proportional changes in the other. This implies that the variables move together in a consistent and predictable manner. Additionally, the correlation of a variable with itself is always 1, as any change in the variable inherently reflects in its own value

Source: Processing of author in MATLAB based on data obtained from the questionnaire

There is a strong correlation between relationships with colleagues and superiors and the feeling of working in a positive and supportive team environment (questions 5 and 6 – correlation 0.65), suggesting that better interpersonal relationships often go hand in hand with a better team environment. Additionally, a moderately strong correlation was observed between a positive and supportive team environment and conditions for further career growth and development (questions 6 and 1). These correlations suggest that certain factors, such as interpersonal relationships and the team environment, can significantly impact overall work experience, employee satisfaction, and perceptions of future growth and development.

## CONCLUSION OF RESEARCH ANALYSIS

The research conducted among employees of the Croatian National Theatre in Zagreb and other relevant performing arts institutions identified several key factors that influence working conditions, professional development, and organizational dynamics within the performing arts sector. The analysis of the collected data provided insights into existing challenges and defined potential strategic directions for improving management practices.

The research results indicate the heterogeneity of working conditions, with infrastructure capacities and technical support being recognized as key limiting factors for artistic and operational work. Working conditions were rated with an average score of 2.69, with the standard deviation suggesting a relatively uniform distribution of responses. The lack of modernized equipment and logistical difficulties may negatively impact work motivation and the quality of productions.

Professional development of employees emerged as one of the most critical segments, with low ratings regarding the availability of educational programs and systematic professional development. Respondents expressed relatively low satisfaction with available professional development opportunities (2.75), while training programs received an average score of 2.03, indicating a significant deficit in the provision of educational opportunities. Despite occasional mentorship initiatives and international collaborations, the results suggest the need for institutionalized models of professional development that would contribute to artistic excellence in the long term.

Interpersonal relationships and team dynamics were perceived as relatively positive aspects of organizational climate, with an average score of 3.68 for interpersonal relationships and 3.21 for the team environment. The analysis of correlation data showed a strong relationship between relationships with colleagues (Question 5) and team cohesion (Question 6), with a correlation value of 0.65. These data suggest that the quality of work relationships significantly contributes to the perception of professional opportunities and organizational satisfaction.

Stress management and employees' psychological well-being represent a significant challenge, with a pronounced lack of formal support mechanisms. Psychological support and resources for stress management were rated with a low average score of 2.30, while the skewness (0.62) indicated a larger number of negative responses. Implementing mental health programs and psychological support systems could significantly improve the work climate and reduce the negative effects of production pressures.

In conclusion, the research indicates the need for a systematic reorganization of management and communication practices in cultural institutions. The integration of modern management models, strengthening professional development, and improving organizational communication are key prerequisites for the long-term sustainability and artistic excellence of performing arts in Croatia.

## CONCLUSION

The research results highlight the need for a more systematic approach to management and communication in theatre institutions of the performing arts. Improving professional development, enhancing working conditions, and strengthening internal communication mechanisms can significantly contribute to employee satisfaction and efficiency. The study also emphasizes the importance of adapting to contemporary

trends in cultural management to ensure the long-term sustainability of these institutions. Furthermore, it is recommended to implement management models that support flexibility, innovation, and team collaboration, as well as more active use of digital platforms to optimize communication and the management of performance processes.

### **Suggestions for Further Research**

*Further research could focus on:*

*The impact of digitalization on the organization of work in theatre institutions. The development of specific management models tailored to the performing arts. The analysis of audience and marketing strategies in the performing arts. The psychological aspects of working in theatre ensembles and strategies for maintaining artists' mental health.*

*Comparative analysis of management models in different European theatre institutions. This paper underscores the necessity of a systemic reform in management within the performing arts to ensure the long-term stability and development of this important segment of the cultural industry.*

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