

COMPETITIVE PAPERS SUBMISSION

*The 23rd Industrial Marketing and Purchasing (IMP) Group Conference, Manchester,
United Kingdom, 30 August – 1 September 2007*

Full Paper

**Towards a typology of interpersonal relationship development:
The International Art Market**

Contact author: Dr Finola Kerrigan

Lecturer in Marketing

Department of Management

King's College London

150 Stamford St

London

SE1 9NH

Email: Finola.kerrigan@kcl.ac.uk

Dr Susan Freeman

Senior Lecturer

Department of Management

Monash University

Email: Susan.Freeman@buseco.monash.edu.au

Towards a typology of interpersonal relationship development: The International Art Market

Abstract

The international art market is a mature market and as such provides an interesting venue for the exploration of the roles played by business and social relationships in shaping this market. Following Hallen (1992) and Maniela (2007), this paper explores the operation of managers in the visual arts in terms of the network of relationships within which they offer. Drawing on Bourdieu (1998), the importance of social and cultural capital in governing these relationships and relational levels is explored. Six life history interviews were conducted with artist managers in Melbourne, Australia which focused on the relational networks to which they belonged. The findings led to the development of a initial four level typology of interpersonal relationship development in the international art market. Overall, movement between the four levels and adding on or removing a level is carefully focused around favours, exchange of tacit knowledge and loyalty and such movement is often dependent on the symbolic capital of the individuals involved in this exchange. The research showed that relationships are not static and are geographically specific, in line with Hallen's (1992) work and that the need to acquire, or the possession of, social and cultural capital plays an influencing role in moving relationships from one level to another.

Key words: Art, relationships, social and cultural capital

Introduction

There is growing interest in the role of social and business relationships within the marketing and international business literature in recent years. This can be seen as a result of the breakdown of organisational boundaries and changing nature of work which has impacted across a range of business sectors (Batt and Purchase, 2004). More organisations are now outsourcing elements of their activity and a range of new business sectors have been established which are built around network models. This networked model of business is clearly evident in the creative industries. These networks have been characterised as geographically as well as sectorally based. Such developments have drawn attention from fields such as organisational studies, human resource management, marketing and sociology (see Blair and Rainnie, 2000; Grabber, 2004; Grabher and Ibert, 2006). In focusing on the international art market, this paper proposes a typology of interpersonal relationships which will provide new understanding of their role and impact on the formation of the art market and artistic practices.

The international art market is fertile ground for exploring issues of interpersonal and interorganizational relationships (Hallen, 1992) within the context of the wider industrial marketing management literature. Just as business networks and social relationships have been attracting increased attention in the literature, the visual arts is also attracting attention from marketing and management disciplines. There is an increasing focus on art enterprises as business organisations. Fraser (2000) characterised the artist and craftsperson as a one person business and explored their organisational development and identity in relation to their art practice. Kottatz et al. (forthcoming) has studied corporate art collections, analysing the interplay between the corporation as art collector and the art market. Schroeder (2005) has examined the artist as a brand. Researchers such as Fillis (2004a, 2004b), O'Reilly (2004) and Rentschler (2002) have tried to redefine marketing theory in order to provide useful frameworks for the analysis of marketing the arts or creative industries. This developing literature firmly locates discussions of the artist and the art market within the business and marketing literature.

The art market is indeed a global market and is a key site for investors (see Kottasz et al. forthcoming). In February 2007, in one four day period, London based auction houses, Christies and Southebys saw sales of \$578 million (Ash, 2007). Three key defining characteristics of this market are its international nature, the centrality of interpersonal and interorganizational relationships and its location at the centre of the creative industries. Maniela (2007) identifies micro and meso level relationship interactions which are in evidence in the relationships observed for this study. Bourdieu's (1998) theories of capital also provide a (macro) level of analysis. In adopting macro, micro and mezzo level analysis, this study will explore the impact of the wider social environment on the development of the personal and interorganisational networks and the individual artist's practice within this networked structural field.

In recognition of the importance of personal and business relationships in this field of practice, this paper will examine Mainela's (2007) classification within the context of Bourdieu's forms of capital. Bourdieu used life history interviews as a method of understanding the interplay of different forms of capital and this method was also employed in this research. Relying on Hallen (1992) and Maniela's (2007) classification of levels of interpersonal relationships, the paper aims to answer the following two broad questions. How do managers in the international art market make business relationships more personal and personal relationships more businesslike? What is actually enough to transfer a relationship to another level, or add a new level, or remove a level from a relationship? This will require an analysis of the role played by social and cultural capital in shaping interpersonal and interorganizational relationships within the international art market. The paper is structured as follows: First, the different forms of capital; social, cultural and symbolic, and the main theoretical framework, network theory, are discussed in the context of extant literature.

Following on from this, the research methodology is detailed. Six life history interviews were conducted with Australian visual artists in Melbourne in 2007. The interviews traced the development of their artistic practice over the course of their career. The two broad questions are posed in order to move towards the formulation of a typology of interpersonal relationships in the context of the international art market. Due to the global nature of the art market and the synergies between the visual arts field of practice and other emerging enterprises, these relationships are heavily dependent on interpersonal and interorganizational relationships. The findings from this study may be applied across a range of similar industries. Suggestions are made in the conclusion for further empirical research in a range of national and regional contexts. Policy recommendations will also be made which can be applied to this and similar contexts within which the research took place.

Networks and business relationships

The body of work related to networks and their role in business relationships has been growing over the last number of years, especially in the area of corporate collaboration and the various forms of partnering and interorganizational networks (Möller and Svahn, 2006; Gulati and Zajac, 2000). Other fields include economic sociology, industrial network theory, organization studies, and strategic management (Gulati et al., 2000). In addition, there are several perspectives of networks which incorporate social networks, self-organizing interorganizational networks, and those described as “intentionally created organizational forms between a specific set of actors” (Möller & Svahn, 2006:986).

In line with Özbilgin and Tatli’s (2005) assertion that management and organisational studies scholars should draw more heavily on Bourdieu’s work, this paper recognises the role played by forms of capital in the organisational field. By focusing on the interplay between these forms of capital at an individual level, and the impact on the organisational forms of capital, this research enriches understanding of interpersonal and interorganizational relationships within the international art market.

Dimensions of capital: Social, cultural and symbolic

Bourdieu (1998) explored the concept of forms of capital in explaining human agency. In doing so, he developed the concept of symbolic capital as “any property (any form of capital whether physical, economic, cultural or social) when it is perceived by social agents endowed with categories of perception, which cause them to know it and recognise it, to give it value” (1998:47). Artistic identity is complex and does not exist in isolation from the art work itself. The importance of peer group acknowledgement and accumulation of cultural and social capital, makes it a rich and appropriate field of enquiry. Bourdieu’s multilevel analytical approach provides an appropriate theoretical lens with which to examine the role of policy in facilitating the development of such networks and in supporting artists in increasing their social and cultural capital.

Özbilgin and Tatli (2005) note that in the management discipline, few have drawn heavily on Bourdieu’s work to date, although the notion of social capital is increasingly widely discussed (see for example Nahapeit and Ghoshal, 1998). In contrast, Bourdieu is used extensively in studies of creative and cultural industries from a cultural policy perspective. Various notions of social capital appear in the management literature, often without recognition of the differing definitions and scope of social capital. Therefore, the following section will distinguish between notions of social capital which arise in the literature. The most popularly cited definition of social capital is that of Puttnam (2000) which refers to social capital as “features of social organization such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit” (Putnam, 2000). In contrast, Bourdieu’s definition depicts social capital as “the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition” (Bourdieu, 1986). Puttnam frames social capital as a public good which bestows benefits on society at large. His thesis is that an increase in social

capital (in the form of increased participation and networking) will create greater social cohesion. In contrast, Bourdieu sees social capital as possessed by individuals operating within social networks. Through his research Bourdieu illustrated the personal benefits derived from an increased social network. Social networks allow members to access individuals from the network in order to gain benefits wider than mere social interaction. In focusing on the individual as the focus of his studies on social capital, Bourdieu acknowledged that macro level factors influence an individual's ability to form and develop such social capital. In this paper, we are concerned with "capitals" accrued by individuals and how the macro level (in terms of policy environment and the role of institutions) impacts upon this process.

According to Silva (2007:page number forthcoming) "the term cultural capital identifies culture as an appropriate form of investment that can secure a return, in the form of an accumulating asset bearing on social position. It is transmitted in social upbringing via family and the educational system." Silva acknowledges the usefulness of discussions of cultural capital in understanding social divisions. The impact of family and education on artists practice and identity forms a key part of our investigation. Similarly, in applying network theory, we are acknowledging the existence of 'in' and 'out' groups within the artistic community. As the art world is governed by conceptions of peer group assessment (much like the academic communities also studied by Bourdieu), it is highly appropriate to adopt a framework which has been developed in exploring issues of social exclusion. Robbins (2005) highlights the ever changing nature of cultural capital as it is accumulated. Cultural capital "only possesses value in exchange and the exchange is a social struggle as much as a struggle of cultural value judgement" (Robbins, 2005:23).

Finally, symbolic capital, as defined above, is derived from the value placed on an individual's collective capitals by their peer group. What emerges as common to social and cultural capital is the role played by central (in) and distant (out) groups. Network theory lends itself well to an investigation of the formation of such groups and the subsequent accumulation of forms of capital as well as the overall negotiation of symbolic capital that derives from, as well as contributes to the formation of such networks. The following section contains a discussion of relevant network theory.

Network-based relationship theory

There has been much discussion about relationship marketing and why there is no strong unifying view of the theory. In response Moller and Halinen (2000) investigated relationship marketing theory to determine if the theory was based upon one central theory or if it was a segmented one. They concluded from a review of the literature that there is not one unifying theory, but rather that there are two key theory developments with very different propositions. The two types of relationship theory are market-based, which is a more consumer-oriented relationship marketing, and the other is network-based, interorganisationally-oriented-relationship marketing. Network-based relationship marketing involves more managerial 'levels' and can be "briefly described as the management of interdependencies between business actors" (Moller & Hallinen, 2000, p.47). By contrast, market-based relationship marketing "can be characterized as the management of the firm's customer base, where the major challenge is to treat large numbers of customers individually and still profitably" (Moller & Halinen, 2000, p. 45). In the present study, the network-based model is more relevant as it is largely investigating interorganisational networks and our level of analysis is that of interaction between artists and between artists and cultural intermediaries such as gallery owners, public funders or agents. Focus is also on firm-based (in this case, each individual artist or collective of artists working on a specific work of art can be seen as a firm, with the artist perceived as owner manager of very small firms) as distinct from industry-based networks. Network theory has developed in response to the prevailing industrial landscape where flexible firms dominate and knowledge is seen as a key resource within such

networks (Batt and Purchase, 2004). The art world can be seen as a mature field of enquiry for network theory, as it tends to function by utilising networks.

Firm-based and industry-based networks

A business relationship is developed as the two companies in a dyad establish connections in the activity, resource and actor model developed by Hakansson and Snehota (1994). If the relationship is successful, the resources, activities and actors of the two companies will become blended together in a unique manner. In addition, the substance of the dyad, being the activity, links resource ties and actor bonds, and will not be simply the sum of what the two parties bring to each other. It will become a new relationship, which will be qualitatively different from the sum total of two companies. Hakansson and Snehota (1994) identify this new relationship as a quasi-organization that is more than the simple sum of its elements because of the existing links, ties and bonds. Alchian and Demsetz (1972) referred to this as the team effect. Essentially, what makes this sum of the two more than a summation but a new entity, is that in the relationship the two companies can now perform activities and utilise resources which none of them could accomplish in isolation. The extent to what can be accomplished will depend on how the relationship develops over time.

The type of new relationship that develops between the two companies does not automatically become a perfect team or a quasi-organization (Alchian & Demsetz, 1972; Hakansson & Snehota, 1994). What is there is the potential to do so. This will occur as the team effects are tried and played out. This can be seen as a trial and learning exercise where they develop as the parties become involved and experiment with numerous connections and then learn about the effects of their connections. Hakansson and Snehota (1994) suggested that the quality of the relationship is the extent to which this function can or will be exploited. The degree to which the quasi-organization will occur depends on the essential substance of the relationship in the three dimensions (actors, activities and resources) (Hakansson & Snehota, 1994). There needs to be a significant development of the activity links, together with the resource ties or actor bonds if the relationship between the two companies is to become a quasi-organisation and the team effects will need to materialise (Hakansson & Snehota, 1994). There will be important synergies in some dimensions and contemporaneously important constraints in other dimensions of the quasi-organisation (Hakansson & Snehota, 1994). However, every relationship has costs not just benefits.

Ojasalo (2004, p.195) described a network as a “web of relationships” and uses Emerson’s (1981) definition of a business network as “a set of two or more connected business relationships, in which each exchange relation is between business firms that are conceptualized as collective actors” (Ojasalo, 2004, p.196). Achrol and Kotler (1999) delineate four types of networks. These are: internal – “designed to reduce hierarchy and open firms to their environments”, vertical – “maximise the productivity of serially dependent functions by creating partnerships among interdependent skill-specialised firms”, intermarket – who “seek to leverage horizontal synergies across industries” and opportunity networks – who are “organised around customer needs and market opportunities and are designed to search for the best solutions” (Ojasalo, 2004, p. 196). Ojasalo (2004) identified three key elements in his framework of network management practices: ‘identifying a key network’, ‘selecting strategies for managing the actors of a key network’ and ‘developing and applying operational level methods for managing the actors of a key network’. While Ojasalo (2004) assists us to further clarify the relationships in key business networks, it is not based upon any empirical data. Thus, research is needed to explore the applicability of the framework.

Developing and maintaining relationships

One of the key areas causing problems with the development and maintenance of relationships is goal conflict. Winkler (2006) conducted an exploratory study to identify key types of goal conflicts and how participants in the relationship or network deal with such conflicts in interfirm collaboration. Regarding goal conflict, the study found conflicts arising

from “differences between individual objectives of the network members on the one hand and collective goals on the other hand” (Winkler, 2006, p.120), as well as the change of goals over time. Both formal and informal governance mechanisms were found to be used to avoid and deal with conflict. The key formal governance mechanism used by each of the networks was an individual who was appointed ‘network coordinator’ who “makes things happen within the collaboration” (Winkler, 2006, p.126). On the informal side, personal relations and shared understandings were established to ensure open communication. What is important to note is that the rules of behaviour are often established within the network and informal agreements are reached regarding shared business within the network to avoid too much competition between members (Winkler, 2006). According to Hakansson and Snehota (1995), business networks do not have natural centres or clearly defined borders, thus network structure can be seen as fluid and changeable. Therefore, such conflict or conflict management may result in a change in network structure.

A number of studies have identified and discussed the type of networks that business firms may operate in as they carry out activities and link resources to achieve their outcomes. Contact nets are designed to provide the players or actors in a network with power and the control over resources and activities within their own immediate network as well as through contacts to other networks beyond the present actor’s existing product network and beyond their present country borders (Hallen, 1992). Hallen (1992) describes infrastructural networks as not limited to the business deal at hand, but to the larger domain of information, knowledge and influence beyond the immediate experience of the firm. Infrastructural contact networks “are not designed for specific deals. Instead, they are used to acquire advance information to influence the framework within which business is conducted, or to give communication possibilities where regular paths are not so well-trodden” (pp. 214-215). Hallen (1992) explains these non-task relationships include business actors as well as non-business (non-market) actors, which comprise an infrastructure for business networks. It is similar to the concept of ‘It’s not what you know but who you know’ that will allow an actor to affect change in activities or resources or other actors within their own or another business network. Hallen (1992) divides business networks into different levels, based on their task orientation. Type 1: These are the inter-firm relationships which *directly* concern business deals. Examples would include links between actual customers and suppliers of the firm. Type 2: There are also *indirect* relationships with many third parties *connected* to the business relationship, such as other buyers or sellers of the business parties and other companies which assist in bringing about business deals (banks, lawyers, marketing or technical consultants). The significance of these task-oriented relations is that they may have an indirect impact on the individual firm, even though there is no direct contact, by virtue of their in-direct contact with customers and suppliers upstream or downstream along the supply chain. In summary, indirect relationships together with task-oriented relationships, which are directly connected to the customer-supplier relationship, do create a business structure, which then becomes part of the industrial network of the connected interfirm exchange relationships (Johanson & Hallen, 1989). Salmi (2000) describes some networks as turbulent, i.e. networks that are not tightly structured, characterised by frequent exit and entry of actors. This implies that the roles and positions of actors within the network are both less clearly specified and less stable.

Interorganisational relationships are also identified by Hallen (1992) as person-centered and the organisation-centered infrastructural networks. Both networks are characterised by the nature of their various connections. In both types, the various networks are summarily described in terms of the type of organisation, connections, and even geographical extension. The essential element is that person-centered connections are private (personal) in nature, namely, that they are mostly manager’s own connections and not those of the company. Hallen (1992) has also included geographical dimensions of the networks because most of the connections of the other individuals in the network are mostly found in specific regions.

However, in the organisation-centered network the focal actor could be the deputy-managing director of a large company in a high-tech industry. The difference is that the contacts are developed, established and mediated via the focal company, and not essentially through the managing director, by only virtue of his position. It is therefore likely that most of these contacts could easily be transferred to other persons within the same firm if and when it became necessary to do so. For this reason it is not meaningful to identify the geographical dimensions. The contacts can either be worldwide, such as via professional conferences, or alternatively the contacts are reasonably similar in most countries. The nodes denote types of organisations and not specific organisations as described in the person-centered network. This also helps to explain why there are less numbers of units or nodes depicted in the organisation-centered network, which is smaller than the person-centered network. There are distinct differences between the two networks. The person-centered network has a larger number of individual ties and these ties are likely to be much closer than in the organisation-centered network (Hallen, 1992).

Mainela (2007) provides four classifications of levels of interpersonal relationships, beginning with reporting relationships through to organizational contacts, personal relationships and friendship relationships. Reporting relationships are primarily intended as channels for transferring standard, simple information, such as relationships between a parent firm and authorities. Organizational contacts are for handling normal business issues such as searching for market information, permission applications and financial arrangements. Personal relationships are required for knowledge transfer in a parent-subsidiary relationship and transfer of salient information as well as evaluation, creation and management of relationships to customers. Finally, friendship relationships are those that can be depended upon for urgent problems over critical issues to do with business organizing. They are available whenever needed and provide unexpected assistance in business or even in private problems of a business partner. Mainela (2007) identified some business relationships that included all four types within a single firm and where individuals in a firm can have different types of relationships with a manager (actor) in another firm and many ways in which managers in business life can try to influence the type of business relationships to make them personal. However, Mainela (2007) did not systematically analyze “the change in social relationships...[nor]what is actually enough to transfer relationship to another type or add a new level to or remove a level from a relationship” (p. 97).

In summary, previous research has discussed the different types of social relationships and features of social and cultural capital and social organization such as value net and networks, and social trust to facilitate both coordination and cooperation for mutual gain (Putnam, 1995). The theoretical framework developed for this paper uses Mainela’s (2007) four classifications of levels of interpersonal relationships, beginning with reporting relationships through to organizational contacts, personal relationships and friendship relationships and places these within the context of Bourdieu’s forms of capital.

Method

In this study, the perspectives of both self-organizing and intentionally created business networks within the visual arts industry of both markets were examined. The paper addresses two specific questions. First, how do managers in the international art market make business relationships more personal and personal relationships more businesslike? Two, what is actually enough to transfer a relationship to another level, or add a new level, or remove a level from a relationship? To explore these questions fully, life history interviews were conducted with six Australian visual artists in February/March 2007. As the study focused on artist centered networks, snowballing as discussed by Biernacki and Waldorf (1981) was used in order to select the artists. The life history interviews focused on the artists’ early development, the role of education in developing their art practice, the role of networks, both professional and friendship based in the development of their art practice and the interplay between professional and friendship based networks.

Data collection

A total of six in-depth life history interviews were conducted with artists in the visual arts industry in Australia lasting between 45 minutes and two hours and who have been involved in the organizing of small/ one person enterprises. The artists range from younger emerging artists to established artists. Table 1 provides more details regarding the artists interviewed for this paper (insert table 1 approximately here). The life history interview data was analysed in line with the theoretical framework. The interplay between the different forms of capital was explored and set in the context of the networks of relationships identified by the participants. The findings provide a typology of levels of social relationships used by visual artists to organize their small/single businesses. The results of this study illustrate the international nature of the visual arts industry and therefore its appropriateness as a venue for studying international networks within the global economy. Following on from Roodhouse (2006:49) the visual artists in this study are viewed as 'creative businesses'. Artists included in this study can be viewed as micro enterprises operating in an internationally networked field of practice.

The Australian art market is a small, advanced economy with a talent pool of visual artists and well recognised international training institutions and performance outlets. The visual art market itself is an international market and mimics the markets for other artistic products such as film and music. The need for multiple perspectives within a context was recognised and incorporated into the methodology by interviewing a number of individuals from the same network. In this regard, the snowballing technique was highly appropriate, whereby artists were recruited through their existing networks. Following on from the analysis and presentation of the data, the discussion will provide a typology of interpersonal relationship development.

Data analysis and interpretation of the findings

The analysis methods used several techniques to focus on the two questions and were adopted from a grounded theory approach (Creswell, 2003, Strauss & Corbin, 1998, Yin, 2003) as part of the theory-building process (development of a framework) as well as pattern-matching (Miles & Huberman, 1994). Matrices were used as analytical tools to organize, prioritize, observed similarities, separate into segmented transcribed text for coding of emergent themes of the large body of data, development of sub-themes, progressive development of smaller overall themes through pattern-matching and effective categorization (Miles & Huberman, 1994). Initially, the analysis included open, axial and selective coding to interpret and develop the descriptive narrative about the central phenomenon (Strauss & Corbin, 1998). The analysis is grouped around the two broad questions. Both Hallen (1992) and Maniela's (2007) classification of levels of interpersonal relationships are primarily drawn upon, as the paper first aims to analyze how do managers in the international art market make business relationships more personal and personal relationships more businesslike? Analysis of the role played by social and cultural capital in shaping interpersonal and interorganizational relationships within the international art market is provided to answer the second question what is actually enough to transfer a relationship to another level, or add a new level, or remove a level from a relationship?

How managers make business relationships more personal

Especially in the early stages of their career, travel assisted managers (artists) to develop personal connections in the artistic industry. In addition, using freelance work during these extended overseas periods allowed closer bonds to form with various organizational contacts in galleries and studios, which later moved to more direct, personal and interactive relationships. The manager could call on these personal contacts, even many years later for tacit knowledge and business assistance.

Well, because I was freelancing, I could take time off. I did take time off in amongst that, and between that I went for two years to Europe, and I worked in a studio in London, and you

know, they said I was too diverse, I needed to concentrate on one. I said 'will you pick one that you think you can get me work in?' And they picked airline illustration (Jasie)

Much later in their career a manager could return to their original art school, to develop new organizational contacts for deliberate development into personal relationships to obtain much needed tacit knowledge about latest trends, directions and locations. This was due to previous personal and friendship relationships no longer able to provide the manager with tacit knowledge because of their lack of knowledge or reluctance for competitive reasons.

I suppose there was some sort of world there, and my mother had gone there as well when it was a working man's college. I went there when it was a tech, and I thought it would be good to go back when it was a university, and because I suppose our, both our families – my brother was the same, got the same treatment, 'oh you're not university material' – so it was sort of a bit of a challenge to go to university, saying 'I can do this, I can write some words, I'm sure I can.' When you see other people driving cars when you learn to drive, you think well I can do it if they can. University is the same, there's gotta be a way that you can find a place where you can function and really get something out of it (Jasie).

How managers make personal relationships more businesslike

Personal relationships can be directed by a manager into a formal business network and to form a business. These personal relationships can then be used by members within the business to allow access to important organizational relationships such as gallery owners and reporting relationships, to provide information, such as funding application requirements.

Commercial art trailed off. By '74 I was exhibiting paintings. That's certainly networking. A group of us [Group of 7]... now how on earth would I have started? Going on bus trips, painting bus trips to the outback and meeting other people who painted from life, and thinking ooh, this is quite good...and I was thinking gee, there's something in this I reckon. If you can live like that... so that sort of directed me to thinking, oh. So a young group of us, out going on painting trips and word of mouth...It's a big ask to get everything right in a submission, you've gotta bounce it off someone else. Or even somebody completely outside; how does this read? Does this sound like – you know, knowing that it's gonna be targeted at an architect, and a curator, and a few people whose art practice is seriously different – and you've gotta target this so that when they read it, they can imagine what you're gonna do and not get it wrong (Jasie)

Moving a personal relationship, especially through international networks, to a stage where high level exchange of tacit knowledge can be very difficult to manage, and to continue as both a friendship as well as at a personal level as the latter requires far more effort at reciprocity and attentiveness. But the benefit of a friendship relationship is that they usually allow reconnection in the long-term for all manner of issues related to a manager's business development.

Well there was a friend who came to Greece for a holiday, who I'd met there, ..., and she was connected to a theatre in London – she's a lovely woman..., so when I went to London I stayed with her...So she said look, 'I've got some friends who need assistants because they teach in the art schools.' So I became (name of artist)'s assistant and (name of artist)'s assistant and two or three others, who worked in this mode of working. It was fascinating for me, because I was making bits and pieces during the day, and they'd assemble weekends and nights. But then it opened up something quite interesting for me... But the other interesting thing... is that they had interests in the world other than just art history, and that to me was what I needed, and what I was already involved in; I was involved in comparative religions, and philosophy, and I was reading everything I could read to find out who the hell I was, and what I was doing this stuff for (Oscar)

The movement of personal relationships to a more formalized business group allows more set boundaries around the network as it became a business. As the business group developed overtime, the manager was able to use these personal and family connections in a more businesslike manner.

We sort of tinkered around the edges; there was a local gallery that accepted my work. There was one in Carlton, I think that was the earliest. But it was my framers, who lived in Eltham. There's always that element of connection I think. And after that, there's a place in Melbourne called the Victorian Artists Society, which has got the first purpose-built gallery in Melbourne... We made some bloody statement, a mission statement, because even then it was thought of us (Jasie)

Art school also provided this manager with key organizational contacts, indirectly, through personal relationships within the Group of 7 business network. These personal relationships were able to provide valuable direction to the manager on recent changes in the direction of the industry overseas, salient information, which could then be imported into the local business.

Yeah, I mean I didn't realise that at the same time I was in London, (another Australian artist) I was in London doing what he does, whereas at art school, which was from '60 to '64, or '63, abstract art was... you failed if you did abstract art, but at the time I left you failed if you didn't do abstract art. So we were a bit behind obviously what was going on in London, and at the same time ..., we had socially met all these other people who were doing more contemporary art, and they still do that same work now. And yet it didn't sort of register with me... Well, it's lovely to have connections, the finer connections, and certainly in the way you think, or push an idea, or... generosity and ideas and discussion about art are very valuable. Those feedback things, which is another reason why we thought this would work, and the co-op would work, because you leave art school and the feedback sessions stop, and my god, we need to know how people interpret things (Jasie)

How to transfer a relationship to another level

Personal relationships can be utilized to form connections to key organizational contacts and reporting relationships, which connect the manager to a business network and assists in growing and developing the business. In this sense the personal relationships take on multiple levels as they can also be a reporting relationship providing key materials to a gallery owner or an organizational contact that is running their own exhibition.

It was difficult to get a job, because they wanted experience and low pay and those sorts of things, so I freelanced and got supported by my friends who did work in the commercial area. Through their jobs, they got work for me, so in a network way, that's how my first work started happening, through my friends who did work in commercial areas (Jasie)

Organizational contacts in other art networks can be acquired through travel and work. This travel experience gives exposure and demonstrates a willingness by the manager to move beyond the local environment, which is seen as essential in terms of development of artistic practice and the firm's evolution. This can lead to some very important relationships that can later evolve to a few personal and even some friendship relationships.

Directly to London. Of course on the way through we stopped off in Venice because in '64 travelling through Italy you went to the Venice Biennale. So it was a first to see something as large as the Venice Biennale in the art world. That was a big shake-up as well, working in a Greek island from out of your own historical background, and trying to figure out who I was, and what I was trying to do, and here is... you get influences from a whole new group of expatriates, it opened up worlds to you, so it was just like an overload. That's why I stayed there, because I needed to actually try and understand oneself in this new place. You know, it

was a growth, it was a period of enlightenment if you like, a little epiphany kind of happened. No longer this little boy from (regional home town) or smart arse from Sydney (laughs) art student from Sydney, you're in the real world in some ways and there were other things afoot (Oscar)

Moving from an organizational contact, perhaps working in a network cooperative, to a personal relationship, such as a mentor relationship can require the focal actor to spend large amounts of time at a greater level of commitment with members in a more formal network. This can lead to an array of benefits including being "more comfortable" to move to a personal relationship, with higher benefits.

I did some work, [after art school] I did some exhibitions and I made some work, but not a great deal. Because I was already involved in the co-op and trying to establish that, these sort of projects become a bit of a folly, they become the biggest priority and I've been probably more interested in working in that area than doing artwork, except for forcing myself to say yes to exhibitions and things like that... Our social group now is almost entirely the co-op, the members of it, which I'm very comfortable with. I'm a lot more comfortable frankly being with mostly younger people, the only one older really is (artist's name), he's just over 70. We range from 70 sort of down to mid twenties (Tomry)

Organizational contacts formed through art school were the most usual to be transferred at a later time into personal relationships. Overtime, with infrequent contact, these personal relationships became very close and helped to generate more personal relationships for the manager. However, to transfer the relationship to a higher level relationship appears to be a gradual process and not something that is rapid.

Yeah, I think so yeah. I was always the artist of the class or whatever... [inspired by] I guess particular lecturers and looking at particular work and contemporary work, it was a bit of a thing at the time... just had a part time job and I just kept making art and showing in artist run spaces and formed a bit more of a crew of artists, you know friends from the University and we just started grouping together and putting shows on and in that way we could divide costs and all that sort of thing (Henry)

Later in the business cycle and the career of the manager, it may become necessary to seek out organizational contacts, such as a well established teacher or professional who can provide the manager with detailed information about personal techniques and approaches that they are currently researching. This way the manager keeps abreast of change. But to move the teacher-student organizational relationship into a personal relationship so that more intrinsic and tacit knowledge, such as colours, specific techniques and tools can be acquired, the manager may need to give up long periods of time working closely as a student in order to develop sufficient trust for such delicate and even competitive exchanges of knowledge to occur.

(Name of artist) employed me. His paintings are generated by computer, and they're a grid of colours. And ah, I'd say he uses a book to actually mix the colours. He could, but he wasn't willing to... I'm not sure how that would... I've never seen him do it. And I don't think he's interested in that side of it, he tried it in the 90s before computers were in and it hadn't worked, but now that he had a computer he could see a way of doing it. But anyway, for whatever reason he employed me to mix his colours. So for two years I worked flat chat getting major works done for him for (exhibitions). I did like twelve; thousands and thousands of colours. But it used my eye, which I'd developed, a skill I didn't know. But during – nothing to do with the case – he'd talk to me about art, being a former lecturer, he had stories to tell. So I had a one-to-one personal professor interpreting all the stuff that I'd gone through, not directly of course, but just through conversation (Jasie)

The manager can also move from a personal relationship in a network to an organizational contact by providing information and contacts about who to speak to in government and councils, for example, to make an exhibition work. Often new, contemporary artists would not have the experience and contacts and so the manager can elect to provide this additional relationship to specific network members, both direct and indirect. The manager can also elect to provide the role of go-between and act as a negotiator and strategist for other members of the business network. In this sense the manager can also perform a third level of relationships, a personal one.

So what I've done, particularly in the shire level, in that network, a lot of people in council – a lot of the artists – would use me to talk to councillors, because they would accept words from me because I was a realist about contemporary art, when a contemporary artist couldn't talk to them directly because they'd just put up a brick wall and say, 'I don't understand it' (Jasie)

How to add a new level to a relationship

Earlier personal relationships can later be used for access to an extended network of organizational contacts which the manager can add to their own person-centered network. Alternatively, a former teacher, operating at an organizational level can be contacted over and over again in the evolution of the manager's business so that they become personal relationships and provide much needed tacit knowledge about techniques and trends in the industry to the manager. Perhaps, in the long-term, as trust and commitment to the relationship evolves to one of a mentor, the relationship can move to a friendship.

Yes I went at seventeen, but I had private art lessons at fifteen, with an English artist called (name), whose family was quite well known, I think his father was an illustrator and his sister also did engravings in a lot of publications...They all just added, added another layer. But being seventeen, I can remember a number of lessons, the same as I have my friends from RMIT illustration course, ah, I talk to them about what we learnt and they have no memory. But they're not artists. They just, some of them did design, but they have no memory of all the things I valued out of it, and they don't seem to remember anything else. But I remember word-for-word some things...It's that luck of being, finding the educator that hits that spot. Some people never get it. But if you're lucky enough in your life to get a couple of those, even more, it's brilliant (Jasie)

On occasion a whole group of actors in an informal network can move from a personal relationship, such as a loosely connected circle of artists, to an organized, more formal business group, the Group of 7 and add a new level of relationship, a friendship one. In this sense, an exchange of information, contacts and mediums can go beyond the tacit knowledge level about exhibitions, mediums, techniques and trends, and can move to exchanges that become much freer without fear of competition and loss of original ideas. Some members of the group may operate at both levels friendship and personal, in the new business group. Alternatively, others may continue to operate at the friendship level in the new formal business group, and carry out more relationship-driven tasks like a manager assisting another with an exhibition opening, or a new job or assisting a family member into a new opening.

And out of that seven artists got together, called ourselves (name changed to Group of Seven), and we painted whenever we could together; sometimes that was a Tuesday afternoon, Saturday. And we just thought this was Christmas, we could do this. But we went to exhibitions together, we had our first exhibitions together ourselves, we learnt all the skills and the disasters you can have; what an opening is, how you organise your clients list, where you get your framing done. You know all those sorts of things were done together as a group. And again, the Eltham community fed me, those group of artists fed me, and they'd all been taught by a particular group of artists called the Meldrum. Meldrum was the originator; all those

students were teachers of my friends, so I got all their second hand information about painting (Jasie)

Sometimes it can also be very difficult for a manager to add a new level to their person-centered network. This can be especially so when they are already well known in the field and entrenched in a well recognized network and community but coming to the realization that they are not being kept in touch with industry changes through their existing personal and friendship relationships. Being personally close to innovative actors in the industry is important for the establishment of an ongoing position in the business community. On occasion, existing friendship relationships are no longer able to provide a manager with tacit knowledge and urgent favours so extending the manager's network may mean seeking out a new set of organizational contacts by returning to a much earlier source, art school. In this network, new organizational contacts can be established which can then be strategically developed into personal and later into friendship relationships.

Being able to talk about what you do without being embarrassed is actually quite important. Or being caught-out, I mean I was being asked by the community, because during this time (name of partner) and I had set up an art award; we'd spent ten years in the local community setting up art awards, and art in public places, so this where all this other information was coming from. I still worked in the contemporary way and conceptual way, and so I was actually swaying their work, checking them and then I'd talk to them, and respect their work, know how to handle it, what was important, all those things. So all the information was there, but I wasn't able to relate it to my own practice. So I went through that very painful, embarrassing, demeaning process of going back and being in kindergarten again (Jasie)

How to remove a level from a relationship

Sometimes it may become necessary for the manager to move friendship relationships to personal or even organizational contacts, rather than keep asking these higher level relationships to extend themselves for private favours, like working for them for an exhibition without ever being paid. While this might be possible on an infrequent basis, having to ask this kind of favour from friendship relationships may mean placing them in a position where they cannot refuse. This can run the risk of fracturing the special relationships that exist in the manager's person-centered network. In order to preserve the connections, the manager may need to reposition the relationships they have with these friendships to one of personal or even an organizational level. Being unable to return the favour, even in the near future, may mean risking the viability of these valued contacts long-term.

Yeah, but [partner]and I would go on a painting trip, we'd work – we'd take three months to put the exhibition together – and we'd have three months off. And we both survived on it. He did a lot of backup work for me, he'd do all the stretching, he kept the database... At that stage we ran our own exhibitions, so we just paid rent, but the work involved in keeping the database – we had like a thousand people on the list – in the end it got a bit like Myers basement, what is it? Marks and Sparks sale, you know, they'd be at the door two hours before, and they'd bring their own red stickers because they couldn't make it to the sales fast enough. It was just awful. But I had friends, again, it became a party, my friends came and catered; I mean we paid for the food, but they did all the work, we had somebody else doing all the sales, the whole thing. But that got unmanageable. I couldn't ask them, because it was my income, it got really awkward (Jasie)

Sometimes a threat to a friendship relationship may come in the form of following that relationship 'out' of the current network. If the manager does not follow this special relationship and thus lend support, this relationship is not likely to be available to them at a later point. It is always a question of finding a balance and measuring the cost and benefits of the relationship.

But I was very disturbed by what he said, but at the same time you're young, and you're out on the streets working, and you know, doing other things to try and make a living. A lot of debate was going on in the house because we were part of the left movement, intellectually at least, and we were quite involved in all the alternative art things that were going on. And then this happened, gGallery name) split. Various artists like (well known artist's name) left, they all just decided to split. They left (the gallery) completely, and of course could take care of themselves. So I left as well, I thought that's it. And then afterwards I was kicking myself, I thought gee there's an income I didn't realise I had, and all the things associated with that, so it was a pretty tough decision (Oscar)

There are also occasions when actors within a network who enjoy many favours from friendship and personal relationships yet for whatever reason fail to adequately 'compensate' these relationships on a regular or timely basis. They ultimately run the risk of being excluded, ostracized or ignored by others within the network. In this sense, other actors can move a member of the network to another level, such as organizational or reporting, or even end the relationship altogether and terminate the relationship. For this reason, managers tend to prefer to keep the number of friendship relationships to a certain number so that they can be adequately reciprocated, as these type of relationships take a great deal of time, energy and patience to nurture.

[Other people who take from the network, rather] than contribute...It takes such energy to do it, I think that automatically cuts out those people who milk it, I don't actually think it happens. It might happen once, but it wouldn't be an ongoing sort of thing because they would drop off. So no, I can't say that I've been involved in any where I've felt... I mean there's people that you can't work with, because they're not very co-operative, but not system wise (Jasie)

In addition, behaviour by another friendship relationship that begins to restrict the growth of the manager may result in the manager 'moving away' from the intimacy of personal favours and high level urgent exchange of tacit knowledge with that actor and move to a new level of personal or even organizational contact where certain tacit knowledge is no longer passed on.

It's only verbal, and I talk to her (gallery owner) about where I exhibit. I would automatically tell her, but I would automatically assume I could do whatever I like, as long as it wasn't in her patch... Oh she just says everything's lovely, it's not critical. I mean I think she loves the work, but I think it's also... she's a good marketer and she's got a very easy manner and she deals with money nicely. Although there's some things about it that I feel uncomfortable about, and there's some other galleries that I'd love to be in, but my work needs to go through the next stage. It's gone through my first stage; I'm shifting (Jasie)

The following section presents the data relating to social and cultural capital and their role in shaping interpersonal and inter-organizational relationships, and in doing so the second question; regarding the transformation of networks is considered. Social and cultural capital emerged as key facilitators of network change, with such change being linked to the development of the manager's artistic practice. Relationships examined in this study illustrated overlap in relational terms between the forms of capital, with social capital often derived from cultural capital and opportunities for increased economic capital coming from social networks.

Cultural capital-The importance of the family

In this study, cultural capital in the form of family background and environment and art education gained through the formal and informal education systems was seen as a key element in the development of artistic practice for the managers. Encouragement by a family member or educator was important in encouraging the development of their art practice at an early age.

I had a lot of support from my mother, the feminine influence (laughs) the muse, my own muse (Oscar).

In addition to this encouragement, artistic appreciation within a family increases the level of cultural capital accumulated by an individual at a young age. In this study, such an accumulation can be seen to result in later engagement with the arts at a professional level.

There is some creativity back in my mother's family, a couple of generations back. My parents, my father was a businessman and my mother was a nurse, although having said they weren't creative they were creative thinkers and they were very creative in their garden... and they were very friendly with lots of artists... They used to go to commercial galleries and see the exhibitions and of course then you get invited to the openings and the artist would be there and they would become friendly with them...they did collect contemporary artists work.(Elinor).

Cultural capital- The importance of education

As well as art education playing a positive role in developing artistic practice, poor art education was also an impediment to learning and in some cases was supplemented by private lessons or self study. While the managers in the study went to great lengths to select an appropriate higher education institute and course which matched their needs at the time and could serve in increasing both cultural and social capital, they had little choice in their early art education. There was a common theme among older respondents regarding the poor level (if any) of art education at school.

In those days the teaching wasn't very good. It wasn't, I don't think the teachers in art were trained in the way that teachers of French or English or mathematics were trained. The teacher was pretty ordinary and was very constraining to my creativity and it was one of the things that turned me off taking a practical art path...the skills that you see now in the classroom just weren't there in those creative areas (Elinor).

In Australia in that period there was no art education at schools, or very little, no there was none primarily. There were little bits in, what do they call it... in the home, you know where you get home cooking. If you're clever with your hands they'll either put you into woodwork, metalwork or technical drawing – which later on at school you went to – or you'd go into cooking classes; home science they called it. So I learned to do all those things there, and paint and things. So that's all there was in terms of so called art, it wasn't a subject in a country town in Australia in the 1950s (Oscar).

It was when the artists went to tertiary education that they began to develop their cultural capital in a way which was useful professionally. The managers chose to study at art schools that were sympathetic to what they wished to achieve creatively and where they would form social networks based on the shared cultural capital.

I was going to go and do painting at the National Art School, because I did a lot of painting and I was also beginning carving and things as well, but when I... I heard a talk by Linden Dansville, he was the head of sculpture I think at the time, and it was so very exciting to hear him talk about art in a way that I'd never heard before. Because he'd come out of, or he'd been influenced by Bauhaus, and I became aware of a greater world of art than a country town and painted landscapes...It was, I went and joined the sculpture, I went and studied sculpture. Very different to these days, I mean it was five years and forty weeks of the year and you had two or three staff there, and you come out with a certificate, not a degree, but you did all the skills. You learnt to bronze, cast, woodwork, metal work, technical drawing... We did colour in sculpture, which was the physics of colour as well as painting, so we did colour as light, and colour as... and that was taught in the sculpture department, whereas the painting department was still in the old traditions of impressionism and then modernism and Picasso sort of thing. But here was a school – or a department – that was based on the

Bauhaus idea that art was something for everybody, art wasn't just an elitist sort of thing. The emotion of creativity could be invested in anything you did. So the interesting thing about it was it was a process, and aesthetic process or a process of creativity that would solve problems, and the whole process itself was the work itself (Oscar).

Um, basically there were only three real choices of art schools. Two in the city and this ones out West and at the time it was fairly new and fresh and just seemed more appropriate as I grew up more in the West and it just seemed more appropriate to me. And from the interviews, I went up to the interviews and I just decided that that was the one for me. Yeah, there was something about the freshness of it (Henry).

The absence of cultural capital- part of the out group

There was also the issue of not possessing the cultural capital to function in the formal educational system at times in the manager's artistic development. This could influence the decision of the artist to opt out of formal art education as in the case of Laura (who returned later on).

The middle class have nothing to say. I just didn't really belong (Laura).

Alternatively, the absence of such cultural capital could also act as the motivating force compelling the manager to opt back into formal education. In the case of Jasie, she was doing well professionally as an artist, but recognised her need to increase her cultural capital by returning to formal education.

I was thinking, I think I'd better know about this. There's something about values- dreadful word-I sort of intuitively knew that if you did a painting that looked like the last one, or you were thinking about the previous painting instead of the next one, then you are in trouble. Because your work dies. Particularly realism really required to be kept right up to the edge of fresh and right (Jasie)..

In the case of Tom, lack of cultural capital was preventing him from developing as an art practitioner, and he felt restricted to performing the mechanistic elements of 'making things' rather than the creative function of the artist.

Because I knew that I could make- I've got the capacity to make things. My ego tells me that I can make almost anything because materials aren't any limitation to me; metal, plastics whatever, 'cos that's part of a production engineer's background. But it wasn't going to be art, it was just going to be making nice stuff (Tom).

The evolving nature of cultural capital

The managers often reengaged with the educational system throughout their professional careers, as teaching art is one way of increasing economic capital and also as a form of continuous professional development and increasing cultural capital. As any business sector, the art world is constantly evolving and it is necessary for the manager to keep informed of such changes in order to maintain a level of cultural capital. The managers included in this study engaged in this way. Laura returned to finish her studies after a period of self development, Tom and Jasie had both studied at a particular Melbourne higher education institution at an early stage in their lives and when they both identified their career path as fine art, returned to this institution to study fine art. Henry travelled to the United States to further his artistic education. In returning to teach art, these managers also have to opportunity to shape the cultural field and influence the nature of cultural capital.

In 1973 the first Australian council was established – not a very long time ago - and I was back two years, they needed people with experience, so it was a big encouragement to bring artists back to Australia. A lot had left Australia, because there was nothing here, and so it was an encouragement to come back, and almost at the same time they were starting a new

art school in Sydney, the second big art school was going to be this Sydney College of the arts, so they were trying to get people to come back. So I thought ooh, come back to Australia, the prodigal son returns with his colourful coat (laughs)(Oscar)

The role of educational institutions in shaping social capital

The managers in this study increased their social capital through engaging with educational institutions. They employed their social networks in the development of their artistic practice, therefore moving friends from the friend relationship level to the organizational level.

I think as a group, you know, the people you were friends with were influenced by what each other was doing, it was kind of open studios so you'd all have a space within a studio and you'd be seeing what each other was doing and that definitely, yeah... Um, I think kind of a balance of being critical and supportive. I guess it was just good to have feedback and see what people think and yeah, it's the thing you miss out of university, you know, its good to have that kind of there (Henry)

The role of social capital in shaping professional identity

Social networks were also central to encouraging these managers to become professional artists. Although the managers all agreed that they were creative as children, this did not necessarily translate into a certainty that they would become professional artists. Engagement with and exposure to social networks of practising artists were key in socialising these managers into the art world as practitioners.

So I was living in a boarding house and just fiddling away doing my artwork. And then I was surfing, it was in Manly in Sydney – we'd go swimming on the weekend and that sort of thing – and I met this young man from around the corner, and his mother and father were artists. So they invited me around to see my stuff, to have a look at it, give me some advice and things. They were wonderful people actually, He was an illustrator, quite a well-known illustrator in those days, book illustration and that kind of thing. And she was teaching at the National Art School in Sydney, she'd just started teaching, and so she encouraged me to keep going and I should study art. So I took her advice and did that. But she used to give me these little reviews on the weekend. You know it was quite interesting really, because it was quite a Bohemian house for me in those days, being a country lad seeing this household full of wonderful things (laughs). And that was a great thing to look forward to each weekend, to go around and see he (Oscar).

Eltham in Melbourne is an artistic community; it's the outer area where artists live in the environment. So they're all green tree-huggers. They're all artists and environmentalists, film makers, potters, the whole community at Monselvat, and then there's the Eltham area. They all seem to be living in mudbrick houses, they seem to have very nice relationships we had a beautiful life style. I was thinking, advertising does not rate for me. Everybody was, 'yeah man, chickadoo, bing bong,' and I thought, this is just not my world. Because this other stuff was so real, that people who painted that way, the realists... I remember about half a dozen old men and women, like in their 80's, who were wise and calm and they taught painting to people who loved them, and I was thinking gee, there's something in this I reckon. If you can live like that... so that sort of directed me to thinking, oh. So a young group of us, out going on painting trips and word of mouth (Jasie).

Social capital and the formation of in groups and out groups

In order for the social networks to function, there have to be in groups and outgroups. All of the participants spoke of the different groups that they belonged to over the course of their careers. They also indicated that they separated themselves, in terms of identity from other social groups. There was a feeling among these managers that other groups were either not professional enough or that their approach to their artistic practice was not the same as that of the manager.

I've done a lot of art classes at different times and mostly I hate them...I'm not very good at taking instruction, I have my own ideas... I think I'd need to go to Picasso or something, that sounds very high handed but I am not very good at sitting in a class and being told, you know, it would be better this way...sometimes (other people in art classes) too conventional and pedestrian for me (Elinor).

I moved into a studio, actually not far from the school. People that I didn't know... they were a great bunch of people, but they, they, how can I say this, they actually were my worst nightmare in terms of, I thought I might be like them one day or something. They all would go to their studios and work away, but no one was showing, they weren't engaged in the art world, but they were happy doing their thing (Laura)

Maintaining social networks- the evolution of social capital

Another issue which arose was the investment required to maintain social networks. This required maintaining a level of cultural capital in terms of up to date knowledge about what was going on in the art world and was maintained by attending shows. This possession of cultural capital was both facilitated by and necessary for increasing social capital, gained through developing and maintaining social networks within the art world. For Laura, having children drastically restricted the amount of time that she could spend interacting with artistic networks, travelling internationally and producing her own art. Once she was committed to returning to her art practice, it was necessary to redevelop her social network.

I went to shows though I found that I was less than thrilled at bumping into people who would say, 'what have you been doing?' then I'd say I'd been having children and they'd nod and say that's great...I am older and there are all these peoples names I get information about.. and it was the reality someone, once upon a time they'd know my name, you know, and I'm talking about Melbourne, Australia maybe (Laura).

Similarly, geographical relocation requires re-establishing social networks. Educational institutions and existing social capital (in the form of personal introductions to geographical networks) can be seen as key to accessing new social networks.

Well because I'd been to art school in Sydney, moved from (regional Australian town) to Sydney, and I was invited back in some ways even though I was showing in Melbourne, as soon as I got back I got a gallery straight away...(through) some close friends that we were still in touch with. And from the Melbourne shows I'd appeared in Sydney as well and gotten to know the art world and some of the people in that, and got invited back (Oscar).

Social capital- the need for a wider social network

Finally, although the visual arts are often characterised as isolated, with artists working alone in studios creating works, this study has shown how managers engaged in visual art production are embedded in networks which are essential to the practical and creative development of their work. The artistic product is a result of inspiration and skill, and often such skills must be provided by other artists or artisans skilled in this area. The study showed how within this network of artists, some had been employed by others and the need for collaboration was expressed.

I needed some chemist to analyse what I had discovered, and it was just a piece of silver foil, and on the silver foil it was in a fire, because you had your little coal fires for cooking shishkebabs and those kinds of things. This piece of fire had beautiful coals on it that were refractive, you could see the colours would change, and it used to happen a lot on the roadways. That was because lead was in petrol in those days, and that's why you got the coloured oil in water. And I was curious about this refractive index, because at the time I was saying, I'm painting, but I can't get the colour of light, I can only get the colour of earth. And I was interested in the colour of light, and this for me was a way to get it. So this testing

laboratory then started to analyse what it was that caused it through the heat, and they broke it down to about 25 different possibilities, of chemical change and breakup, and through that, it then got too expensive to go any further. They advised me where to go, they said 'look you should go to a place in Switzerland called Bashelon, they made this stuff called fraction grading, and they've just invented it in 1964 for interferometry,' again, science (Oscar).

In recognition of the need for such skills and knowledge, Tom and Jasie embarked on establishing an artists cooperative, a more formally structured organisational field within which artists could work in studio spaces, but also share equipment and expertise.

So we just thought if we could find some mechanism to actually secure some spaces in the long term, and have a workshop with a diverse membership who can contribute skills to actually make everyone more powerful, in the sense of using materials outside their normal range. Because so many artists are limited by what they know already (Tom).

Symbolic capital- recognition of social and cultural capital

Symbolic capital refers to the emphasis placed upon key types of social, cultural and economic capital. This study shows that in the visual art world, business managers emphasise social connections and embeddedness within a network and that such embeddedness is often as a result of the possession of recognised cultural capital. Such capital has been shown to be acquired rather than a gift of birth, in this situation, and is most often acquired through participation in formal education or learning networks. In addition, this study provides detailed understanding about how managers in the international art market make business relationships more personal and personal relationships more businesslike and how they can use relationships, direct and indirect to achieve this end. Finally, the study reveals how managers can strategically take steps to transfer a relationship to another level, or add a new level, or remove a level from a relationship. However, through neglect of reciprocity of favours such as exchange of tacit knowledge and job offers, the manager may find that their relationships change for the worst, even irrevocably. This suggests that close personal and friendship relationships need far more management of interpersonal actions because of their dynamism than more formal relationships such as reporting and organizational contacts.

Discussion and typology

Derived from the findings four levels of social relationships along a continuum emerge to provide a typology of interpersonal relationships in Figure 1. (Insert Figure 1 approximately here). The typology reveals how interpersonal relationships of managers are used in business development and management, by first explaining how managers make business relationships more personal and personal relationships more businesslike. Second, it explores how a manager can transfer a relationship to another level, add a new level or remove a level from a relationship. To summarize, the meticulous secretary relationships are low in responsiveness, primarily indirect interactions and derive from organizational-centred relationships. They primarily serve to provide the manager with simple information and the relationships are professional and formal. The major interaction serves to exchange names of training colleges, scholarships, exhibition locations, i.e. routine names and facts. The institutional facilitator has low to medium responsive, indirect interactions and is also an organizational-centered relationship. This is a professional and formal relationship and is derived from the role that person performs in a business. They can be gate keepers to an organization but when a manager has a social relationship with an institutional facilitator they can provide accurate and reliable information about the industry, locally and international through their gallery, school, government, of business role. Knowing this type of relationship gives the manager access to business persons that can get things done for him/her more quickly than if you did not have this contact because they are familiar with the rules, procedures and policies and can be gate openers.

The trusted companion provides similar types of information as the institutional facilitator but they are much more influentially placed and because the relationship the manager has with

them is personal it operates at a high level of intimacy. Trust develops in these types of relationships over time and they make access to galleries, showings, invite the manager to give an exhibition, and willing to spend time and effort to get the information to the manager in a very timely manner. They are also willing to exchange tacit knowledge, not just information, such as a new technique or latest industry trends. They are willing to contact the manager about an exhibition or work with them on a new project. They are collaborative and not likely to compete. Overtime the interaction with this type of relationship gives rise to a very personal connection and they form part of the manager's person-centred relationships and are intrinsic to the manager and thus able to be taken with him/her when they move from one business to another. These relationships are personal to the manager and so take time to nurture and also to return favours. This reciprocity is expected and so managers will have a smaller number of these types of person-centred relationships than organizational-centred relationships, such as those found in the meticulous secretary and the institutional facilitator.

Finally, the benevolent mentor is an interpersonal relationship that a manager has with various colleagues, relatives and school associates. They are characterized as highly responsive, direct interactions and are person-centred. As the relationships are very personal and responsive, reciprocity is not only expected in a business context but also in private and social matters. These relationships require a high level of commitment, time and energy and are long-term by nature. The relationships provide managers with access to jobs locally and internationally, loans of personal funds during times of financial hardship, homes to live in, and assistance with family members requiring jobs, contacts and travel connections. The reciprocity is expected to be swift and conditional upon return of favours. For this reason, managers usually have few of these types of special and privileged relationships. Overall, movement between the four levels and adding on or removing a level is carefully focused around favours, exchange of tacit knowledge and loyalty and such movement is often dependent on the symbolic capital of the individuals involved in this exchange.

Conclusions

This study, which concerns visual artists in Australia highlights the role of networks for the visual arts manager. Australia is an ideal setting in which to examine the role of networks in an industry setting such as the visual arts. It is a dynamic, small, western market and remains geographically isolated from other key international markets in the west, such as the United Kingdom and The United States. For this reason, networks, both their generation, development and management are a serious part of the competencies and capabilities that managers need to manage often micro businesses. Described as in the late growth stage, the visual arts industry in Australia, while small, is well known and is competitive internationally. In managing their artistic network and marketing themselves and their work within that network, forms of social and cultural capital are deemed important. In line with the literature, such forms of capital are not static and change over time and geographical location. Although the art market is a global market, similarly to other business enterprises, the art manager must use networks to establish their position in overseas markets. Within such overseas markets or alternative networked environments, symbolic capital is key to providing access to these networks. Through the recognition of the status of the forms of social and cultural capital possessed by artists, either through personal introductions, access to exhibitions or association with a well regarded educational institution, access to such networks is secured.

The paper has made initial steps towards developing a typology of interpersonal relationship development within the international art market. The meticulous secretary relationships are indirect interactions and derive from organizational-centred relationships, providing managers with simple information. The institutional facilitator is an indirect, organizational-centered relationship, which is professional, and acting as gate keepers to an organization. The trusted companion is a more influentially placed relationship and personal to the manager and so operates at high levels of intimacy. The benevolent mentor relationships are very personal and responsive, with high reciprocity in a business and private context. Thus, these relationships

are based on high levels of commitment, injections of time and long-term. This typology should be applied and developed further across a range of international contexts. A limitation of this study is that it is very small scale and draws on visual artists deriving from one country. However, the use of life history interviews and the international nature of their practice mean that implications for the international art market can be drawn from this study.

Bibliography

Achrol, R.S and Kotler, P. (1999) Marketing in the Network Economy, *Journal of Marketing*, (63): 146-163

Ash, A (2007) Fine art and the bubble in money, from <http://www.moneyweek.com/file/25435/fine-art-and-the-bubble-in-money.html>, accessed 24/03/2007

Batt, R, Christopherson, S, Rightor, N. and Van Jaarsveld, D. (2001). *Net-working, work patterns and workforce policies for the new media industry*. Washington,DC: Economic Policy Institute.

Batt, Peter J. and Purchase, Sharon (2005) Managing collaboration within networks and relationships, *Industrial Marketing Management*, 33(2004): 169-174.

Biernacki, P. and Waldorf, D. (1981) Snowball sampling: problems and techniques of chain referral sampling. *Sociological Methods and Research*, 10: 141-163.

Bourdieu, P.: The forms of capital, in: J.G. Richardson (ed.): Handbook for Theory and Research for the Sociology of Education, 1986: 241 – 258

Bourdieu, P (1993) *The Field of Cultural Production: Essays on Art and Literature*, Johnson, R (ed), Cambridge, Polity Press

Bourdieu, P (1998) *Practical Reason: On a Theory of Action*, Cambridge, Polity Press.

Bourdieu, P and Wacquant, L (1992) *An Invitation to Reflexive Sociology*, Cambridge, Polity Press.

Blair, H., Grey, S. Randle, K. (2001) Working in film: An analysis of the nature of employment in a project based industry, *Personnel Review*, 30: 170-185.

Blair, H. and Rainnie, A. (2000) Flexible films? *Media, Culture and Society*, 22:187-204.

Christopherson, S. 2002. Project work in context: Regulatory change and the new geography of media, *Environment and Planning A*, 34: 2003-2015

Christopherson, S. and Storper, M. (1989) The effects of flexible specialization on industrial politics and the labor market: the motion-picture industry, *Industrial and Labor Relations Review*, 42: 331-47.

Emerson, R.M. (1981) Social Exchange Theor” in *Social Psychology, Sociological Perspectives*, Rosenberg, M and Turner, R (ed.) New York, Basic Books, 30-65

Fillis, I. (2004a). The Entrepreneurial Artist as Marketer – Lessons from the Smaller Firm Literature, *International Journal of Arts Management* , 7(1) 9-21.

Fillis, I. (2004b). Visual Arts Marketing, in *Arts Marketing* , In Kerrigan, F., Fraser, P. and Özbilgin, M.F. (eds.) *Arts Marketing*. Oxford: Elsevier:119-138.

Fraser, P. J. (2000) *Surviving On Your Own: Making Sense Of The Lived Experience Of Self Employment*, Unpublished PhD Thesis, Hatfield, University of Hertfordshire Business School.

Grabher, G and Ibert, O. (2006), Bad company? The ambiguity of personal knowledge networks, *Journal of Economic Geography* 5(6).

Grabher, G. (2004), Learning in Projects, Remembering in Networks? Communality, Sociality and Connectivity in Project Ecologies, *European Urban and Regional Studies*, 11(2):103-123.

Gulati, R and Zajac, E.J. (2000) Reflections on the study of strategic alliances in Faulkner, D and De Rond, M (ed.) *Cooperative Strategy*, Oxford University Press, Oxford, pp 365-74

Gulati, R, Nohria, N, Zaheer, A (2000) Strategic Networks in *Strategic Management Journal*, 21(3): 203 – 215.

Hakansson, H. & Snehota, I.(1995) Analysing business relationships, in Hakansson, H. & Snehota, I. (Eds), *Developing Relationships in Business Networks*, Routledge, London, pp. 24-49.

Hakansson, H. & Ford, D. (2002) How Should Companies Interact in Business Networks? *Journal of Business Research*, 55(2), 133-139.

Hallen, L. (1992) Infrastructural networks in international business, in *Managing Networks in International business*, Edited by Forsgren, M & Johanson, J. Gordon and Breach, Philadelphia, pp. 77-92.

Huemer, L. (2004) Balancing Between Stability and Variety: Identity and Trust Trade-Offs in Networks, *Industrial Marketing Management Journal*, Vol. 33: 1-259.

Kottasz, R, Bennett, R., Savani, S, Mousley, W. and Ali-Choudhury (forthcoming) The Role of Corporate Art in the Management of Corporate Identity: The Case of Deutsche Bank, in the *International Journal of Arts Management*

Mainela, T (2007) Types and functions of social relationships in the organizing of an international joint venture, *Industrial Marketing Management*, 36(2007):87-98.

Moller, K. and Halinen, A. (2000) Relationship Marketing Theory: Its Roots and Direction, *Journal of Marketing Management*, 16, 29-54.

Möller, K and Svahn, S. (2006) Role of Knowledge in Value Creation in Business Nets, *Journal of Management Studies* 43(5):985-1007(23)

Nahapiet, J. and Ghoshal, S. (1998) Social capital, intellectual capital and the organizational advantage, *Academy of Management Review*, 23(2):

Ojasalo, J. (2004) Key Network Management, *Industrial Marketing Management Journal*, 33: 195-205

O'Reilly, D. (2004) The marketing of popular music. In Kerrigan, F., Fraser, P. and Özbilgin, M.F. (eds.) *Arts Marketing*. Oxford: Elsevier: 6-25.

Özbilgin, M and Tatli, A. (2005) Understanding Bourdieu's contribution to organization and management studies, *Academy of Management Review*, 30,(4): 855-869

Putnam, R.D. (2000) *Bowling Alone: The Collapse and Revival of American Community*, New York, Simon and Schuster.

Rentschler, R (2002), Arts Marketing: The Age of Discovery, *Journal of Arts Management Law and Society*, Spring, pp. 7-14.

Robbins, D (2005) The origins, early development and status of Bourdieu's concept of 'cultural capital', *British Journal of Sociology*, 56(1): 13-

Roodhouse, S (2006) The Unreliability of Cultural Management Information: Defining the Visual Arts, *Journal of Arts Management, Law & Society*, Spring2006, 36(1):48-65

Salmi, A. (2000) Entry into turbulent business networks: The case of a Western company on the Estonian market, *European Journal of Marketing*, 34 (11/12), pp. 1374-1390.

Schroeder, J. (2005) The Artist as a Brand, *European Journal of Marketing*, 39(11): 1291-1305.

Silva, E.B. (2007, forthcoming February) Homologies of social space and elective affinities: researching cultural capital in *Sociology*, 41(1): xxx-xxx.

Strauss, A and Corbin, J (1998) *Basics of Qualitative research: Techniques and procedures for developing grounded theory* (2nd ed), Thousand Oakes, CA., Sage.

Wilkinson, R, Roy, S, Sivakumar, K.(2004) Innovation Generation in Supply Chain Relationships – A Conceptual Model and Research Propositions, *Journal of the Academy of Marketing Science* 32 (1): 61-79

Winkler, I (2006) Network governance between individual and collective goals: Qualitative evidence from six networks, *Journal of Leadership and Organizational Studies*, 119-134.

Yin, R.K. (2003) *Case Study Research, design and methods*, Thousand Oakes, CA, Sage.

Table 1: Identification and classification of research participants

Participant	Local engagement	National Engagement	International Engagement	Industry category	Stage of business
Laura	very well established	well established	well established	Sculpture, some painting	Mature
Oscar	very well established	very well established	very well established	Sculpture and painting	Mature
Tom	well established	low engagement	no engagement	Sculpture	Growth
Jasie	very well established	very well established	no engagement	Painting	Mature
Henry	well established	well established	well established	Installation/ Painting/ Sculpture	Introductory
Elinor	medium	no engagement	no engagement as artist, but engaged in international arts community in other economic role	Painting	Late growth

Figure 1: A typology of interpersonal relationship development

