Governance interface and owner organizational identity: The Venice Biennale case

ABSTRACT

There is a considerable body of work on managing the governance interface in project organizing, yet there has been little consideration of how the organizational identity of the project owner might shape the design of that interface. This is important because organizational identity is known to shape various aspects of project organizing, such as how an organization is perceived by team members, so we might expect it also influence the performance of projects. We explore this question through a case study of how the Venice Biennale owner organization governs one of its temporary project events – the 2019 Venice International Film Festival. Through our empirical fieldwork, based on multiple data sources including a participant ethnography of the 76th Venice International Film Festival and semi-structured interviews, we found that the organizational identity of the project owner organization influences choices made for the governance of a delivery project. The study contributes to theory on project organizing by highlighting the importance of owner organizational identity for the design of the governance interface in project organizing and identifying the importance of an interpersonal approach to governance interface design for an owner organization with an identify of innovation and experimentation on its delivery projects.

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1. INTRODUCTION

Project governance has been a growing area of research interest over the last few years (Ahola et al., 2014; Müller & Lecoeuvre, 2014; Joslin & Müller, 2015; Ul Musawir et al., 2020). Project governance can be broadly defined as the management of project management (Too & Weaver, 2014). It is "a system by which a project is directed, controlled, and held to account" (Ul Musawir et al., 2020, p.7). Project governance is "the framework, functions and processes that guide activities in projects, programme and portfolio management" (PMI, 2008). It implies a constellation of frameworks, structures, processes, policies and other elements that can overwhelm an organization with bureaucracy and rules. However, research in the field is conceptually fluid (Ahola et al, 2014; Ul Musawir et al, 2020) and there is a tendency to use the concept to cover a number of different issues and interfaces in project organizing including the management of suppliers (e.g. Müller, 2011) rather on the management of project management. We have therefore chosen to focus specifically on the *governance interface* (Winch, 2014; Winch et al, 2022) between the project owner organization and the temporary delivery organizations for the projects it sponsors. For this interface, it remains true that "we still know little about how governance arrangements actually work in practice, and which approaches are more appropriate in which contexts" (Winch & Leiringer, 2016, p. 277). This issue is central to project organizing research, because the design and effective management of the governance interface is clearly linked to the overall performance of the project (Merrow, 2011) and the generation of value by the project (Riis et al, 2019). We start from the position that one size does not fit all in project governance as in other areas of project organizing

(Shenhar, 2001). In particular, there are concerns regarding appropriate project governance modes for less traditional, innovation-driven organizations, operating at the interface between the permanent owner organization and the temporary project delivery organization (Bakker, 2016; Stjerne & Svejenova, 2016; Sergeeva, 2019) which deserve further exploration.

The role of organizational identity - the members' perception of an organization and shared beliefs about the central, enduring, and distinctive characteristics of their organization (Albert & Whetten, 1985; Whetten, 2006) – is becoming increasingly recognized in both mainstream organizational research (Gioia et al, 2013; Schultz and Hernes, 2013) and in project organizing research (Sergeeva & Roehrich, 2018; Harikkala-Laihinen, 2022). Organizational identity is relational and consciously self-reflexive (Fiol et al., 1998; Hatch & Schultz, 2002; Ravasi & Schultz, 2006). It is influenced by how members believe the organization is perceived externally and by their beliefs and assumptions about idiosyncratic patterns of behaviour (Ravasi & Schultz, 2006). Building upon the previous work, his paper aims to uncover the role of owner organizational identity in the design and management of the governance interface by the owner organization.

The relationship between the organizational identity of the owner organization and how that aligns with the design of the governance interface between the permanent owner organization and its projects has not, given its importance for project performance, been adequately explored in the project organizing literature, although a start has been made (Gulino et al., 2020; Riis et al, 2019; Sergeeva, 2019). We propose to fill this gap by investigating project governance approach by an exemplar cultural institution, the Venice Biennale, driven by the organizational identity of research, experimentation and innovation for one of its festival projects, the 76th Venice International Film Festival (VIFF). In particular, the purpose of this study is to explore the governance interface between the permanent cultural organization as project owner (Venice Biennale) and one of its temporary project delivery organizations in the

form of an annual film festival (VIFF). We thereby seek to analyse the Venice Biennale's management of its governance interface with the festival events designed to enable the temporary festival to innovate and the permanent Biennale organization to remain truthful to its identity as an organization. It will thereby contribute to the development of theory in project organizing research by showing 1) how the organizational identity of the project owner influences design and management of the interface between the temporary and the permanent for the project governance of a project for an annual film festival. 2) how an organizational identity which emphasizes autonomy, flexibility and innovation chooses an inter-personal design of the governance interface in contrast to the more established bureaucratic one.

The Venice Biennale is one of the most important cultural institutions in the world founded in 1895 operating in six cultural sectors through temporary annual or biennial festivals and exhibitions. Considering its history and organizational structure, the Venice Biennale constitutes an ideal case to study the governance interface between permanent cultural organizations and their annual festival projects (Uriarte et al, 2019). In particular, the study looks at the Biennale Foundation as owner organization, and the 76th edition of the Venice Film Festival, held in 2019, as the project organization. Festival events clearly meet the definition of a project as "a temporary effort to create value through a unique product, service or result" (www.pmi.org accessed 19/05/22). Festival projects are one-off events that provide a unique service for participants; indeed, if that service experience is not deemed to be unique, then the festival will likely be deemed a failure. While many such festivals are held through repetitive cycles through over the years, each festival is therefore unique in its outcomes.

This connection has been recognized in the significant amount of research on festival and other cultural projects which have made significant contributions to project organizing research (Bettiol, & Sedita, 2011; Bérubé & Gauthier, 2021; DeFillippi, 2015; Marcella & Rowley, 2015; Uriarte et al. 2019). For instance, DeFillippi (2015, p. 268) argues that "creative

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industries provide many opportunities for the observation and study of project-based organizations". Some of the specificities of creative industries are the following: (1) they produce experience goods with considerable creative elements (Peltoniemi, 2015, p. 41); (2) they "have their origin in individual creativity, skill and talent" (DCMS, 2001, p. 5); (3) they are based on the "nobody knows" property (i.e., consumer demand for creative products is volatile and subjective) (Caves, 2000, p. 2), thus requiring a flexible and project-based creative production process (Eikhof & Warhust, 2013; Vinodrai & Keddy, 2015); (3) they have to ensure continuous innovation because the creative industries are "strongly dependent on originality and novelty" (Jones et al., 2016, p. 752), can offer valuable insights to other types of projects in more traditional industries (e.g., construction, product development) that have to ensure innovation in order to be successful.

The study therefore addresses the following research questions:

> (1) *How does owner organizational identity shape the interface between the temporary and the permanent in project organizing?*
>
> (2) *What is an appropriate mode of project governance for an owner organization, with an identity driven by the spirit of experimentation and innovation for interfacing with its project delivery organizations?*

By posing these research questions, the present study responds to the recent calls (e.g., Sydow & Braun, 2018; Söderlund & Sydow, 2019) to explore the embeddedness of projects into wider organizational and institutional contexts. By addressing these two questions we can better understand the connection between organizational identity and governance interface design and management in project organizing. Furthermore, the study explores the governance interface and the configuration of owner project capabilities (Winch & Leiringer, 2016; Sergeeva, 2019) in the context of cultural industries, which are by definition driven by creativity and innovation (Lampel et al., 2000).

The paper is structured as follows. The next section provides the theoretical background on project governance, highlighting the importance of investigating flexible modes of governance in organizations that aim to foster innovation, followed by a section on the under-researched role of organizational identity in project governance. The subsequent section outlines the study's methodology, overviewing the Venice Biennale as an empirical research site. Then it presents findings and concludes with discussion and contributions.

2. THEORETICAL BACKGROUND

2.1 Project governance: Towards an informal approach

Project governance can be broadly defined as the management of project management (Too & Weaver, 2014). It is "a system by which a project is directed, controlled, and held to account" (Ul Musawir et al., 2020, p.7). Project governance is "the framework, functions and processes that guide activities in projects, programme and portfolio management" (PMI, 2008). It implies a constellation of frameworks, structures, processes, policies and other elements which can overwhelm an organization with bureaucracy and rules. Within the research literature on project governance there is a lack of both conceptual clarity and empirical granularity on how project governance gets done on projects (Ahola et al, 2014; McGrath & Whitty, 2015; Pitsis et al., 2014; Riis et al, 2019, Sergeeva, 2019; Ul Musawir et al., 2017; Ul Musawir et al., 2020; Winch & Leiringer, 2016).

However, there are indications of what the elements of the governance interface might be (Riis et al, 2019). Müller (2014a) defines project governance as the use of systems, structures, processes, procedures, policies, roles and responsibilities to allocate resources and coordinate or control activity in a project. DeFillippi and Sydow (2016) suggest that project governance mechanisms can be summarized into "four R's": responsibilities that reflect contract-based governance; routines; roles representing administrative control; and relationships reflecting social modes of governance. Winch and Leiringer (2016) further propose project assurance,

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project coordination and asset integration into existing operations as owner capabilities for the governance interface. Perhaps Too and Weaver (2014) provide the most extensive analysis. They argue that a governance structure includes portfolio management, project sponsorship, and a project management office (PMO). Other authors add stage-gate processes (Merrow, 2011), the three lines of defence for project controls (Hone et al., 2011) and project boards (Lechler & Cohen, 2009; Loch et al, 2017). See Winch et al (2022: figure 8.3) for an integrative model of this literature, while Merrow (2011) shows the importance of these governance mechanisms for the performance of megaprojects. Axelos (2017; 2020) provides practical applications of this approach to the design and management of the governance interface based on formal processes and procedures.

Across this diversity there is a consensus that capabilities for the management of the governance interface require levels of specialization, formalization and standardization in organization design – in a word, bureaucracy (Mintzberg, 1979). However, in order to govern effectively, the owner organization needs to design a set of both formal and informal structures and processes. On the one hand, project governance has to enact sets of practices that are reliable and repeatable across projects (Müller et al., 2014a) which requires a certain formalization and standardization of processes, on the other hand, complex and unique projects require flexibility (Gulino et al., 2020; Sergeeva, 2019). This dualism between the formal, bureaucratic aspect of organizing and the informal, inter-personal aspect of organizing is long established in organization studies (Burns & Stalker, 1961; Mintzberg, 1979; Puranam, 2018), but has not received much attention in research on the governance interface in particular.

Following this line of thought, several scholars suggest that flexibility is the key to enable successful project governance in order to cope with risks, changing circumstances and project uniqueness (Müller et al., 2014a; Müller et al., 2014b; Müller et al., 2016; Lappi et al., 2018). To what extent flexibility in the governance framework should be granted is another

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question, conditional on several factors. First, the context of the project matters (Ul Musawir et al., 2017). Furthermore, different levels of governance require different types of flexibility – the lower levels of governance require flexible methods and processes while the higher levels of governance require flexibility in people's mindsets (Müller et al., 2014b).

Müller et al. (2014b, 2015) identify several organizational enablers of effective governance including self-responsible and self-organizing individuals, flat and decentralized organization design and a culture of open discussion. Too many formal rules and policies can increase complexity with the negative effect on project performance (Sohi et al., 2019). This literature suggests that bureaucratic approaches to project governance may have their limitations, and that for some owners, non-bureaucratic, flexible and inter-relational approaches may be more appropriate. An important aspect influencing choices of governance interface design may be owner organizational identity.

2.2 The role of owner organizational identity in project governance

Organizational identity is the members' perception of an organization and their shared beliefs about the most central, enduring, and distinctive traits of their organization (Albert & Whetten, 1985; Whetten, 2006; Gioia,et al, 2013). It answers the questions of "who we are as an organization" and "what we do as a collective" (Nag,et al, 2007). The formation of organizational identity is a complex process (Gioia et al., 2010), influenced by the membership in group, industrial and organizational fields (Rao et al., 2000) and the role of founders and leaders (Hannan et al., 2006; Scott & Lane, 2000, Voss et al., 2006) who give sense to other members (Gioia & Chittipeddi, 1991). While the role of organizational identity in constructing strategic capabilities and resources has been widely recognized (Dutton & Dukerich, 1991; Glynn, 2000; Maitlis & Lawrence, 2003; Voss et al., 2006), its role in the project governance interface remains scarcely researched. There is a gap in the existing knowledge in

understanding the connection between the owner's organizational identity and the owner's choice of governance approach in project organizing.

Glynn (2000) relates the crafting of a cultural organization's identity to the crafting of strategic capabilities and resources by proposing a model explicating how the construction of core capabilities lies at the intersection of identification and interpretive processes in organizations. Through the process of identification, organization members identify themselves with their organization, while the process of interpretation helps strategic issues become noticed and associated with a set of resources. Studying organizational identity in relation to firm performance, Voss et al. (2006) stress how consensus about identity helps members with strategic decision-making, resource acquisition and their organizations' internal processes. With regard to governance capabilities, Golden-Biddle and Rao (1997) highlight the role of organizational identity in constructing and enacting directors' roles, shaping interactions among board members and managers. Despite some evidence about the impact of organizational identity on governance, its role in aligning objectives between the permanent owner organization and its projects in the project organizing literature has not been adequately explored.

Gulino et al. (2020) explore governance as a dynamic capability of the San Francisco case of the Itaipu as the owner organization of complex social housing development projects. They showed how the owner organizational identity transformed from the traditional culture of working in isolation to a more inclusive and open organization fostering cooperation between all parties involved. Sergeeva (2019) conducted narrative interviews with senior practitioners in project settings and found that, from their perspective, more flexible and collaborative project and corporate governance stimulates innovation. These findings have important implications for shaping an organizational identity that merit much further empirical investigation. The recent work by Harikkala-Laihinen (2022) shows that how members perceive an organizational

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identity during strategic change is, in many ways, influenced by the context and personal experiences. The ways organizational identity is perceived by members affect organizational outcomes, especially during change management programmes and when governance decisions need to be taken.

For these reasons, this study focuses on the under-researched role of owner organizational identity in the design and management of the governance interface between an owner organization and its projects. If an organization values considerably its identity and if its identity is based on certain principles, such as creativity, research and innovation, there is a need for an appropriate governance approach (Sergeeva, 2019; Sergeeva & Ali, 2020). In contrast to a highly formalised, bureaucratic and processual project governance, this study investigates an alternative approach to governance that allows an organization to constantly innovate and change itself while at the same time remaining stable and faithful to its identity over many years.

3. METHODS

In order to answer the research questions, we use the qualitative research approach as it allows for the investigation of complex, processual dynamics and human interaction (Gioia et al., 2013). We chose an exploratory case study approach (Yin, 2015) to enable theory elaboration (Fisher & Aguinis, 2017) and to examine the governance of the Venice Biennale as our empirical domain. A case study is appropriate because it attempts to examine a contemporary phenomenon in its real-life context in conditions pertinent to the phenomenon of the inquiry. We selected the Venice Biennale because it acts as an extreme case demonstrating an outstanding success and a perfect setting to focus on the governance interface between the two principal organizational elements of the Biennale - the Biennale Foundation (i.e., the permanent part) and the annual or biennial festivals and exhibitions (i.e., the temporary part).

In particular, we focus on the Venice International Film Festival (VIFF) for the temporary part as a specific form of temporary project organizing (Uriarte et al., 2019). Film festivals are influenced by the shadow of the past and future projects in which different stakeholders' interests are involved (Sydow & Braun, 2018).

3.1 The Venice Biennale research case study

The Venice Biennale was founded as an Exhibition of Contemporary Art in 1895 and became immediately one of the most important art exhibitions in the world. In the 1930s the Venice Biennale was transformed into an autonomous body passing from the control of the Municipality of Venice to that of the national Italian government. Thanks to the increased funding and the effort of the then President, new cultural sectors were created (Music, Cinema, Theatre) and the Biennale took on a multidisciplinary nature. In particular, the Venice International Film Festival (VIFF) was born in 1932 and from 1935 onwards it became annual.

During the war period, the activity of the Biennale was interrupted: the VIFF was suspended from 1943 to 1945. A period of institutional changes culminated in a new Statute in 1973. A "democratic" Governing Council (19 members) was set up, composed of representatives of the Government, the most important local authorities, the major trade unions, as well as a staff representative. This Governing Council elected the President and appointed the Department Directors.

The 1980s and 1990s were years of reforms for the Biennale. A new President recognized the urgent need for the autonomy and independence of the festival. With the reform of 1998, the Biennale governance changed to become a public entity operating according to private law. The Board was reduced from 19 to 5 members. The President was given clear definition and instructions. The limitation to only one appointment for Artistic Directors was abolished, meaning that Artistic Directors could be reappointed for several years to come. This change

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was especially important for the Artistic Director of the VIFF to ensure some continuity and stability in film programming.

In 2004 the statute was revised to give the Biennale even more autonomy and entrepreneurial orientation. It was renamed to the Biennale Foundation (Fondazione della Biennale di Venezia). The former President of the Biennale explained one of the reasons behind this reform: *"The Biennale has the evident public goal – compensate for a relative dearth of instruments of access for the public and a deficiency in the number of instruments or research and experimentation in the fields in which it operates"*.

The Venice Biennale, operating in different cultural sectors, values the proposed creative projects based on their artistic value. It "enhances the artistic reputations of participants by means of its own significance within the field", serving as the "structure of symbolic recognition" (Johanson et al. 2021, p. 3).

3.2 Data collection

The data regarding the owner and its temporary annual film festival, The Venice Biennale case study, were collected from multiple sources: (i) a participant ethnography of the 76th Venice International Film Festival including photo-ethnographic observation; (ii) archival data from the Historical Archive of Contemporary Arts (ASAC) and the Biennale Library, (iii) media coverage, (iv) supplementary semi-structured interviews with the key organizational actors.

An ethnographic study, which helps understand the micro dynamics of specific processes responding to the questions of "how" and "why" (Van Maanen, 2011), was conducted from August 24 to September 5, 2019 for a total of 150 hours of participant observation. The first author worked as a runner to assist the Venice Production Bridge (VPB) team but had a chance to observe and work on other duties during the 76th VIFF. The VPB, launched in 2015, constitutes a bridge between different industry professionals. It is a constellation of events

articulated into four main initiatives, besides other panels, meetings, conferences and screenings.

Field interviews took place during 2019. We followed purposeful sampling in choosing our informants. We chose informants who would be most able to inform us on our research questions concerning the governance approach of the Biennale and the role of organizational identity in the governance interface between the Biennale Foundation and its VIFF. The preliminary narrative interview (Sergeeva & Winch, 2020) took place with the President in early spring of 2019. Instead of having a prepared list of questions, the President was free to narrate his experience with the Biennale. Among the discussed topics were: the identity and fundamental values of the Biennale, the President's role and the structure of the Biennale, discussion of the VIFF in comparison with other major film festivals. The semi-structured interviews with the Director General and the Deputy Director (who is also the Head of Legal and Institutional Affairs; Human Resources; and manager of ASAC) took place in November 2019. A semi-structured interview is an openly designed interview situation where "the interviewed subjects' viewpoints are more likely to be expressed" (Flick, 2009, p. 150). Although semi-structured interviews followed a prepared framework of themes, many open questions came up during the discussion bringing up new ideas. Semi-structured interviews contained questions such as: *Which key organizational members are at the top of the Biennale Foundation and which are at the top of the VIFF? How does the interaction between the Biennale Foundation and its Film Festival take place? How is the alignment of objectives guaranteed? Which are the offices that deal with transversal functions for all cultural sectors? Does the Biennale use project portfolio management, program management practices? How do they work? Does the Biennale have a project management office?* In addition, questions about the key values, features, and tensions of the Biennale were asked. This allowed us to comprehend the importance that the organizational identity of the Biennale played in its

governance interface. Prior research has identified top managers as critical players who have "important insight into an organization's identity, unique access to knowledge of organizational structures, strategies, and actions" (Corley & Gioia, 2004, p. 180).

We tried to reach other members of the Biennale, but because of the flooding in autumn 2019, the change in the top management team in January 2020, and then the COVID-19 outbreak, it became impossible to continue formal fieldwork. However, many informal conversations with both employees of the Biennale and cinematographic experts were held. The informal conversations were not recorded.

With regard to the secondary data, we employed theoretical sampling, pursuing data relevant to the themes and grounded theory emerging in the ongoing analysis (Corley & Gioia, 2004; Glaser & Strauss, 1967). We examined the historical sources offered by the Biennale Library, ASAC and different catalogues (i.e., mainly paper catalogues of the 76th VIFF and online catalogues and newsletters of other years) related to the Cinema sector. Other sources of internal and external communication and media coverage have been analysed, acting as important supplements to triangulate the results. The data sources are indicated in Table 1.

Source	Type of Data	Objective in the analysis
Ethnographic Participant observation	147-150 hours before and during the festival (August 24 – September 5; 10/11 working hours per day).	Gain an understanding of internal dynamics of the VIFF and its interaction with the Biennale Foundation.
Photo-ethnographic observation	Over 200 photographs taken by the first researcher; around 130 photographs taken by the VPB photographer.	Analyze the festival's space and socio-materiality through which the Venice Biennale maintains its identity.
Informal Interviews	Constant informal (non-recorded) talks with the team members of the VPB and other employees and participants of the 76th edition of the VIFF.	Understand the previous experience, contractual conditions of the Biennale's temporary and permanent employees.
Interviews	3 interviews with key organizational actors of the Venice Biennale: -President (95′ of non-recorded interview)	Gain an understating of organizational identity of the Biennale, its organizational

	-Director General and organizational manager of the Cinema sector (20′ of informal talk and 48′ of recorded interview) -Deputy Director, Top Manager of Legal and Institutional Affairs, HR, responsible of the Historical Archive of Contemporary Arts (20′ of informal talk and 48′ of recorded interview).	structure, its governance and its management of tensions.
Archival Sources	-Materials on the organizers and managers of the Venice Biennale and its cultural sectors. Corporate reports regarding the organization of the offices. Financial statements. -All available press releases and documents related to the cultural sectors, available on the official website of the Biennale.	Comprehend the formal organizational structure and governance of the Venice Biennale. Explore the organizational identity, the interaction between project owners (i.e., the President, the General Director) and project managers (i.e., artistic directors).
	-Material on the history of the Venice Biennale. Happy 75th – a brief introduction to the history of the international film festival by Peter Cowie. -Newspapers (more than 200 articles).	Contextualize the interplay between temporary and permanent organization structures within a specific historical moment. Gain insights on how media reports on the organization and identity of the Venice Biennale.

Table 1. Data sources and their use in the analysis of the paper

3.3 Data analysis

Data analysis followed prescriptions for grounded-theory building (Corbin & Strauss, 1990), elaborating a theory through a continuous interplay between data analysis and data collection. Data analysis consisted of three phases (Hubermann, Miles, 1994): (1) data reduction in which the mass of qualitative data (e.g., interview transcripts, newsletters) was manually transcribed, and analysed with NVivo; (2) data display in which an organized, compressed assembly of information was displayed in a form of tables or discourse; (3) drawing conclusions. We employed the following methods: (i) contextual analysis of the archival data, media coverage and field notes from the ethnography to comprehend the organizational structure of the Biennale and its internal dynamics; (ii) thematic analysis on interview data to identify emerging patterns (Yin, 2009).

Interview transcripts, field notes from ethnographic observation, official documents (e.g., Statute, organizational structure and functions of the Biennale), newsletters, press releases, media articles were analysed in NVivo. The NVivo analysis led to the emergence of open, axial and selective codes (Corbin & Strauss, 1990). In the open coding phase meaningful nodes were identified, given conceptual labels and grouped in categories and subcategories. In particular, 88 codes and subcodes were identified. In axial coding categories were related to their subcategories. 10 axial codes emerged from coding all the data at hand, including categories such as the Biennale's permanent and temporary elements, its employees, organization of the VIFF and the organizational structure of the Biennale; governance interface; identity of the Biennale and others. Not all axial codes were necessary to answer our research questions (e.g., tensions within the Biennale), thus in the end we reduced the number of axial codes to eight.

In selective coding we unified several categories around some "core" categories, through a process of grouping codes into increasingly abstract concepts. To identify core categories, we asked ourselves questions focused on areas such as (1) corporate governance and organizational identity of the Biennale; (2) permanent and temporary elements in the Venice Biennale; (3) the governance interface between festivals and permanent owner organization; and (4) the role of organizational identity in the governance interface. A three-stage process of theoretically informed coding is showed in Figure 1.
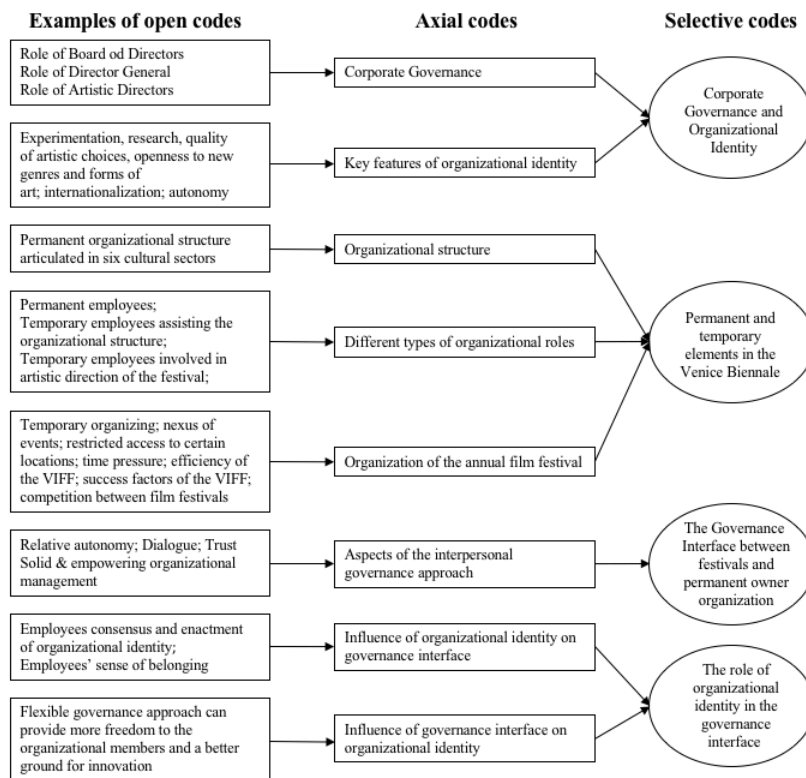
Examples of open codes

Role of Board od Directors
Role of Director General
Role of Artistic Directors

Experimentation, research, quality of artistic choices, openness to new genres and forms of art; internationalization; autonomy

Permanent organizational structure articulated in six cultural sectors

Permanent employees;
Temporary employees assisting the organizational structure;
Temporary employees involved in artistic direction of the festival;

Temporary organizing; nexus of events; restricted access to certain locations; time pressure; efficiency of the VIFF; success factors of the VIFF; competition between film festivals

Relative autonomy; Dialogue; Trust Solid & empowering organizational management

Employees consensus and enactment of organizational identity;
Employees' sense of belonging

Flexible governance approach can provide more freedom to the organizational members and a better ground for innovation

Axial codes

Corporate Governance

Key features of organizational identity

Organizational structure

Different types of organizational roles

Organization of the annual film festival

Aspects of the interpersonal governance approach

Influence of organizational identity on governance interface

Influence of governance interface on organizational identity

Selective codes

Corporate Governance and Organizational Identity

Permanent and temporary elements in the Venice Biennale

The Governance Interface between festivals and permanent owner organization

The role of organizational identity in the governance interface

Figure 1. Coding structure

4. FINDINGS

The next section explores the corporate governance and the most central component of the organizational identity of the Biennale. Then, we discuss the permanent and temporary elements of the Venice Biennale and the governance interface between the Biennale Foundation and the VIFF. Important aspects of the Biennale governance approach are identified. Finally, we stress the role of organizational identity in the governance interface.

4.1 Organizational identity of the Biennale Foundation as Event Project Owner

The Board of Directors (BoD) is accountable for the corporate governance of the Biennale Foundation. The composition of the BoD is reflective of the importance given to the stakeholders of the Biennale. It consists of the President, the Mayor of Venice, and three members nominated respectively by the Regione Veneto, the Consiglio Provinciale di Venezia and private backers. The President is nominated by the national Minister for Cultural Affairs. The BoD defines the strategic objectives of the organization, and the timing and modes within which the strategic objectives are executed. The General Manager is in charge of the execution of strategic objectives. The BoD appoints and dismisses the Artistic Directors of the cultural sectors of the Biennale and its Director General. Among other functions, the BoD allocates funds to the cultural sectors on the basis of their proposed projects as shown in Figure2. This level of governance is highly formalized involving accountability for public funds but is also designed to articulate a strong artistic organizational identity.

Artistic Directors and Curators, being fully responsible for artistic choices of their sectors, constitute the key actors at the project governance level. They prepare and carry out the activities of the sector of their competence within the program approved by the BoD and the resources assigned to them by the board itself (article 13 of the revised Statute 2004). The BoD coordinates between projects of different sectors, supported by the Director General. Figure 2 illustrates the organizational structure of the Venice Biennale showing the link with its Artistic Directors. In effect, they are the project managers of a Biennale event. It shows the governance interface between the permanent organization and the temporary organizations[1] of the Venice Biennale.

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[1] VIFF- Venice International Film Festival; IAE- International Architecture Exhibition/International Art Exhibition; IFCD- International Festival of Contemporary Dance; IFCM- International Festival of Contemporary Music; ITF - International Theatre Festival.
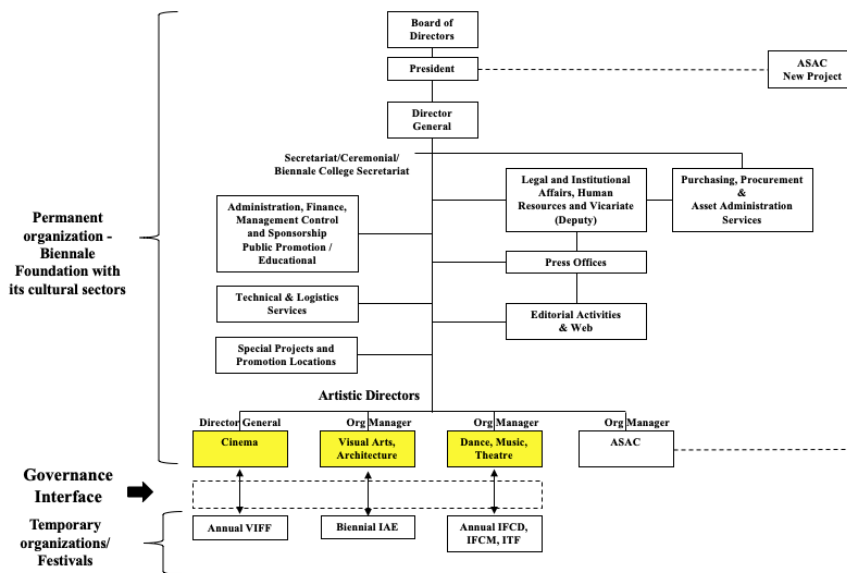
Figure 2. Governance interface of the Venice Biennale

The Venice Biennale has a strong organizational identity existing "for more than 120 years as one of the most prestigious cultural institutions in the world" (https://www.labiennale.org/en/history, accessed 16.12.2020). The reforms of the 1980s and 1990s changed the governance of the Biennale in a profound way. The Biennale became a public entity operating according to private law and entrepreneurial principles, allowing it to fulfil its organizational purpose. The company statute of 1998, revised in 2004, indicates the mission of the Biennale, which is *"to promote the study, research and documentation in the field of contemporary arts on a national and international level through stable activities, events, experiments, projects."*

The key central and distinctive features of the Biennale's organizational identity are: (1) the spirit of experimentation, research, quality of artistic choices, and openness to new genres and forms of art; (2) internationalization; (3) autonomy. This is demonstrated in the following quotations:

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The key words describing the Biennale, forming its essence, are - Venice, international, contemporary arts. It is about the research through international exhibitions and festivals on contemporary arts in the city of Venice. (Interview, Director General)

The spirit of experimentation is profound:

As the statute indirectly indicates, the mission must be carried out "in spirit of research", making it a place of knowledge within a relationship of free dialogue conducted through choices that are devoid of third-party interests. (Internal document, President, 2019)

And:

If we go back to the essence that we described before - "promoting research in contemporary arts at the international level in Venice" - that is our DNA! To do that you need to be open to the world. For example, we put Netflix films in to competition, so what? Are they films? – Yes. Do people watch them? – Yes. (Interview, Director General)

This was also supported by "*It is in our DNA to experiment*" (Interview, Deputy Director).

Festivals and exhibitions by the Biennale reflect the ideals of the Biennale itself (Cowie, 2018, p. 22). In fact, the claim of experimentation is constantly present in the speeches of Artistic Directors and curators of the cultural sectors of the Biennale. For instance, the curator of the 58th International Art Exhibition in his opening speech stressed:

An exhibition is above all an experiment: like the works that it gathers together, it cannot be reduced to being 'about' this or that subject. Instead it stages a range of possibilities, testing how a group of artworks might behave within a particular environment and under particular conditions, how they might handle different types of stress and what kind of frictions they generate in response. (Curator of the 58th International Art Exhibition of the Venice Biennale, 2019)

The spirit of research is connected to the quality of artistic choices and its dominance over commercial choices. In the interview with film historian Peter Cowie, Alberto Barbera, Artistic Director of the Venice Film Festival argued:

Since we are not so involved in the commercial side, we can really be faithful to an idea of quality. We choose our selection only on this premise. We chose our film because we think it is a good film, and no other elements are taken into consideration. (Cowie, 2018, p. 159)

The spirit of experimentation and research is also related to the openness to new genres and forms of art of the Biennale. Paolo Baratta, former President of the Biennale, during the 75th Venice Film Festival reported:

> *The Festival presents a profusion of works by great auteurs, and is marked by a further new opening up to genres, as part of its commitment to tracing works of high quality and vitality without preconceived classifications.* (Source: archival document)

In 2019, in occasion of the 76th Venice Film Festival, the former President confirmed: *"The Venice Film Festival has become a point of reference for cinema all over the world. In this spirit we have set out to open up to new genres, avoiding any condescension and embarking on bold explorations".* The same year in his opening speech, the Artistic Director of the Biennale Arte stated: *"As they say, don't expect anything but be open to everything, because the purpose of art is to offer pleasure and recognition, not boredom and intimidation."*

Because the openness, research, experimentation and quality of artistic choices are fundamental values of the Biennale, even the censorship law is not applied to film screenings during the Venice Film Festival (Art.16, statute 1998), except for those under the age of 18.

For the 75th edition of the Venice Film Festival (2018), the Venice Biennale commissioned the film historian Peter Cowie to write a history of the VIFF. He summarised the spirit of research and experimentation of the Biennale that *"must, for la Biennale, always be discovered and put on display"* (Cowie, 2018, p. 22).

The second central component of the Biennale's organizational identity is internationalism. From the start, the Venice Biennale established itself as an international cultural organization attracting people from all around the world. The formal names of each sector of the Biennale include the adjective "international". On the occasion of the 58th International Art Exhibition, the President declared:

> *First of all, we are a complex international exhibition in which numerous exhibitions promoted by participating countries dialogue with each other, and, together, dialogue with the international exhibition we organize in collaboration with our Curator. In turn, our exhibition must be open and without any boundaries.* (Source: archival document)

Internationalism is not only reflected in the international participation of artists, industry professionals, visitors, press but also in the international approach and mentality of the Biennale organizers.

Autonomy is another essential component of the organizational identity. Although this is not explicitly stated in the mission, key organizational members and corporate documents stressed its importance. The autonomy of the Venice Biennale has a double nature: the autonomy of Artistic Directors in their artistic choices and the autonomy of the Biennale organization from any political, governmental influences:

> *The key trait of the Venice Biennale is autonomy both in defining programs and in giving ourselves the rules. Autonomy has two faces: (1) programming, which is left to the Artistic Directors, (2) autonomy of organization and management.* (Interview, Deputy Director)

This is reinforced by the President:

> *The autonomy given to La Biennale is not simply a facilitation granted in order to achieve greater efficiency, but is instead one of its primary raison d'être...These obligations inform the operative decisions of the Biennial venture. The pursuit of turnover is not the primary objective of its autonomous management; if anything, it is an ancillary factor compared to its primary mission: cultural autonomy.* (Source: archival document)

Therefore, it is evident that autonomy is an essential component of the Biennale's organizational identity contributing to achieve the cultural autonomy and therefore research and experimentation in contemporary arts.

4.2 Permanent and temporary elements in the Venice Biennale

Through a participant ethnography and supplementary interviews with several key organizational actors of the Venice Biennale, we discovered the importance of distinguishing the agents from the structure. While the formal organizational structure of the Venice Biennale with the Biennale Foundation as its owner and the six cultural sectors are permanent, roles within the Biennale and the organization of the annual and biennial festivals comprise both temporary and permanent elements.

4.2.1 Organizational structure

Organizational structure of the Venice Biennale articulated in six cultural sectors is a permanent structure. Since the origin of the Biennale, the intent was to turn the Art Exhibition into a permanent multidisciplinary cultural organization. *"The cultural sectors are absolutely permanent with stable organizational procedures. We create unique products with an industrial method of production"* (interview, Director General*)*. Article 13 of the statute 1998, revised in 2004, confirms:

> *The Society of Culture (since 2004 - the Foundation) has a permanent sector of research and cultural production, represented by the historical archive of contemporary arts (ASAC), and six sectors aimed at the development of permanent research activity in the fields of architecture, visual arts, cinema, music, dance and theatre, as well as, at the definition and organization, at least every two years, of events of international importance...*

Therefore all the procedures remain quite stable over time:

> *Every year the procedures are always the same, refined with some innovations. The constant search for effectiveness and efficiency leads us to build a path of progressive adjustment. For instance, art and architecture exhibitions are managed in the same way.* (Interview, Director General)

All the functions of the Venice Biennale are transversal to all its cultural sectors. However, each sector is different and, to guarantee its functioning, professionals and collaborators with specific knowledge and skills are employed on a temporary basis. Thus:

> *The idea is to have central services that are available to everyone. Then there is a specialized staff dedicated to each activity. So, profiles can be specialized for industry experience and specific ones are always temporary.* (Interview, Deputy Director)

4.2.2 Different types of organizational roles

The Deputy Director reported (interview) that in 2018 the Biennale had approximately 110 permanent employees, 118 temporary employees and other 200 temporary role-specific professionals and collaborators.

Based on the permanent/temporary dimension of roles, the three types of employment status were observed: (1) permanent employees, (2) temporary employees assisting the organizational structure and (3) temporary employees involved in artistic direction of the

festivals. This categorization is the result of the relationship between the festival artistic directorship and the Foundation directorship present within the Biennale. This relationship forms the key trait characterizing the Biennale – its double autonomy, specified in the previous paragraph:

> *Biennale is made up of the permanent workers who oversee the permanent organizational structure, then there are the assistants of Artistic Directors, such as selectors, that have the collaboration contacts related to the development of Artistic Directors' projects. Then, of course, we have the temporary organizational part - the security guards, cleaning, ticket office - employed for the duration of the Film Festival and it would make no sense to have permanent employees for these functions.* (Interview, Director General)

All top Foundation managers are employed on the permanent basis to guarantee the functioning of the Venice Biennale. Temporary employees assisting the organizational structure join the organization during the "hot" periods of exhibitions and festivals. They are hired on the temporary basis in order to optimize the costs and ensure the most efficient way of functioning:

> *Being elastic constitutes an organizational strength as it helps optimize costs. You must keep the fixed costs for essential functions, while temporary functions can have temporary contracts. The fact of temporariness implies the optimization of resource management.* (Interview, Deputy Director)

Another group of temporary employees are those within the temporary annual/biennial festivals. Artistic Directors can be appointed for maximum four years by the BoD with the possibility of being reappointed. In this case, the reason for temporary contracts is the necessity to produce highly artistic, innovative and creative exhibitions and festivals. The nature of art, architecture, music, theatre and dance exhibitions is such that it is extremely difficult for Artistic Directors to re-propose a completely different programme in one or two years, so these are generally appointed once.

> *There is no limit on Artistic Directors, but it is very difficult to imagine that the same Artistic Director re-presents an exhibition with a different subjective vision on the world of contemporary art within two years.* (Interview, Director General)

However, the Artistic Director of the VIFF constitutes an exception. The Director General explained that it was preferable to have this Artistic Director for multiple annual mandates to guarantee the continuity of programming:

> *Instead, cinema needs continuity in programming. Every year the film festival is built around the constellations (referring to the film sections).* (Interview, Director General)

It should be noted that temporary employment does not always imply one-time employment. From conversations with the employees of the VIFF as part of the ethnography it was discovered that some of them had already worked for the Biennale. For instance, employee A of the VPB explained that she had been working for the Biennale for 7 years. Before joining the VPB team she worked for the Dance Sector at the Biennale. Employee B explained that she was working for the VIFF on a temporary basis - from May to September. She also explained that it was her third time and that she was hired as a collaborator, employed by an external company which won the contract with the Biennale.

Some temporary employees of the VIFF circulate and work for other film festivals during the year. Generally, these individuals have a high level of professional expertise (e.g., cinema programmers). For instance, employee C reported that he was working for the Venice Film Festival every year for approximately six months, alternating with the Rotterdam Film Festival where he was employed to organize a coproduction market. He further explained that he had been already working for the Biennale for many years; for a certain period of time he used to work for the Art Sector of the Biennale. Employee D reported that she was also alternating between the Venice Film Festival and the Berlinale Film Festival.

In general, it could be observed that there were many temporary employees and collaborators at the Biennale who worked seasonally, assisting certain initiatives every year. Usually, these employees and collaborators had already worked for other sectors of the Biennale or collaborated with the heads/coordinators of the Biennale on other occasions (e.g.,

other film festivals). Highly skilful and professional people were often circulating and working for other festivals.

Although the permanent and temporary elements – structures and agents - of the Venice Biennale have been identified, it is important to stress that key organizational members do not perceive temporariness versus permanency as an important duality. The only duality that matters for them is the one between Foundation directorship and artistic directorship (Figure 2).

4.2.3 Organization of the annual film festival

The VIFF constitutes the heart of the cinema sector of the Biennale. Although cultural sectors of the Biennale are permanent, its festivals and exhibitions are forms of temporary organizing from an organizational perspective. They are temporary events organized at a specific place (i.e., Venice) for a specific period of time and then replicated in subsequent editions over time.

Although the VIFF is held for approximately 10 days in late August or early September, its preparation starts already in January/February (Interview, President). Organizational efficiency of the Venice Biennale is paramount. During the VIFF, around 52 world premiere screenings take place every day and, in such circumstances, time is precious (Interview, president). Technicians work at night to ensure a perfect work flow the day after. The President spoke of an "organizational frenzy". The President pointed out that the film industry had no time available, and everything was managed according to a strict time-schedule.

Context is another paramount factor in the management of the VIFF (Interview, President). Besides relying on its own strength, the Venice Biennale must rely on the city's infrastructure (e.g., public transport, hotels) and Venice is not the easiest context. It should also not be forgotten that there is competitive pressure from other film festivals (e.g., Cannes, Berlinale), or a "war" as stressed by the President of the Biennale, and the VIFF builds its

reputation on attracting the best cinematographers and industry professionals deciding to announce their premieres.

4.3 The Governance Interface between festival projects and the Biennale Foundation

The success of the Venice Biennale is highly dependent on its collaboration with Artistic Directors. Using the concept of the governance interface, the relationship between the Biennale Foundation, and therefore its organizational management, and its festivals and exhibitions[2], and therefore the Artistic Directors, is fundamental in the context of the Venice Biennale. To ensure this collaboration, the following aspects of the governance approach of the Biennale are reported: the relative autonomy of organizational management and artistic directorship; the dialogue and trust between them; and a solid and empowering organizational management providing all necessary support to artistic directorship.

Thus, the first governance aspect, and a central feature of the organizational identity, of the Venice Biennale is its relative autonomy. The autonomy of the Biennale has a relative nature and a double face implying the autonomy of its organizational management from any political and governmental influences and the autonomy of artistic directorship from any influence regarding the artistic choices. The core of the organizational identity of the Biennale is to promote the research and experimentation in contemporary arts, which inevitably requires the autonomy of artistic choices made possible by the corporate autonomy of the Foundation. Organizational management and artistic directorship do not dictate the rules of the game for the other part. Their relationship is based on a dialogue:

> *Artistic staff respond to Artistic Directors of respective cultural sectors while organizational staff respond to organizational managers of cultural sectors. An Artistic Director does not enter into the merits of the organization. Obviously, there must be a dialogue…… The goal is to leave him (Artistic Director) the maximum freedom.* (Interview, Director General)

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This dialogue is central to governance allowing for a successful interaction between the organizational management of the Biennale and its Artistic Directors. *"The dialogue built with Artistic Directors allows for a lasting relationship with its best fruits"* (Interview, Director General). In terms of roles, organizational managers work at the interface between the permanent organizational structure and the temporary organizational structure led by the artistic directorship of the Biennale. The Director General reported: *"Organizational managers are the first line of dialogue with Artistic Directors."*

The VIFF is different from other sectors because its organizational manager is the Director General. This is to fulfil quickly the requests of the VIFF Artistic Director. Due to the limited time in which the film festival takes place, the processes have to be quick and smooth and, therefore, there is no need for an additional intermediary between the Director General and the VIFF Artistic Director.

> *The dialogue with an Artistic Director of the cinema sector is direct. The Artistic Director of cinema is the one who needs the most immediate answers due to the festival's needs. There is no need for a mediation between the general management and the artistic directorship. This is an organizational factor because only the Director General has the spending power and there are no internal delegations. Any mediation can cause slowdowns. Therefore, a dialogue with an Artistic Director must be established directly with the Director General who has an immediate power to decide and give life to projects.* (Interview, Deputy Director)

Trust is another important aspect of the governance approach. Trust is related to the principle of the relative autonomy of the Biennale. Considering that the management of the Biennale does not interfere with the artistic choices of Artistic Directors and vice versa, trust has to be ensured between the two.

> *The relationship between organizational management and artistic directorship is fully based on trust. The challenge of art and architecture is that these tasks last about two years; for cinema, dance, theatre the scenario lasts four years to develop a project. It is a dialogue built with an Artistic Director that allows the establishment of a lasting relationship producing its best fruits.* (Interview, Director General)

Another aspect is a solid and empowering organizational management of the Foundation that creates necessary conditions for Artistic Directors to envision and create their artistic

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projects. Organizational management of the Venice Biennale enables Artistic Directors to operate and do "the research" in their cultural sectors.

> *Our Artistic Director must be enabled to make choices not dictated by economic interests…He says: "that is important for me" and we ask: "what do you need for that?" The goal is to leave him (i.e., Artistic Director) a maximum freedom.* (Interview, Director General)

The Biennale does not have a PMO, to define, maintain, guarantee project standards and keep best practices – these are all internalized by the Artistic Directors and their teams. The Director General reported that everybody within the organization was reasoning in terms of best practices and was aware of his tasks and timing:

> *There is no single person who does not reason in terms of PMO. Here, every year we know very well that we go to war: there is a time to prepare the battle, to enter the battle and to come back home at the end of the battle. This applies to everyone without any excuses.* (Interview, Director General)

4.4 The role of organizational identity in the governance interface

The Venice Biennale can be considered as having multiple identities as a cultural institution governed by private law. On the one hand it holds an artistic identity represented by the spirit of research, experimentation, autonomy, artistic choices; on the other hand, it has a managerial identity represented by its entrepreneurial management.

Organizational identity plays a fundamental role in the governance interface of the Venice Biennale. Key organizational members and Artistic Directors, on several occasions (e.g., opening of the festival or exhibition), stressed the central traits of the Biennale, confirming their consensus on the organizational identity of the Biennale – experimentation, innovation, internationalism and double autonomy.

Employees of the Venice Biennale declared and continuously manifested their strong sense of belonging and pride in being part of the organization. Even the first author, as an ethnographer, could experience the same feeling: she felt a part of one of the most important

cultural institutions in the world, not only as an external observer and spectator but as a team member helping with the organization of the VIFF. It was a feeling of privilege and exclusivity.

On several occasions, organizational members acted in line with the spirit of the Biennale. For instance, internationalism – one of the key value of the Venice Biennale - was supported by large numbers of international press and the international selection of films at the VIFF. Consensus and identification with the Venice Biennale helped organizational members create a dialogue and align potentially competing goals between the owner organization and its festival projects.

However, it is not only organizational identity that influences the governance interface for the Biennale but also the other way around. A more flexible, relational approach to governance provides more freedom to the organizational members both permanent and temporary. It allows for research, experimentation and innovation that constitute the key values of the Biennale identity. Considering that the primary mission of the Biennale is to carry out the research, experimentation and innovation in contemporary arts, success is based on the cultural achievement rather than economic achievements of the Biennale. A flexible, relational approach to governance provides a better ground to accomplish innovation and, therefore, to fulfil the fundamental values of the Biennale.

The governance interface at the Biennale can be called interpersonal because it is based on the interpersonal relationship between organizational management and artistic directorship of the Biennale. Organizational management of the Biennale provides Artistic Directors with necessary resources, in line with the allocated budget, to implement Artistic Directors' projects. Both organizational management and Artistic Directors are autonomous in their choices from any kind of influence, however, to achieve a common goal – a successful delivery of artistic projects - they need to have a culture of open discussion, dialogue and trust, which enforces the organizational identity of the Biennale. These aspects extend and apply to all organizational

employees and collaborators of the Biennale - motivated, responsible and mindful individuals enabling the interpersonal governance of festivals by the Biennale.

5. DISCUSSION

This paper explored the interpersonal governance approach and the role of the owner organizational identity in the governance interface of the Venice Biennale, a cultural organization driven by spirit of research, experimentation and innovation and working at the interface with its temporary festival organizations. The empirical fieldwork examines the governance and organizational identity of the Biennale case study. In particular, two levels of governance were uncovered within the Biennale: corporate governance represented by the BoD and project governance represented by the relationship between the organizational managers and the Artistic Directors. The organizational identity of the Biennale includes the key features of (1) experimentation, research, quality of artistic choices, openness to new genres and forms of art, (2) internationalization and (3) autonomy.

The study showed the importance of distinguishing organizational structure from organizational participants to comprehend the concepts of permanency and temporariness in project organizing (Winch, 2014, Winch et al, 2022). While the whole organizational structure articulated in cultural sectors functioning through festivals and exhibitions is permanent, three categories of organizational participants were discovered, namely permanent employees, temporary employees assisting the Biennale Foundation directorship and temporary employees assisting the artistic directorship. Temporariness did not imply one-time employment though: many were employed for the purpose of the festival seasonally over the years or switched from one cultural sector to another along their career.

Empirical findings revealed several aspects of the Biennale governance approach. Successful delivery of cultural projects by the Biennale depends largely on the relationship

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between the permanent organizational management and the temporary artistic directorship. Aspects such as relative autonomy, dialogue, trust, and solid, empowering management as shown in Figure 3 enable *interpersonal governance* and allow for successful interaction between the owner organization interfacing with its inherently temporary project organizations. More specifically, the owner organization and its temporary project delivery organizations do not dictate the rules of the game to each other. The owner organization holds a relative autonomy from any political and governmental influences and the project organization needs to hold an artistic autonomy. The relationship between the owner organization and its project delivery organizations has to be based on dialogue and trust. To ensure a fruitful collaboration between the owner organization and its project delivery organizations, a solid and empowering management is required. Only a solid and empowering organizational management of the owner organization can create necessary conditions for project managers to envision and create their innovative projects. The interpersonal governance means that the human dimension of the project governance dominates the procedural one (Müller et al., 2014a). The procedural dimension is inherently bureaucratic, being enabled through clearly defined processes, roles, and responsibilities. The human dimension includes people's willingness to accept responsibility and collaborate for the good of the organization and thus, this dimension allows for flexible responses to changing circumstances (Müller et al., 2014a; Müller et al., 2014 b). This study supports the recent theorizing on the project governance interface (e.g., Gulino et al., 2020; Sergeeva, 2019) according to which more flexible governance is indispensable to enable innovation on projects.

The Biennale is a cultural institution that promotes and creates unique projects every year. Its organizational identity includes the enduring traits such as research, experimentation, openness and innovation that extend and apply to the identity of its projects. Such an owner organizational identity demands a flexible, relational approach to the design and management

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of the governance interface, which in turn influences the successful delivery of a project (Sergeeva & Roehrich, 2018; Harikkala-Laihinen, 2022). This *interpersonal approach* to governance is based on trust and considers project managers as stewards working for the benefit of the organization (Joslin & Müller, 2016; Müller et al., 2017; Turner, 2020). Our study showed the employees' sense of belonging to the organization, the aspect that contributed to the maintenance and reinforcement of the organizational identity of the Biennale. The employees were aware of the fundamental values of the Biennale and were enacting behaviours in line with these values.

To answer the first research question of how owner organizational identity shapes the interface between the temporary and the permanent in project organizing, this study suggests that the owner's organizational identity and the governance interface influence each other. When an organizational identity comprises features such as experimentation, innovation, research, internationalization and autonomy, the governance approach has to be accommodating. A flexible, interpersonal approach to governance allows fulfilment of the innovative identity of the Biennale and, at the same time, the key traits of research, experimentation and innovation, comprised in the organizational identity of the Biennale, influence the governance approach. This interrelationship is important because it affects project and organizational performance (Sergeeva & Roehrich, 2018). We summarize this argument visually in Figure 3.
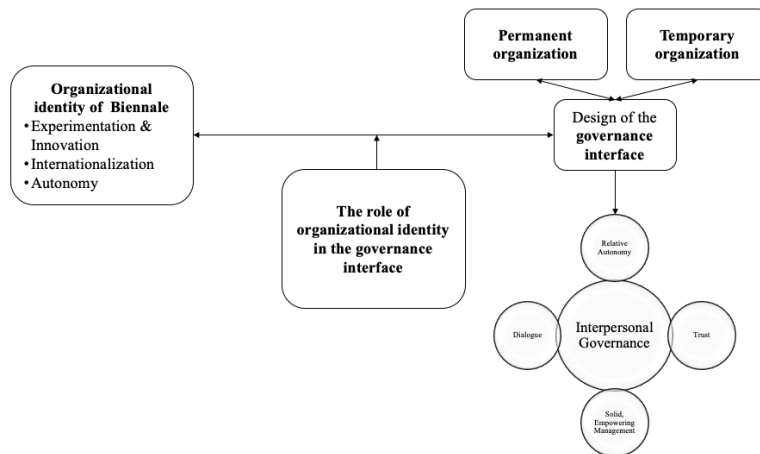
Figure 3. Relationship between organizational identity and governance interface of the Venice Biennale.

To answer the second research question, this study suggests that an interpersonal governance approach constitutes an appropriate mode of project governance for an owner organization driven by the spirit of innovation and experimentation. The owner organization that wants to create innovative projects has to have an accommodating governance approach based on the elements such as relative autonomy, dialogue, trust and empowering management. We have, therefore, established the interpersonal approach to managing the governance interface on projects as an alternative governance interface design choice compared to the bureaucratic design one that is well established for large engineering and information systems projects (Merrow, 2011; Winch et al, 2022). While we have developed empirically the interpersonal approach in the context of cultural event projects, we suggest that it is an appropriate option for projects across all sectors, including construction (Gulino et al, 2020: Sergeeva, 2019) where creativity, innovation and flexibility are emphasized, rather than efficiency and effectiveness. The model presented in Figure 3 then forms a template for the interpersonal governance of the governance interface in project organizing.

6. CONCLUSION

6.1 Contribution to theory

Our study makes two main original contributions to project organizing research: 1) by investigating how the governance interface between the temporary and the permanent for the project governance of an annual film festival is managed for autonomy, flexibility and innovation, and 2) by exploring how the organizational identity of the owner influences and is influenced by the governance interface. We have demonstrated that the owner's project governance approach influences and is influenced by the owner's organizational identity. A flexible, interpersonal approach to governance enables and contributes to shaping an innovative identity of an organization, and at the same time the nature of an organizational identity influences the governance approach. This relationship in turn affects the whole organizational performance (Sergeeva & Roehrich, 2018; Harikkala-Laihinen, 2022). Our paper uses the festival case study, a currently under-explored setting for project organizing research (Rüling & Pedersen, 2010; Uriarte et al., 2019), to investigate the relationship between the design and management of the governance interface and owner organizational identity. It supports the view according to which the project management theory can benefit from the creative industry research (Bettiol, & Sedita, 2011; Bérubé & Gauthier, 2021; DeFillippi, 2015; Marcella, & Rowley, 2015; Uriarte et al. 2019).

6.2 Practical implications

The study is of practical value as it helps better understand how to improve the governance approach and governance capabilities in cultural organizations and their projects whether festivals, seasons, productions, or the like. In particular, the study highlights several aspects of the interpersonal governance approach to enable innovation and the importance of a coherent owner organizational identity with which organizational members identify and enact their behaviour to solve conflicting goals inside their project delivery organizations. Managers hence

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are advised to pay more attention to the inter-relationship between governance approach and organizational identity which in turn affects an organizational performance. There are also lessons for sectors such as construction where calls for greater innovation and creativity are incessant (Sergeeva, 2019).

6.3 Limitations and future research directions

The limitations of this study also deserve elaboration and point to directions for future research. Different methodological and theoretical stances can be adopted by future research to understand the governance interface and its relationship with organizational identity in project organizing and change management settings. For example, further study may focus on project team members' experiences and activities in contributing to governance decisions and shaping an organizational identity. The innovation and change management theories could be useful perspectives through which to understand this research question. An observation-based, ethnographic study, or mixed-method research design, may shed more light into this research avenue. The extent to which an innovative organizational identity affects the project outcomes and performance forms further research direction.

For instance, the governance interface can be researched in terms of the distance paradox (DeFillippi & Sydow, 2016). The distance paradox, related to the attachment-detachment dilemma, represents a debate regarding the extent to which a project organization should be decoupled from, or embedded within, a wider organizational context. Therefore, the literature on tensions and paradoxes (Smith et al., 2017) can provide valuable insights on how to manage the conflicting interests and align goals between the owner organization and its delivery projects across the governance interface.

A second interesting line of enquiry would be to develop the research on project ecologies (Grabher, 2002; Grabher & Ibert, 2011). These are normally defined as geographically specific (e.g. London and Rotterdam for architecture), but the relatively short

duration of cultural event projects such as film festivals means that temporary staff travel from festival project to festival project. Venice/Rotterdam and Venice/Berlin were two trajectories identified in our research.

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In terms of method, this paper builds on a single case study. Although the Venice Biennale represents an extreme case of a highly successful cultural organization and a perfect case to study the governance interface due to a clear delineation between the permanent organization and the temporary one, the multiple case study-based research can provide comparative insights. Other forms of projects, such as R&D projects and architecturally led construction projects, for which flexibility is more valuable than control, can be explored by future research. The study is based on a limited number of interviews, although multiple data sources support our theorizing. Finally, this paper pursued a qualitative, field-based study in order to study the governance approach and the role of organizational identity. Future studies can implement large-scale quantitative studies to measure the impact of organizational identity on project outcomes.

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