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Economic efficiency of management decisions in the implementation of cultural projects: Manager's competencies and soft skills as key factors

Abstract. The cultural sector is making a growing contribution to the global economy, but remains vulnerable to crises and structural risks. In conditions of instability, there is a growing need for effective management of cultural projects, which makes it relevant to study the impact of managerial and social competencies on the achievement of sustainable economic results. The aim of the study was to analyse the relationship between the managerial competencies, their soft skills and the economic efficiency of cultural projects. Research methods: critical review and content analysis of professional literature, in particular materials published in 2020-2025, logical-analytical and comparative-synthetic approaches. It was found that the managerial competencies of cultural managers have a decisive influence on the effectiveness of cultural initiatives. The leading role of soft skills, such as emotional intelligence, adaptability and strategic communication, in a multicultural environment has been confirmed. It has been established that a high level of cultural intelligence (CQ) contributes to reducing conflict, improving communication within teams and increasing project effectiveness. The effectiveness of strategic management tools (SWOT, PESTLE, Balanced Scorecard) for long-term cultural projects has been analysed. Management tools are proposed that enable a systematic approach to planning and evaluating cultural initiatives, which provides opportunities to strengthen the institutional capacity of cultural organisations and increase their social and economic impact on the country's economic development. The practical value of the study lies in identifying specific management competencies that contribute to the successful implementation of cultural projects in complex socio-cultural conditions. The results obtained can be used to develop training programmes for cultural managers, particularly in the field of intercultural communication and leadership

Keywords: management competencies; cultural intelligence; analytical tools; creative industries; strategic thinking; intercultural sensitivity; evaluation of effectiveness

INTRODUCTION

In modern conditions, the sphere of culture and art stimulates qualitative transformations of economic processes, promotes the introduction of innovations in related

sectors, and creates an environment for improving well-being. According to UNESCO (2022), the cultural sector accounts for about 3.1% of global gross domestic product and

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over 6% of global employment. It plays an important role in achieving the sustainable development goals that most countries strive for. At the same time, the COVID-19 pandemic has revealed the vulnerability of the cultural sphere to external crises, which has led to the need to increase the resilience of its management. According to a UNCTAD report (2022), the creative economy is showing dynamic growth, especially in times of instability. In 2022, global exports of creative services reached USD 1.4 trillion, 29% more than in 2017, and the share of such services in total global exports reached 19%. The leading areas remain software, scientific research, advertising, audiovisual and information services, while the share of cultural and recreational services remains insignificant. These data indicate the expansion of creative industry markets, but also point to structural imbalances within the cultural sector. The regional distribution of creative services exports in 2022 was as follows: Europe – USD 720 billion; Asia – USD 359 billion; North America – USD 274 billion. It should be noted that the largest exporters of creative services in 2022 were: United States of America – USD 244 billion; Ireland – USD 231 billion; United Kingdom – USD 87 billion; Germany – USD 79 billion; China – USD 67 billion (UNCTAD, 2024). These data demonstrated the growing role of the creative economy in world trade and highlighted its importance as a driver of economic growth and innovation.

The scientific community is actively studying the impact of managerial competencies on the success of projects, particularly in the cultural sphere. Among the main aspects analysed by researchers are: the role of interpersonal skills, intercultural sensitivity, professional maturity, managerial competencies and the ability to manage strategically in the context of the growing complexity of managing cultural initiatives. R. Sayed (2023), building on the work of his predecessors, emphasises that project thinking and interpersonal communication are basic soft skills for cultural project managers: they allow not only to organise work processes, but also to adapt management to the creative nature of the tasks. In turn, the Project Management Institute (2023) report confirms the critical importance of power skills: emotional intelligence, adaptability, critical thinking, leadership, and effective communication. Over 90% of organisations that have integrated the development of these skills into their HR strategy have demonstrated better results in terms of economic benefits, compliance with time and financial constraints, and the overall level of maturity of management practices.

P. Ochoa Pacheco *et al.* (2023), as a result of a systematic analysis of the role of managerial competencies, in particular leadership skills, in management, concluded that they are important for ensuring the success of projects. Based on an analysis of more than 80 scientific publications from the Scopus and Web of Science databases, a correlation was found between the level of development of management competencies and the achievement of planned project results. Emphasis is placed on the fact that the specifics of managing cultural projects remain under-researched. This

scientific vacuum highlights the need to study the impact of soft skills and a competency-based approach on processes in the cultural sector.

O.M. Umuteme & W.M. Adegbite (2023) focus on intercultural competence as a factor that contributes to the harmonisation of team interaction, conflict mitigation and overall productivity growth. In cultural projects, which are often implemented in a cross-cultural environment – with the participation of international partners or representatives of different ethnic groups – intercultural sensitivity and the ability to engage in intercultural dialogue are essential for effective management. This type of competence allows for the consideration of socio-cultural contexts that directly influence the effectiveness of management decisions and the quality of team interaction.

An interesting empirical study initiated by R.D. Vlahov *et al.* (2016) demonstrates that cultural diversity significantly shapes managerial competencies. Using the Mediterranean region as an example, it has been proven that intercultural competence, as a social skill, allows managers to effectively implement projects in a multicultural environment, avoiding organisational barriers and reducing the risk of misunderstandings. B. Bogoeva (2020) focused on the need to develop adaptive management skills in the context of the globalisation of cultural processes and proposed a classification of competencies for cultural project managers, with particular attention paid to the ability to conduct interdisciplinary communication, flexibility of thinking and critical analysis, which are also among the social skills currently in demand in various professions. The role of knowledge management as a mediator between manager competencies and project results is also mentioned in contemporary literature. Social skills such as communication, teamwork, conflict management and the ability to adapt quickly to change have an impact on professional success (Ihnatyshyn & Demian, 2019; Hashim *et al.*, 2024).

The concept of managerial competencies in project management has its own path of evolution. There are three blocks: technical, behavioural and contextual competencies, but there is an undeniable need to develop mixed models for evaluating manager competence, especially in rapidly transforming areas such as culture and the creative industry (Papp-Horváth *et al.*, 2024). Thus, contemporary scientific thought offers a multi-vector approach to understanding managerial competencies in the field of cultural and art project implementation, but there is still a need for a more in-depth analysis of the specifics of using social skills in the context of the creative sector, given its socio-cultural sensitivity, funding instability, and multidisciplinary project teams. In this context, the aim of the study was to clarify the links between managerial competencies and the effectiveness of cultural project implementation.

The research methodology was based on a systematic review of scientific articles and reports from 1992 to 2025, logical-analytical and comparative-synthetic approaches, as well as content analysis of publications from international scientometric databases. The study also included a

retrospective analysis of key works on project management and cultural intelligence since 1992, which made it possible to trace the evolution of theoretical approaches to managerial competencies in the field of culture. To ensure the validity of the results, a case analysis of international cultural projects from different geographical regions (USA, EU, Africa) was carried out, which made it possible to identify universal and context-specific management practices. The comprehensive methodological approach also involved the use of statistical analysis of project performance indicators (ROI, coefficient of determination R^2), which provided a

quantitative assessment of the impact of cultural intelligence on the success of cultural initiatives.

The role of managerial competencies in improving the economic efficiency of cultural projects

The competencies of cultural project managers can be divided into three groups: technical, contextual and behavioural (Papp-Horváth *et al.*, 2024). The typology of competencies of managers in the field of culture is presented in Table 1.

Table 1. Typology of competencies of managers in the field of culture

Type of competencies	Description of competencies	Connection with economic efficiency	Key sources analysed
Technical	Knowledge of the specifics of processes at the development, planning and financing stages. Provides a professional foundation: assessment of tasks, resources, forecasting results, management decisions at all stages.	Ensure objectivity in planning and implementation, minimise costs, and increase efficiency.	International Project Management Association (2015)
Contextual	Understanding of cultural specifics, ethical management, intercultural sensitivity; ability to work with stakeholders (government agencies, community, contractors).	Strengthen trust in the project, facilitate quick resolution of issues, optimise interaction, and reduce risks and delays.	L. Crawford (2005)
Behavioural	Communication, leadership, management style, emotional stability. Ability to work "by the rules" and manage interpersonal relationships.	Build reputation, promote harmonious teamwork, and increase the effectiveness and resilience of project participants to stress and conflict.	M. Gruden & A. Stare (2018)

Source: developed by the authors based on research by V. Papp-Horváth *et al.* (2024)

This competency framework is supported by other studies. In some cases, the emphasis is on strategic thinking, visionary thinking, and adaptability as the core leadership competencies of a manager (Ahmed *et al.*, 2021). The development of soft skills significantly increases the effectiveness of project implementation (Awan *et al.*, 2015). In the context of culture, the importance of communication skills as the foundation of a cultural manager's professionalism is emphasised (Diba, 2018). Thus, the combination of technical knowledge, contextual thinking and behavioural skills creates a multidimensional management model that directly influences the economic performance of a cultural project. Modern managers in the field of culture possess the above-mentioned competencies and also develop other soft skills: proactivity, self-organisation, digital skills, civic and entrepreneurial competencies. However, at the scientific level, questions are occasionally raised about the key competencies of a cultural manager: is there a specific established list of them, given that employees in this field must be multifunctional in most professional issues and aspects (Dubyna & Koval, 2020).

Research in the field of leadership and management competencies unanimously indicates that cultural project managers must possess a high level of flexibility, adaptability, and focus on self-development. The continuous professional development of project managers is a prerequisite

for improving the effectiveness of the entire organisation, especially in a dynamic environment (Ananthathmulla, 2010). M. Gruden & A. Stare (2018) emphasise that behavioural competencies such as emotional stability, communicative openness and readiness for change significantly increase the effectiveness of management decisions. However, only a combination of personal and emotional-intellectual characteristics allows for strategic effectiveness in the long term (Gardner & Stough, 2002). It is advisable to evaluate a manager's level of competence not only by the presence of relevant skills, but also by the results of implemented projects, which are measured by economic indicators (ROI, budget utilisation, investment attraction) and feedback from project team members (McBull, 2017; Hrynychak & Motuzka, 2023). Thus, developing strengths and working on weaknesses is not only a professional necessity for specialists, but also a prerequisite for ensuring the stable economic efficiency of cultural projects. Management competencies directly influence the achievement of economic results in the implementation of cultural projects. The main indicators for evaluating the effectiveness of management decisions include: timeliness of implementation, optimal use of the budget, level of investment attracted, return on investment (ROI), audience growth and long-term social impact (Fig. 1 and Fig. 2).

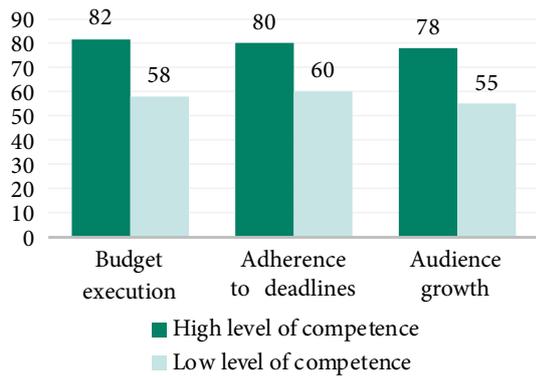


Figure 1. Comparison of qualitative results of cultural projects depending on the level of managerial competencies

Source: developed by the authors based on research by F.A. Mir & A.H. Pinnington (2014), F.Y. Ellis *et al.* (2023), M.Z. Hashim *et al.* (2024)

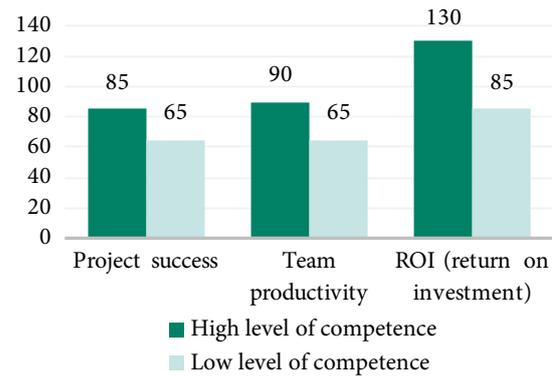


Figure 2. Achievement of planned economic indicators in cultural projects depending on the managerial competencies

Source: developed by the authors based on research by S. McBull (2017), F.Y. Ellis *et al.* (2023) K. Sima (2024)

Management competencies also influence the return on investment (ROI), project completion within budget and on time, and the attraction of extra-budgetary funding. Researchers emphasise that a high level of communication and the ability to work with information flows enable managers to avoid typical financial losses and reduce administrative costs (Hashim *et al.*, 2024). Contextual competencies related to understanding the cultural environment help art managers make strategically sound decisions about the format, partnerships, and location of cultural initiatives, which directly affects the level of income and the return on investment of cultural events. The

combination of technical and behavioural competencies allows for stable economic performance in unstable environments, such as culture (Papp-Horváth *et al.*, 2024). An example of this approach is the case study presented in the study (Vlahov *et al.*, 2016), where cultural projects implemented in regions with a high level of ethnic diversity achieved better financial results because managers demonstrated a high level of intercultural competence. Cultural initiatives not only maintained planned profitability but also ensured increased economic activity in related sectors, such as hotels, restaurants, and souvenirs. The sequence of this process is shown in Figure 3.

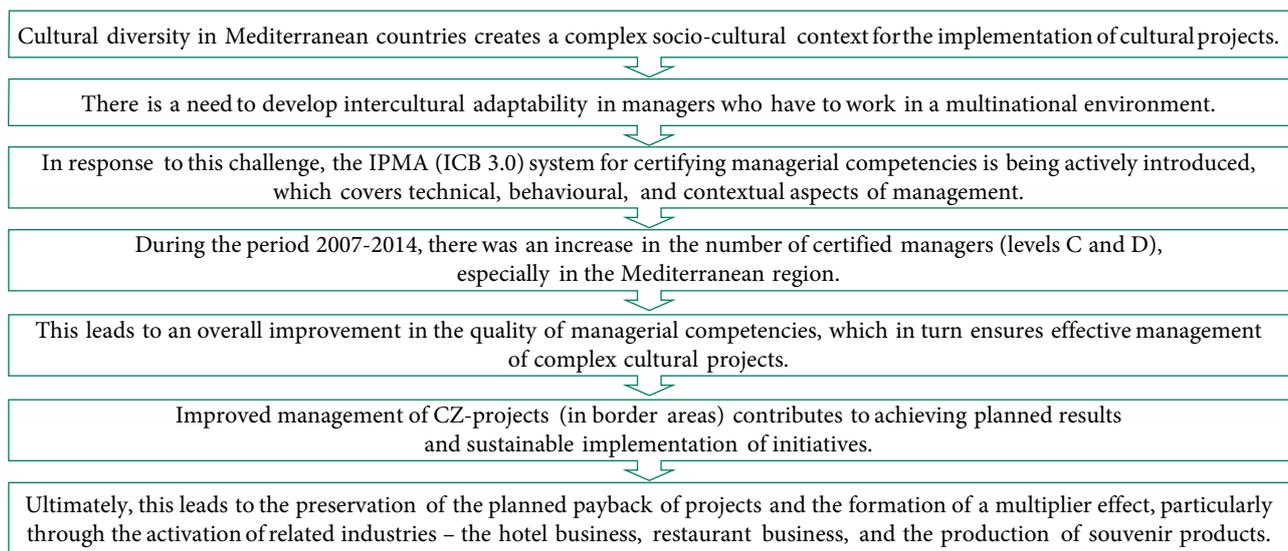


Figure 3. Sequence of influence of managerial competencies on the multiplier effect in the implementation of cultural projects

Source: developed by the authors based on research by R.D. Vlahov *et al.* (2016)

Thus, a manager’s leadership skills are not only an internal resource for the team, but also a direct factor influencing the economic metrics and results of the project. The successful implementation of cultural projects largely

depends on the manager’s ability to adapt to cultural diversity, communicate effectively, and use modern technologies to integrate different cultural groups. The Culture in Action project (Chicago, USA), described by FasterCapital (2025), was an initiative between the Chicago Public Art Group and eight other community organisations. Their goal was to

create public artworks that reflect social issues relevant to local communities. The project leaders demonstrated a high level of cultural competence by involving residents in the process of creating art, which contributed to increased civic engagement and the development of local communities. This study analyses other examples of global projects (Table 2).

Table 2. Distribution of examples of global cultural projects by geography and managerial social competencies

Project name	Project geography	Soft skills (management competencies)
Ten Thousand Ripples	10 districts of Chicago and Evanston, USA	<ul style="list-style-type: none"> • Ability to facilitate dialogue in the community; • Emotional intelligence, sensitivity to context; • Coordination of inter-organisational partnerships.
Multaka	Berlin, as well as 29 museums in 4 EU countries	<ul style="list-style-type: none"> • Intercultural communication (Arabic, Persian); • Training volunteers from migrant communities; • Network project management.
Trans Europe Halles	Headquarters in Sweden; 162 centres in more than 40 European countries	<ul style="list-style-type: none"> • Decentralised leadership and democratic management; • International strategic partnership; • Coordination of large networks.
Amakhosi Theatre	Bulawayo (Zimbabwe)	<ul style="list-style-type: none"> • Social sensitivity, culturally sensitive design; • Engaging local communities through theatre; • Management of international donor projects.

Source: developed by the authors based on research by C. Dube (1992), F.I. Johnson (2020), State Museums of Berlin (2023), Trans Europe Halles (2024)

Thus, analysis of case studies and research shows that management competencies in cultural projects cover a wide range of social skills, from facilitating dialogue to network management. Particular attention is paid to intercultural communication, emotional intelligence, and coordination of partnerships at the local and international levels. This confirmed the importance of flexible and contextually oriented approaches to management in the cultural sphere.

The article Join The Collective (2024) looked at examples of how leaders successfully overcame cultural barriers in international teams. First and foremost, it emphasises the importance of effective intercultural communication, building trust and adapting to different cultural contexts. These competencies are key to managing cultural projects in a global environment. Special attention was paid to the examples presented in the article by the Vorecol Editorial Team (2024), which explains how digital technologies have contributed to the successful integration of cultural programmes. For example, the use of online platforms has enabled managers to establish effective communication with different cultural groups, strengthen a sense of belonging and ensure a wider audience reach.

The impact of a manager’s cultural intelligence on the success of cultural initiatives

Within the scope of this study, cultural initiatives were positioned as projects or events aimed at promoting cultural interaction, inclusion, innovation, and cross-cultural cooperation within an organisation or at the local or even international level. Examples of such initiatives include: launching multinational arts programmes or educational

exchanges; organising cultural festivals by international teams; implementing equal opportunity policies for employees of different backgrounds (DEI, Diversity, Equity, and Inclusion principle); creating mentoring initiatives for culturally diverse countries.

In turn, cultural intelligence (CQ) is usually understood as the ability to behave and make effective decisions in a culturally diverse environment. Cultural intelligence encompasses four interrelated components that together form a manager’s ability to interact effectively in a multicultural environment. Its foundation is an internal motivation for intercultural interaction, which determines the willingness and interest in establishing contacts with representatives of other cultures. An important component is also knowledge of cultural norms, customs, practices, and conventions – these are what provide an understanding of the context and rules of behaviour necessary in the field of cultural project management. Equally important is the ability to be aware of one’s own biases and assumptions, i.e. reflective control over thinking and perception, which allows one to adapt flexibly to new conditions. The final element in the formation of CQ is the behavioural component, which manifests itself in the ability to change communication style, gestures, language and other behavioural responses depending on the cultural context in which project participants interact. These components allow managers to effectively adapt to different cultural environments, which is critical for successful cultural project management (Ang & Van Dyne, 2008). The possibilities for applying CQ components in real management situations are summarised in Table 3.

Table 3. Practical applications of cultural intelligence components

CQ components	Application of component
Motivational	Creating motivational training programmes to engage staff in cultural programmes. For example, a manager decides to launch a cultural exchange between teams in Europe and Asia. He strives for cooperation and is fascinated by other cultures – this increases the cohesion and effectiveness of the project, as the team sees the manager's genuine interest.
Cognitive	Researching cultural characteristics before launching exhibitions or festivals. Before holding a cultural festival, the manager studies the differences between high-context (e.g., China) and low-context (e.g., the United States) communication. This helps to avoid misunderstandings and hold the event taking into account linguistic and non-verbal nuances.
Metacognitive	Developing flexible communication goals for different audiences, for example, in co-participation programmes. During negotiations with representatives of another country, the manager reflects on their predictions and asks about the format of the discussion, which helps them to flexibly adapt their communication strategy.
Behavioural	Adapting the style of negotiation and communication method depending on the culture of the audience. For example, a manager changes their gestures, tone of voice and pace of conversation when working with engineers from Japan, which helps to build trust and effective interaction in the project.

Source: developed by the authors based on research by P.C. Earley & E. Mosakowski (2004), D.C. Thomas & K. Inkson (2009), D.A. Livermore (2015)

The results of content analysis of professional publications showed that a high level of CQ among managers contributes to increasing the effectiveness of projects, particularly in the context of international cooperation and the implementation of global initiatives. This impact is due to the ability of managers with high cultural intelligence to interact effectively with representatives of different cultural groups. The ability to establish effective communication with diverse audiences contributes to the achievement of common

goals in a multicultural environment. Thanks to developed intercultural skills, art managers are able to identify potential sources of conflict in a timely manner and find ways to resolve them constructively. In addition, they successfully adapt management strategies to the specifics of a particular cultural context, ensuring the effectiveness of management decisions in a globalised environment. It is advisable to shift the focus to how CQ affects such managerial functions as communication, adaptation and conflict avoidance (Table 4).

Table 4. The impact of cultural intelligence on key management functions

Function	How CQ helps	Typical situation
Communication	The manager adapts the style of interaction – indirect or direct – in accordance with cultural norms	The American manager engages in dialogue with the Japanese team, reducing direct criticism.
Adaptation	Knowledge of cultural contexts (e.g., power distance) enables the selection of appropriate management methods	Separate management is accepted in Germany, while in Brazil the manager works inclusively.
Conflict avoidance	Cultural intelligence determines behavioural strategies – avoidance or compromise in accordance with the culture	In a project with Indian and American participants, the manager uses mediation rather than confrontation

Source: developed by the authors based on research by G. Gonçalves *et al.* (2016), I. McCollum *et al.* (2024)

The positive impact of cultural intelligence on the success of cultural projects has been confirmed in a number of studies, and this relationship can be traced by carefully analysing the content of publications devoted to this issue. The extent of the influence of CQ and EQ (emotional intelligence) on the effectiveness of international projects, taking into account the mediation factor – task interdependence and moderation – psychological contract – is characterised by such a project effectiveness indicator as R^2 , or the coefficient of determination, which measures the proportion of variation in project effectiveness and is approximately equal to 0.122. This means that 12.2% of changes in project effectiveness are caused by the manager's CQ. Other indicators include: timely project completion, goal alignment, and improved team interaction (task interdependence). In other words, CQ has a significant direct impact on project effectiveness, while EQ has no direct significant impact and its effect is indirect. At the same time, task interdependence

fully mediates the CQ → effectiveness relationship; CQ increases cohesion and cooperation, which in turn improves project implementation results (Muhammad *et al.*, 2024).

S. Yang *et al.* (2025) investigated how CQ affects project productivity, in particular through the dynamics of knowledge and the role of artificial intelligence. The following project performance indicators were proposed: positive knowledge development dynamics, speed of adaptation during task execution, and improved coordination of actions in multicultural teams. The results showed that CQ directly affects project success. S. Nosratabadi *et al.* (2020) set out to determine how the CQ of an organisation's leader affects organisational effectiveness, taking into account the organisational structure. The results of the study characterised performance indicators such as increased productivity, improved communication between departments, and growth in corporate results (KPIs). Thus, CQ has a direct and indirect (through structure) positive

impact on the effectiveness of an organisation’s activities. Cultural sensitivity and adaptability contribute to the successful formation of partnerships and reduce the risk of misunderstandings in a multinational business environment. R. Caligiuri (2012) emphasises the importance of developing CQ for leaders who want to succeed in a global environment. Therefore, the development of cultural intelligence is a formative factor in the successful management of cultural initiatives, especially in the context of globalisation and growing cultural diversity.

Practical recommendations for cultural managers on optimising management decisions

Managing cultural projects requires an individual approach that takes into account the personal characteristics of the manager. The effectiveness of management decisions largely depends on the manager’s ability to adapt their management style to their own strengths and the context of the project. This is confirmed in the scientific work of Van Dyne *et al.* (2012), who focus on personalising management style through self-reflection. Self-reflection is at the heart of the CQ development mechanism. Managers who regularly analyse their own experience in multicultural teams are better able to adapt management style to the context of the project. For example, an art manager working with Japanese and European artists rethinks their own bias towards open dialogue and adjusts their approach to interact constructively with both groups. In turn, creating a horizontal structure in the project team encourages participants to engage in the decision-making process, which increases their motivation and effectiveness. S. Nosratabadi *et al.* (2020) found that a horizontal structure enhances interaction and CQ of the leader, which ultimately increases the effectiveness of the organisation. For example, an art centre that organised an open discussion of festival scenarios achieved: +25% increase in participant activity in meetings; +15% improvement in team communication quality; 18% reduction in internal conflicts (Nosratabadi *et al.*, 2020).

Such conclusions are particularly important and relevant for cultural projects, where creative workers value participation in decision-making and recognition of their contribution to the results achieved. It is important for the art project team leader to consider the cultural, social and reputational risks that may affect the success of its implementation. Therefore, there is a need for a comprehensive approach to risk assessment that considers not only financial

but also intangible aspects. To improve the effectiveness of management decisions in cultural project management, it is advisable to use a number of analytical and strategic tools. In particular, benchmarking makes it possible to study the best practices for implementing similar projects and adapt effective solutions to the specific context of a particular project. For example, research by X. Chen (2024) shows that the use of VR to preserve China’s cultural heritage significantly increases audience engagement and educational opportunities through immersion in history and objects.

The comprehensive application of SWOT analysis (Strengths, Weaknesses, Opportunities and Threats) and PESTEL analysis (Political, Economic, Social, Technological, Environmental and Legal) identifies key internal and external influencing factors, assesses potential opportunities and risks, and forms a comprehensive picture of the project’s operating environment (Mitton, 2024). In the integrated SWOT and PESTLE approach in the study by Vardopoulos *et al.* (2021), the author demonstrates that socio-cultural factors can be decisive in assessing the success of cultural projects, especially when it comes to local communities. For example, when opening a cultural centre in a small town, political support proved to be as important as funding. The Theory of Change methodology provides structured planning of the logic of change, identification of expected results and ways to achieve them, which is particularly important for assessing the social impact of cultural initiatives. This approach is widely used by the UN to model the expected results of cultural programmes, clearly defining the logic of change and the stages of implementation (UNDG, 2018).

An additional strategic advantage for project management is provided by the use of the Balanced Scorecard, a system that allows the formation of balanced key performance indicators (KPIs) in the areas of finance, customer experience, internal processes and staff development, which in turn contributes to the comprehensive monitoring of the activities of cultural institutions (Hayes, 2025). One example is the Boston Lyric Opera, where an adapted version of the Balanced Scorecard was introduced in 2001, taking into account the specifics of a cultural organisation. Instead of the traditional “Customer Perspective”, metrics for subscriber engagement, sponsor support, and interaction with the cultural community appeared (Weinstein & Bukovinsky, 2020). The results of a critical analysis of cultural project management tools, with a view to their effective use in accordance with the types of cultural initiatives, are systematised in Table 5.

Table 5. Critical analysis of management tools and their relevance to cultural projects

Tool	Most suitable for type of initiative	Relevance and examples	Limitations for cultural projects
SWOT and PESTLE analyses	Short-term projects	Permits assessment of internal and external factors for rapid initiation of initiatives (parade exhibitions, pop-up events). Example: analysis of external cultural attitudes prior to the launch of a festival. PESTLE clearly describes the socio-cultural context	May be formal, requires in-depth cultural analysis
Benchmarking (VR)	Infrastructure projects	Useful for implementing technological solutions (VR tours in museums). Relevance depends on resources for VR.	Relevance depends on technological and financial capabilities

Table 5. Continued

Tool	Most suitable for type of initiative	Relevance and examples	Limitations for cultural projects
Theory of Change	Infrastructure projects	Enables logical structuring of changes and expected results in cultural centres and exhibitions. Requires initial data, but provides a clear model of impact.	Requires sound source data, may be difficult to use
Balanced Scorecard	Sustainable development / stock projects	Enables the integration KPIs into the sphere of culture, audience, and communications. Example: Scorecard for D&I in a museum – KPIs for diversity and inclusion. Relevant for long-term programmes with clear metrics	Requires adaptation to cultural specifics, otherwise remains abstract

Source: developed by the authors based on research by UNDG (2018), I. Vardopoulos *et al.* (2021), X. Chen (2024), A. Hayes (2025)

The development of managerial competencies and cultural intelligence is important for managers who strive to successfully manage cultural projects. At the organisational management level, it is advisable to implement measures aimed at developing the professional competence and intercultural awareness of managers. One effective tool is mentoring programmes, which provide guidance from experienced professionals and facilitate the transfer of practical knowledge to newcomers, forming the basis for continuous professional growth. This is discussed in a study (Kiitsak-Prikk *et al.*, 2024), where the authors describe a “pilot” in arts MBA programmes: mentoring, peer-to-peer and creative workshops, and conclude that this approach has improved the knowledge, skills and intercultural sensitivity of future cultural managers. Mentoring programmes that combine a cultural aspect, such as partnerships between educational institutions in cultural management, demonstrate that such programmes are supported by Erasmus+ (REMAM, Reinventing Mentoring in Arts Management) and help transfer experience to future leaders of the CCS – the cultural and creative sector (Pintor & Premazzi, 2024).

The development of social skills for effective management should begin in the educational sphere. When training future management specialists, in particular in socio-cultural activities, it is important to involve students and young professionals in the implementation of real cultural projects, thanks to which they gain direct experience in project management and form professional networks and connections. In a study (Gkogkidis & Dacre, 2021), the results are also integrated into the field of culture, proving that co-creative practical classes increase student engagement, promote learning, and develop creativity and communication. A publication (Caetano *et al.*, 2020) demonstrates that student participation in practical projects fosters shared leadership, empathy, dialogue and intercultural skills. Conducting training on intercultural sensitivity allows managers to better understand the specifics of interacting with representatives of different cultures and prevent communication barriers in an intercultural environment. The implementation of these recommendations in the management of organisations involved in the implementation of art initiatives will contribute to increasing the effectiveness of management decisions and the success of cultural projects.

CONCLUSIONS

The cultural sector is playing an increasingly important role not only in shaping identity and social well-being, but also in the global economy, accounting for over 6% of global employment and 3.1% of GDP. At the same time, the growing share of creative services exports indicates the sector’s active economic dynamics, although there are structural imbalances between cultural and technological areas. The economic efficiency of cultural initiatives is directly related to the level of managerial competence of managers. Three interrelated blocks of competencies have the greatest impact on project performance: technical, contextual and behavioural. A high level of proficiency in these competencies ensures cost reduction, increased implementation accuracy, quality of interaction with stakeholders, effective leadership and team cohesion.

Soft skills, in particular emotional intelligence, adaptability, critical thinking, and strategic communication, are important for a successful career in creative management. Intercultural sensitivity and cultural intelligence (CQ) are particularly valuable, as they contribute to the successful implementation of projects in a multicultural environment, reduce the risk of conflict, and promote effective management decision-making. A high level of CQ in managers significantly improves the results of their socially oriented management functions – communication, motivation and conflict prevention. CQ promotes the growth of interdependence of tasks in teams, adaptation to new challenges, coordination of actions and, as a result, improves the financial and social indicators of implemented projects. SWOT, PESTLE, Balanced Scorecard, Theory of Change and Benchmarking are effective tools for planning, monitoring and evaluating cultural projects. They allow for both economic and socio-cultural aspects to be taken into account, ensuring comprehensive management and measurement of results. These approaches have proven to be most effective in long-term initiatives and in complex social contexts.

To improve the professional effectiveness of cultural managers, it is advisable to introduce mentoring programmes, practical training, intercultural sensitivity training and the creation of horizontal management structures. Such approaches contribute to increased team engagement, the development of empathy, the formation of intercultural skills and the strengthening of the institutional capacity of cultural organisations. The development of managerial

competencies and cultural intelligence is not only a requirement of the times, but also a key condition for ensuring sustainable success in the field of cultural management. A comprehensive combination of professional knowledge, social skills and strategic tools allows for the creation of effective, sustainable and socially significant cultural projects that are capable of adapting to global challenges. Modern cultural management requires a high level of interdisciplinary competencies, strategic thinking and cultural adaptability. These factors determine the success of cultural projects in a global environment. The analysis also revealed a number of aspects that require further scientific consideration: conducting longitudinal studies to determine how the influence of managerial competencies on the effectiveness of cultural initiatives changes over time, especially in unstable political or economic conditions; unification of methods for measuring the social skills and cultural intelligence of managers, which will create a standardised basis for comparative analysis between different regions, sectors and types of cultural projects.

A promising area for further research is to specify the role of digital technologies (VR, AI, big data) in the development of intercultural skills and the adaptation of management strategies in virtual and hybrid formats of project interaction; It makes sense to expand the

empirical base through cross-country analysis of management practices in the cultural sector – in particular, to compare approaches in countries with different cultural densities, political systems, and models of cultural funding. It is necessary to study in greater depth the impact of mentoring programmes, peer learning and the practical involvement of students at different levels in projects on the formation of key competencies of future cultural managers; it is also promising to study how a manager's CQ influences the implementation of cultural inclusion policies in institutions, particularly in museums, theatres and festivals, through metrics of engagement, satisfaction and audience reach.

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Економічна ефективність управлінських рішень у реалізації культурних проєктів: компетенції і soft skills менеджера як ключові фактори

Анотація. Культурний сектор демонструє зростаючий внесок у світову економіку, проте залишається вразливим до кризових явищ і структурних ризиків. В умовах нестабільності зростає потреба в ефективному управлінні культурними проєктами, що актуалізує дослідження впливу управлінських та соціальних компетенцій на досягнення сталих економічних результатів. Метою дослідження був аналіз зв'язку між управлінськими компетенціями менеджерів, їх соціальними навиками (soft skills) та економічною ефективністю реалізації культурних проєктів. Методи дослідження: критичний огляд та контент-аналіз фахової літератури, зокрема матеріалів, опублікованих у 2020-2025 роках, логіко-аналітичний та порівняльно-синтетичний підходи. Виявлено, що управлінські компетенції культурних менеджерів мають визначальний вплив на ефективність реалізації культурних ініціатив. Підтверджено провідну роль soft skills, таких як емоційний інтелект, адаптивність і стратегічна комунікація, у мультикультурному середовищі. Встановлено, що високий рівень культурного інтелекту (CQ) сприяє зниженню конфліктності, покращенню комунікації в командах і підвищенню результативності проєктів. Проаналізовано ефективність застосування стратегічних інструментів управління (SWOT, PESTLE, Balanced Scorecard) для довгострокових культурних проєктах. Запропоновані інструменти управління, які дають можливість впроваджувати системний підхід до планування та оцінювання культурних ініціатив, що дає можливості для посилення інституційної спроможності організацій сфери культури та підвищення їх соціального й економічного впливу на економічний розвиток країни. Практична цінність дослідження полягає у визначенні конкретних управлінських компетенцій, які сприяють успішній реалізації культурних проєктів у складних соціокультурних умовах. Отримані результати можуть бути використані для розробки програм підвищення кваліфікації культурних менеджерів, зокрема, у сфері міжкультурної комунікації та лідерства

Ключові слова: управлінські компетенції; культурний інтелект; аналітичні інструменти; креативні індустрії; стратегічне мислення; міжкультурна чутливість; оцінка ефективності