

The Socio-Economic Organization of Creative Industries

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Preamble

The KINO Committee of the Danish Agency for Science Technology and Innovation has provisionally allocated the sum of 12.8 million kroner to the programme titled *The Socio-Economic Organization of Creative Industries*. Prior to making the award official, however, it has requested that, as Programme Director, I clarify a number of outstanding issues under the following three headings:

1. Theoretical grounding,
2. Scientific methodology, and
3. Programme management.

Theoretical Grounding

This programme is informed by several inter-connected approaches to creativity and innovation.

Firstly, creative works of all kinds – art, books, fashion, films, luxury goods, media productions – move through a trajectory that starts with formulation or design and ends up with consumption by way of production, distribution and appreciation (advertising, criticism, media write-ups, news and PR).¹ In so doing, these works form a network of people around them and take on ‘*social lives*’.² Such social lives may usefully be analysed at three conceptual levels: micro- (frames), intermediate (networks), and macro-levels (fields), each of which shows how creative practices are both enabled and constrained by the people involved in the (pre)production, distribution, appreciation and consumption of creative works.³ Frames organize social behaviour. The contents of people’s activities themselves become frames (like the layout of a fashion magazine, or the structure of a film). Frames also organize organizations, collectivities and network behaviour. We bring different attributes to different frames and adopt different kinds of behaviour as we communicate with different sets of people. Frame analysis is the stuff of face-to-face situational interaction and public behaviour.⁴

¹ David Hesmondhalgh, *Cultural Industries*. London: Sage, 2002.

² Arjun Appadurai (ed.), *The Social Life of Things*. Cambridge: Cambridge University Press, 1986.

³ Brian Moeran, *The Business of Ethnography*. Oxford: Berg, 2005.

⁴ Erving Goffman, *The Presentation of Self in Everyday Life*. New York: Anchor, 1959; *Frame Analysis: An essay on the organization of experience*. Boston: Northeastern University Press, 1974.

In creative industries, connections and networks of one kind or another frame social interaction. People are brought together through connections, and bring others in their wake. Because these connections themselves form networks which extend seemingly ad infinitum into all kinds of different organizations and institutions that make up society, they help us study and analyse industries, markets and fields. Networks show us how economic action is, in part at least, embedded in social relations which themselves generate and are sustained by moral dimensions.⁵

The concept of field (or *champ*) has been most clearly enunciated by Pierre Bourdieu who developed it primarily in relation to forms of cultural production. The idea was developed over the years *vis-à-vis* what he saw as the limitations of structuralism and certain forms of Marxism, with their emphasis on how agency or practice was structured by *objective* social conditions, on the one hand, and of phenomenology and certain forms of interpretive sociology, anthropology and linguistic analysis, which stressed the role of *subjective* individual experience and perceptions in the functioning of the social world, on the other. In short, field was developed as a theoretical concept to deal with two shortcomings: firstly, objectivism's failure to cope with how individual conceptions and representations of the social world to some extent shaped social behaviour and that social world; and secondly, subjectivism's failure to see how consciousness was itself shaped by social institutions and organization generally.⁶

All creative work, like all human activity, involves the joint activity of a number – often, in the case of creative industries, a large number – of people. It is by means of their cooperation that the creative work that we eventually see or hear or otherwise experience comes into being and continues to exist. This work always reveals signs of that cooperation, the forms of which may be ephemeral, but which are usually more or less routinized, producing patterns of collectivity that we might call a 'creative world' (more specifically, fashion world, film world, publishing world, art world, and so on). The existence of creative worlds, as well as the way in which their existence affects both the production and consumption of creative works, suggests a sociological – rather than purely economic – approach to creativity and innovation, since it is this that produces an understanding of the *cooperative networks* through which creativity comes about.⁷

⁵ J. Clyde Mitchell, 'The concept and use of social networks', in his edited *Social Networks in Urban Situations*. Manchester: Manchester University Press, 1969; Mark Granovetter, 'Economic actions and social structure: the problem of embeddedness'. *American Journal of Sociology* 91 (3), 1985; Michael Gerlach, *Alliance Capitalism*. Berkeley & Los Angeles: University of California Press, 1992; Manuel Castells, *The Rise of the Network Society*. Oxford: Blackwell, 2000.

⁶ Pierre Bourdieu, *The Logic of Practice*. Cambridge: Polity, 1990. For other important theoretical contributions to the concept of field, see Paul J. DiMaggio and Walter W. Powell, 'The iron cage revisited: institutional isomorphism and collective rationality in organizational fields'. *American Sociological Review* 48, April 1983; and Paul J. DiMaggio, 'Constructing an organizational field as a professional project: U.S. art museums, 1920-1940'. In Walter W. Powell and Paul J. DiMaggio (eds.) *The New Institutionalism in Organizational Analysis*. Chicago: University of Chicago Press, 1991.

⁷ Howard Becker, *Art Worlds*. Berkeley & Los Angeles: University of California Press, 1982, p. 1. More recent network-based approaches to the creative industries include: Wayne E. Baker and Robert R Faulkner, 'Role as resource in the Hollywood film industry', *American Journal of Sociology* 97 (2), 1991; Olav Sorenson and David M Waguespack, 'Social structure and exchange: self-confirming dynamics in Hollywood', *Administrative Science Quarterly*, forthcoming 2007; Brian Uzzi and Jarrett Spiro, 'Collaboration and creativity: the small world problem'. *American Journal of Sociology* 111 (2), 2005.

Until quite recently, economists have largely failed to explore industrial sectors such as book and magazine publishing, the visual arts (painting, sculpture), the performing arts (theatre, opera, concerts, dance), sound recordings, cinema and TV films, fashion, toys and games – all of which, because they supply goods and services that we broadly associate with cultural, artistic, or simply entertainment value, may be seen as ‘creative’ industries. The notable exception to this rule is Richard Caves, who analyses the organization of creative industries in terms of deals and *contracts*, on the basis of a distinction between creative and ‘humdrum’ personnel. Artists of all types, he avers, engage in creative processes and tasks that come to fruition only with the help of non-creative, ‘ordinary’ partners. Thus, the painter needs a dealer, in the same way that an author needs a publisher, while a film producer needs a director, actors and actresses, screen writer, cinematographer, production designer, fashion stylist, make-up specialist, film score composer, and a host of others who see themselves in some measure as ‘creative artists’. Some artistic production occurs within continuing organizations – a major symphony orchestra, or a Hollywood film studio in the 1930s. Other creative works emerge from one-off deals.⁸

Hence, in his contractual view of the creative industries, Caves aligns himself with *transaction cost economics*. A transaction cost is a cost incurred in making an economic exchange, either internal to an institution involved or externally in the market in which it operates. Such costs may be determined by such features as frequency, specificity, uncertainty, limited rationality, and opportunistic behaviour which are then used to explain the choice between hierarchical co-ordination and other forms of organization.⁹ In a transaction cost perspective, we might understand why some transactions that occur during the process of producing and selling creative goods are organized within continuing firms, while others take place between independent parties, by virtue of certain fundamental properties of creative goods: demand is uncertain (what Caves calls the *nobody knows* property), and time is of the essence (*time flies*).

However, other properties of creative goods lend themselves to another theoretical approach, that of the *resource-based view* of industrial organization.¹⁰ Creative products themselves are not only durable (what Caves refers to as *ars longa*), but also varied and complex (*infinite variety*). Due to such product variety and complexity, creative workers display skills that are both vertically differentiated (*A list/B list*) and diverse (*motley crew*).¹¹ This means that there are limited economies in internalizing *all* aspects of production and marketing: few, if any, firms would be able to manage such very different skill-holders, because of differences between extrinsic and intrinsic motivation (what Caves refers to as *art for art's sake*).¹² Hence,

⁸ Richard Caves, *Creative Industries*. Cambridge, MA: Harvard University Press, 2000, p. 1.

⁹ Oliver Williamson, ‘Transaction cost economics: the governance of contractual relations’. *Journal of Law and Economics* 22 (2), 1979.

¹⁰ Birger Wernerfelt, ‘A resource-based view of the firm’. *Strategic Management Journal* 5, 1984; Ingemar Direickx and Karel Cool, ‘Asset stock accumulation and sustainability of competitive advantage’. *Management Science* 35 (12), 1989; C. K Prahalad and Gary Hamel, ‘The core competence of the corporation’. *Harvard Business Review* 68 (3), 1990.

¹¹ Caves, *Creative Industries*, p. 1-10.

¹² Margit Osterloh, Bruno Frey and Jetta Frost, ‘Managing motivation, organization and governance’. *Journal of Management and Governance* 5 (3), 2001.

rather than integrating skills (system integration), many creative industries find and contract skills on the market on a project basis.¹³ While such market- and network-based project organization ensures variety and continuous product innovation, research on how such projects are organized and managed is still in its infancy.¹⁴

Some scholars are convinced that *all* forms of exchange contain elements of networks, markets and hierarchies and that, consequently, the distinction between market and hierarchy is not particularly useful.¹⁵ This leads us to reframe the argument and suggest that both creativity and innovation in any creative endeavour are defined both by individual participants' dispositions (or *habitus*) and the overall *field* of cultural production in which they take place. A particular social environment – a film studio, for example, or fashion house or art museum – predisposes, but does not oblige, individual actors with different dispositions to behave in certain ways. People with a 'feel for the game' do not necessarily calculate how they are going to act or react in a specific situation, but do not necessarily abide by the rules of that game either. An individual's set of dispositions is thus both a structuring and structured contribution to a social environment's overall structure.

A field of cultural production consists of a 'space of possibles' which arises out of a confrontation between individual actors' dispositions and the roles available, together with the attendant ensemble of relations characterising that field. People employed in creative industries take up various positions in relation to one another and, whenever a new position is taken, the whole structure of the field is displaced, leading to a knock-on effect as those in other positions take up new positions in reaction to the change.¹⁶ Thus a creative field as a whole is never stable or static, but always in flux as individual actors make their moves.

Because there are all sorts of different interests at stake in a field participants invest in them and often compete for control over the resources of the field in which they operate. Such resources are sometimes material, sometimes economic, sometimes social, sometimes ideological or symbolic, and the way that they are distributed defines each field. Participants try to build up various forms of economic, educational, cultural, social and symbolic *capital* as part of their struggle for power, and then convert each into another form that they lack. In other words, people are always trying to capitalize on a particular situation and turn it to their advantage, depending on their position in a particular field of cultural production. Here two forms of capital are particularly important: *symbolic capital*, referring to 'the degree of accumulated prestige, celebrity, consecration or honour', and *cultural*

¹³ David J. Teece, Gary Pisano and Amy Shuen, 'Dynamic capabilities and strategic management'. *Strategic Management Journal* 8 (7), 1997.

¹⁴ Richard Alan Goodman and Lawrence Peter Goodman, 'Some management issues in temporary systems: a study of professional development and manpower, the theater case'. *Administrative Science Quarterly* 21 (3), 1976; Robert J. De Fillippi and Michael B. Arthur, 'Paradox in project-based enterprise: the case of film making'. *California Management Review* 40 (2), 1998.

¹⁵ Walter Powell, 'Neither market nor hierarchy: network forms of organization'. *Research in Organizational Behaviour* 12, 1990.

¹⁶ Note that this sociological formulation is almost identical to the case for the (re)positioning of products and corporations made in advertising and marketing generally, as well as to the systems of totemic classification practised in 'primitive' societies. See B. Moeran, *A Japanese Advertising Agency*. London: Routledge-Curzon, 1996, pp. 126-130.

capital, or 'forms of cultural knowledge, competences or dispositions'.¹⁷

Programme Issues

How do these theoretical approaches inform the programme, *The Socio-Economic Organization of Creative Industries*?

We wish to examine the social lives of creative works – arts, books, fashion, films, luxury goods – by analysing, for example, the ways in which different people interact in their production, as well as think and talk about them on their way to consumption. The focus, therefore, is on the social *processes* of creativity – mainly in terms of organizational worlds, in particular on social interaction at the micro-level.

The appreciation of creative works itself includes the different ways in which creativity and different creative industry processes are taught at educational institutions, so that this aspect of the research programme contributes directly to the needs of our training partners. How do people become 'creative'? What kind of training do they have? What kinds of knowledge do they have to acquire in the jobs that they undertake in a particular creative industry? The programme will be examining the career trajectories and life histories of selected personnel in the film and other industries to elucidate such knowledge.

Members of different creative industries form, sometimes cross-cutting, networks as they cooperate in the production, distribution, appreciation and consumption of works put out by the creative industries. These enable different industries – such as fashion and film, for example, to coordinate their activities in particular projects (a film) and events (the Oscar awards). But where are the points of tension in these varied forms of cooperation? Are they only between creative and support personnel, as Caves argues? Or are there other potential points of friction? For example, an incense manufacturer in Japan performs two roles simultaneously: creative (he designs new scents to be marketed) and 'humdrum' (he runs his own firm's marketing operations). The point of tension is more at the level of his firm's relations as a sub-contractor to a contracting 'parent company' than in any intra-firm division of labour. To what extent is this kind of analysis applicable to other creative industries? Are there organizational patterns that can be traced in the programme's selection of fashion and luxury, film and media, and place branding, art and culture industries?

The structure of the programme suggests that creative industries should *not* be seen as an indivisible entity. The ways in which knowledge and information flow in the fashion industry, for example, differ from the ways that they do so in art, film, or media institutions. Similarly with industry organization: while a film director makes use of a 'motley crew' to organize different aspects of production, the personnel he contracts are usually located within a particular regional 'ecology' of potential project participants; a fashion designer, on the other hand, will outsource different aspects of production all over the world. Whereas creative processes of both fashion and film tend to be organized within particular organizations that together interact to form an industry, those in art are very much more individualized and inter-

¹⁷ Pierre Bourdieu, *The Field of Cultural Production*. Cambridge: Polity Press, 1993; *In Other Words: Essays towards a reflexive sociology*. Cambridge: Polity Press, 1990, p. 22; Ronald S. Burt, *Structural Holes: The social structure of competition*. Cambridge: Harvard University Press, 1992.

personal, and tend to form a social world around particular events (such as a gallery or museum exhibition – events which, like trade fairs or the Academy Awards, are not entirely absent in the other two industries). It is these organizational and structural differences between different creative industries that the proposed research programme seeks to understand at both micro- and macro-levels of analysis – spanning both the organizations of ecologies of temporary and more durable networks, on the one hand, and the national and/or global industries and institutions that facilitate such organization, on the other.¹⁸

These new forms of production mark a shift in emphasis from material function to symbolic exchange in the design, manufacture, marketing and consumption of creative goods and services. At the micro-level, added value is the outcome of aesthetic designs and consumer-targeted experiences that meet individual producers' economic requirements (like cost effectiveness). At the macro-level, added value is now being transferred to the organization and management of production processes – especially those in creative industries. This is why the programme's researchers will examine both production *and* consumption practices within the experience economy – from jewellery design to shopping space branding.

The programme also seeks to analyse the different ways in which people working in the creative industries build up and exchange different forms of cultural, symbolic and economic capital. Is it possible to convert a coveted film festival prize, for example, into financial gain (an increase in an actor's fees or overall film budget) of some sort? Yes. And is such financial gain itself re-converted into social, cultural or symbolic capital? Yes. Is it possible, then, to draw up a conversion table that makes use of these different kinds of capital by incorporating all such prizes and relating them both to financial inducements and the overall careers and reputations of actors, artists, fashion designers, and so on? Maybe. Maybe not. The programme should provide indications for future research on these questions as a result of its ethnographic study of trade fairs and industry festivals.

New production forms signal a subtle, ill-defined, but undeniable nexus between two concepts that have hitherto been clearly opposed: *culture* and *economy*. This opposition has been enshrined within academia in the separation of the humanities from some social science disciplines. But it is also apparent in the very organization of creative industries themselves, since – as noted – they often employ very different kinds of people to carry out the necessary tasks involved. For example, some have been trained in art and design (the humanities), others in sales and marketing (social science), and yet others in product development (science and technology). These different groups bring with them very varied attitudes and ways of working that somehow have to adjust to the creative tasks at hand. The same may be said of the research team, and its industry and academic training partners. The proposed research programme, in which researchers with both humanities and social science backgrounds examine the socio-economic organization of creative industries from multi-disciplinary perspectives, is designed to overcome this

¹⁸ For examples of empirical research that sets out to distinguish global and local dimensions of organizations, networks, and institutions, see Gernot Grabher, 'Cool projects, boring institutions: temporary collaboration in social context'. *Regional Studies* 36 (3), 2002; Jörg Sydow and Udo Staber, 'The institutional embeddedness of project networks: the case of content production in German television'. *Regional Studies* 30 (3), 2002.

conceptual divide and to understand – as well as disseminate knowledge of – the different ways in which people in different creative industries carry out, think and talk about their work.

Just *where*, *why* and *how* creativity takes place, as well as *who* is responsible for it, are becoming increasingly important questions. Not just individual business organizations, but whole societies, are beginning to recognize that they embrace a ‘creative class’ which is growing all the time as a result of the knowledge-based nature of the economy.¹⁹ Although studies have been made of who constitutes this creative class, of where they tend to cluster, and why they do so, researchers have not yet properly examined *how* creative industries as a whole organize their activities at industry level, nor *how* individual enterprises organize and manage their creative practices. Although social scientists may have argued that creativity, as a resource, is crucial for long-term economic development, and that creative industries act as primary agents of change in driving economic development, they have not examined in detail the material, spatial, temporal, social, ideological and economic conditions that combine in one way or another to constrain creative processes. Another purpose of this programme, therefore, is to examine the tension between organizational structures and individual creativity, and to produce detailed, empirical analyses of the actual forms and processes through which the industries and enterprises organize and manage symbolic and material production, creativity and substantial commercial interests.

In sum, this proposal encompasses in-depth cross-cultural comparative research on companies and industries, as well as cross-industry sector comparison and analysis of the experience economy as a whole. It looks not only at what is going on within particular firms and industries, but also at the broader cultural configurations that shape those industries and markets. In so doing, it initiates a dialogue between humanities and the social sciences, between academia and industry, and between general educational and specialised training institutions.

Methodology

The programme consists of various different methodologies of the kind traditionally carried out by economists, geographers and sociologists. These include database analysis, surveys and questionnaires, case studies, and structured and unstructured interviews. Programme researchers will follow the customary scientific research methods that include, as part of ‘the wheel of research’, observation and literature review; problem clarification; assumptions and hypotheses; concept, constructs and models; research design; data collection; data analysis; interpretations and conclusions; and improvement in theory of problem solving.²⁰

However, the programme is marked most conspicuously by fieldwork or – as it is commonly referred to these days – ethnography.²¹ Given that this is for many in such diverse fields as advertising, marketing, management and consultancy, little more than a buzz-word, it is probably worth devoting some space to explaining its strengths and weaknesses.

¹⁹ Richard Florida, *The Rise of the Creative Class*. New York: Basic Books, 2002.

²⁰ Pervez Ghauri and Kjell Grønhaug, *Research Methods in Business Studies*. Harlow: Pearson Education, 2002.

²¹ Strictly speaking, ethnography is the writing up of research material gathered during fieldwork.

Traditionally the defining methodology of the discipline of anthropology, before being adopted by neighbouring disciplines like sociology, cultural studies and socio-linguistics, ethnography is marked by a number of features that are said to make it a distinctive and useful method for the study of people in numerous social and cultural settings.

1. It demands *intensive participant observation*.²²
2. Secondly, ideally it cannot be conducted by means of long-distance communication, but requires that the researcher be physically present – what Clifford Geertz has referred to as ‘being there’²³ – and undergo *total* (or near total) *social immersion*.²⁴
3. Thirdly, the *duration* of fieldwork should be long-term – ideally about a year, although six months is acceptable. The combination of these three characteristics gives rise
4. Fourthly, to an *intimacy* between researcher and informants not provided by other research methods.²⁵
5. Finally, ethnography provides exemplary case studies that can be used for *comparison*.²⁶

The five features of intensive participant observation, total social immersion, long-term duration, informant intimacy and comparison are ideals that are practised to a greater or lesser extent depending on the particular circumstances in which each fieldworker finds herself. While intensive participant observation and comparison are the *sine qua non* of fieldwork, both total social immersion and duration of study can be affected by both the nature of the organization being studied (a small rural community is more conducive to total social immersion than – say – a factory or firm) and the requirements of the project in hand.

The problem facing any researcher – whether she be anthropologist, sociologist, economist, historian, political scientist, or whatever – is the validity of materials gathered. Does this survey ask the right kind of questions so far as the research hypothesis is concerned? Is this historical document dug up in a castle attic as authentic as it seems, or is it a fake – written deliberately to pull the wool over an unsuspecting reader’s eyes? Is this informant telling me what he really does in a particular situation, or what he should be doing, but in fact does not do? In every field of study scholars have to wrestle with such problems of validity.

In fieldwork, the real difficulty facing the ethnography is trying to distinguish between what people *say* they do and what they actually *do*. Indeed, this is the problem facing all those in management and organization studies who make use of

²² James Clifford, ‘Traveling cultures’. In L. Grossberg, C. Nelson and P. Treichler (eds.) *Cultural Studies*. New York & London: Routledge, 1992.

²³ Clifford Geertz, *Words and Lives*. Stanford: Stanford University Press, 1988, p. 4-5.

²⁴ Kirsten Hastrup and Peter Hervik (eds.), *Social Experience and Anthropological Knowledge*. New York & London: Routledge, 1994; Judith Okely, ‘Anthropology and autobiography: participatory experience and embodied knowledge.’ In J. Okely and H. Callaways (eds.) *Anthropology and Autobiography*. New York & London: Routledge, 1992.

²⁵ Vered Amit, ‘Introduction: Constructing the field’. In his edited *Constructing the Field: Ethnographic fieldwork in the contemporary world*. London & New York: Routledge, 2000.

²⁶ Thomas Hylland Eriksen, *Small Places, Large Issues: An introduction to social and cultural anthropology*. London: Pluto Press, 1995.

interviews to gather primary research material. People are always trying to manage impressions and to put across an image that may in fact be rather different from their 'real' selves. This is fairly easy to do when their interviewer has just walked in off the street with a series of prepared questions to ask during the next hour. It becomes less so when that same interviewer had been hanging around the office for the past three months, watching what is going on and asking questions of anyone who has the time or inclination to talk to her. For her own part, the fieldworker is desperately trying to make sense of this new social world into which, for one reason or another, she has made her way. What those around her take for granted as 'the normal course of events' often strikes her as not just strange, but from another planet. In a slightly different sense from that originally intended by Oliver Sacks, the fieldworker may well feel as if she is an 'anthropologist on Mars'.

It is precisely the ability to see beyond the social front that informants present to strangers in their everyday lives – to know that there is a difference between what Erving Goffman refers to as 'front stage' and 'back stage' behaviour,²⁷ and to have ready access to that back stage – that is the strength of ethnography. Its weakness is that its methodology cannot be practised consistently because the fieldworker is actively participating in a series of processual social situations, in which all kinds of unexpected and unplanned events occur. As a result, fieldwork demands an immense amount of flexibility that makes method a bit of a moveable feast, and consistent methodology bad methodology.²⁸

In *The Socio-Economic Organization of Creative Industries*, participants in all three research streams – *Fashion & Lifestyle*, *Film & Media*, and *Space Branding, Art & Culture* – bring to the programme an extensive fieldwork experience that will, hopefully, enable them and their colleagues to move beyond the surface of research problems. All researchers will also be involved in comparative case studies.

- One such project is the joint study of the Copenhagen Film Festival. This will begin with an orientation by those conducting research in the *Film & Media* research stream, and will be followed by a 'brainstorming' session at which participants put forward research issues arising from their own streams and proceed to map a series of questions to be followed up in fieldwork during the film festival itself. Tasks can then be delegated. Some will interview creative staff present at the festival in order to learn about the functioning of the festival on the film production side. Others will talk to management staff about the business side of the festival and its relation to other marketing activities in the film world. Yet others will talk to city administrators about the promotion of Copenhagen itself as a 'fair city'. All will observe the spatial layout of the event, while trying to gain first-hand access to involved participants. Researchers will meet at regular intervals – ideally over lunch and at the end of each day – to exchange information, analyse issues arising, and discuss how best to proceed with the investigation. As a consequence of this method of grounded theory, a lot of information can be garnered over a very short space of time. The data for each festival will then inform the following piece of joint

²⁷ Erving Goffman, *The Presentation of Self in Everyday Life*. Harmondsworth: Penguin, 1990 (1959).

²⁸ Daniel Miller, 'Advertising, production and consumption as cultural economy'. In T. de Waal Malefyt and B. Moeran (eds.) *Advertising Cultures*. Oxford: Berg, 2003, p. 77.

research (on, for example, Copenhagen Fashion Week), as well as individual projects, so that there will be a sustained development of theory- and practice-informed fieldwork-based research.

A cautionary word is in order here. Although ethnography will in this way inform the programme, it should *not* be seen as the be-all and end-all of practised methodology. Programme members will also be using their own tried and tested research methods, and one important underlying aim of the programme as a whole is to question accepted methodological paradigms and try to come up with alternative ‘ways of seeing’. For example, the analysis of social networks underlying product innovation in the Danish, US, and Indian film industries will combine well-tested sociological network analysis with ethnography, on the one hand, and new, statistics-based actor network analysis, on the other.²⁹ To our knowledge, this will be the first time that such method triangulation in network analysis has ever been carried out.

Programme Management

The overall responsibility for the management of this multi-member, multi-disciplinary programme lies with the Programme Director, who has to ensure full accountability in the following areas:

1. Professional and scientific conduct of research activities and comparability of results between the three research streams, *Fashion & Lifestyle*, *Media & Film* and *Space Branding, Art & Culture*;
2. Individual research participants’ commitment to and carrying out of proposed research projects;
3. Proper and equitable administration of the budget; and
4. Smooth liaison and ongoing communication with industry, training and academic partners throughout the length of the KINO programme.

Each of these areas provides potential pitfalls. For example, comparability of research results is likely to prove difficult, but not impossible, while liaison with industry partners may well be a little uneven because those concerned are always very busy and tend to push ‘academic’ matters to the bottom of their pile of immediate concerns. There is also the fact that an academic environment can make innumerable, and often exasperatingly time-consuming, demands upon members of its staff, leading to insufficient time – or even loss of motivation – for them to carry out the intended research. Fortunately, in the last case, top management at the Copenhagen Business School has made clear its full commitment to supporting the research programme in every way possible – a commitment which extends to a generous grant of DKK100,000 seed money *prior* to the start of the KINO grant. This is to enable stream leaders and the programme director to meet with industry, academic and training partners during the coming months so that we are fully prepared to move forward with activities and research when the KINO grant comes

²⁹ Examples of the latter method include: Albert-Laszlo Barabasi, Hawoong Jeong and G. Bianconi, ‘Power law distribution of the World Wide Web’. *Science* 287, 2000; Stanley Wasserman and Katherine Faust, *Social Network Analysis: Methods and Applications*. Cambridge: Cambridge University Press, 1994; Duncan J. Watts, Peter S. Dodds and Mark E Newman, ‘Identity and search in social networks’. *Science* 296, 2002.

into operation on April 1, 2007. The President of the CBS has also discussed the possibility of housing the programme in a separate building that will not only provide space for programme members, visiting partners, Ph.D. students and so on (see under *Partners* below), but living accommodation for visiting researchers on the floor above.

Let me now turn to specific issues:

Research Streams

One understandable concern is how best to ensure that the three research streams defined by the programme's structure will collaborate and exchange research findings, with a view to mutual learning and the passing on of knowledge gained to industry and training partners.

The Committee will have noted in the final application that *The Socio-Economic Organization of Creative Industries* proposed two mechanisms to ensure synergy between the three research streams:

1. Intensive Workshops: it is proposed that four intensive workshops be held every year, and that at least two of these should take place at the Copenhagen Business School. The aim of these workshops is *theoretical* in intent. *All* research participants will attend the workshops, and will be expected to give research and theoretical inputs into the topics under discussion. The workshops are thus designed to be both providers and receivers of new knowledge arising out of on-going research projects in each research stream.
2. Joint Research Activities: in addition to the workshops, it is also proposed that *all* members of the research programme participate in the study of at least one industry event (such as a film, fashion or city festival) every year. Here the aim – as described above under *Methodology* – is more *practical*: to introduce researchers to, and have them engage in, alternative research methodologies as a means of broadening our collective understanding of creative encounters, and to build up a number of exemplary case studies for comparative purposes.

The outline of the programme's *Theoretical Grounding* at the beginning of this document allows us to look at how individual and joint research projects within each stream can inform those in other streams. This leads to:

3. Theoretical synergy: in that all projects will study, examine and analyse the micro- to macro-level theoretical issues relating to frames, networks and fields in all the creative industries studied; the social lives of different creative works; creative processes and the cooperative networks through which creativity comes about; the fundamental properties which Richard Caves argues explains why creative industries are organized as they are; the relation between individual participants' dispositions and the overall field of cultural production in which they operate, by focussing on life histories and career patterns; the various ways in which people working in different branches of the creative industries build up, manipulate and exchange

different forms of cultural, symbolic and economic capital; and the conceptual divide between culture and economy.

In addition to such collaboration between the three research streams, the stream leaders – Can-Seng Ooi (*Space Branding, Art & Culture*), Lise Skov (*Fashion and Luxury*), and Jesper Strandgaard (*Film & Media*) – will meet regularly twice a month with the Programme Director. The aims of these weekly meetings are: to provide information on the current research being carried out by participants in each stream; to discuss directions taken by such research; to note issues arising; to close down projects that are not functioning according to plan (for whatever reasons); to decide budget issues; and to put into effect strategic forward planning in order to meet perceived challenges.

For the record, the Programme Director will himself also be participating as researcher in at least one independent – as well as the annual collaborative – project in all three streams. This will give him hands-on experience of how colleagues are interacting at ground level.

Budget

In many ways, the administration of the budget presents an unenviable task. On the one hand, researchers will be undoubtedly happy that they can engage in such a collaborative research programme; on the other, they may well feel that they – and only they – deserve a little more than their colleagues. This is the nature of human nature.

The duty of the Programme Director is to administer the budget as fairly as possibly, but with an iron hand. He should not allocate every member of the research team an equal amount of funds for – say – travel and let each do as s/he pleases. On the contrary, he should strive for accountability and distribute funds according to individual or research stream needs, rather than because of some – often undisclosed – assumption of ‘egalitarian rights’.

I believe that, as Programme Director, I am capable of managing this task, since I have had immense experience as Associate Dean of Research and Finance in the Faculty of Arts at the University of Hong Kong. I also have the full support and personnel back-up of my Department at the Copenhagen Business School to enable the day-to-day running of the programme as a whole.

Partners

One vital element in this mix of research and money is the contribution made by and for our industry, training and academic partners. We have been fortunate enough to attract the participation of academic partners in Denmark, Germany, India, the Netherlands, Singapore, Spain, Sweden, and the USA,³⁰ and have also established partnerships with business firms and/or cultural institutions in Denmark, India, Singapore, Sweden, Switzerland, and the UK. We regard our partnership with these influential and in many other ways interesting organizations as absolutely crucial to the final success or failure of *The Socio-Economic Organization of Creative Industries* for

³⁰ Further academic partnerships are now in the offing with organizations in Australia, Japan and the UK.

it is here that the formal knowledge of the academic community must mesh with the embodied practices of the social worlds formed by our partners.

In order to facilitate communication and the development of long-term partnerships, we are in the process of finalizing details regarding two things in particular:

1. Dedicated Space: Once we receive official confirmation of the KINO Committee's decision to grant our programme 12.8 million kroner over the next four years, I will negotiate through my Head of Department for some dedicated space for members of the research group. Our intention is to set aside dedicated space for: Ph.D. candidates; visiting academics, Ph.D. candidates from other academic institutions, and industry partners who wish to avail themselves of our research environment for short periods; a seminar room for regular use by researchers in the programme; and the offices of individual members of the Department of Intercultural Communication and Management (Fabian Csaba, Lise Skov, Birgit Stoeber, and myself). I believe that such dedicated space will help establish a community of researchers who will go on to exchange thoughts and ideas much more freely than has been possible hitherto.
 - o Since writing the above paragraph, I – together with the three research stream leaders – have had a meeting with the President of the CBS who, during the course of a lengthy and fruitful discussion, indicated that he might be able to provide such dedicated space for all members of the KINO programme from the summer of 2007.
2. Workshops: The workshops discussed above are designed not only to strengthen *internal* cohesion among researchers, but to help create and sustain *external* links with our industry and training partners. It is through regular participation in such workshops (many of which will be hosted by industry partners) that we will gradually build up insider knowledge of the kinds of issues that worry those working in the creative industries in general. This will enable us to provide sociological and organizational analyses of such issues and thus to improve the working environments of our partners.

On a final note, it should be mentioned that we have been negotiating with several partners who have, so far, been hesitant to commit themselves until funding from the KINO Committee could be ensured. With work and dedication, there is reason to expect that we will be able to secure further funds – including a Ph.D. studentship – from these interested partners upon making public that our programme has received a KINO award.

I look forward to answering any questions you may have and to discussing the programme further at our meeting on December 13.

Brian Moeran