Understanding Creative Clusters: The Interplay between Organisational Management and Urban Studies

DINARA TOKBAEVA

Abstract

Creativity is a vast academic field studied from the perspective of political economy, policy research, business and management, economic geography, regional science, behavioural psychology, and other areas of inquiry. This report takes a media studies perspective on creativity and underlines that creativity is a process. Creative production is a response to "common economic and organisational challenges" (Dwyer, 2015, p. 990). This report also looks at recent data on creative clusters in the UK, the US and Canada by NESTA, a UK innovation foundation, with a special emphasis on the 'creative city model'. This model is based on a combination of organisational management and urban studies and can be used to unveil cluster developments in urban and suburban areas.

Time, Space and Creative Organisations

There is an academic consensus that creativity is a process. There is also an agreement that a creative production is a form of cultural production (Hesmond-halgh, 2006). Yet, the internal dynamics which makes some creative business-es more alert and responsive to market change and more sustainable than others fosters a forum of ideas. So does the ex-tent to which the external environment influences and shapes creative industries.

Helen Brown (2008) argued that creative firms' survival in a cluster depends on the type of bonds established and maintained between creative networks of an area. Brown analysed diffusion of innovations and knowledge transfer on the example of high technology industries and academic-industrial collaboration in the US, the UK and Japan. While researching innovative partnerships, Brown discussed cycles of expansive learning through collaboration and the impact of power dynamics on organisation's development. The so-called creative conflicts, or an interchange of varied viewpoints, are often inevitable in such businesses. So, one of the best ways to deal with them is through constant evaluation of organisation's performance (Brown, 2008). This point links to an argument by Dean K Simonton (1999) that creativity is a Darwinian process of variation and selection. Simonton argued that creativity is as much about generating valuable pieces of work as it is about "creative problem-solving" (1999).

Philip Cooke and Dafnah Shòvarts (2007), John Cantwell (2014) and David Gauntlett (2011) observed creativity as a necessary element of both creative production and strategic management. For instance, Cooke and Shòvarts (2007) analysed creative businesses from the point of view of decision-making in a "knowledge economy". Cantwell (2014) connected the dots between location, space, creativity, and international business arguing that urban studies are relevant for an understanding of creativity in specific contexts. Gauntlett (2017) argued that elements of uncertainty and disruption have always been present in any given industry and market in any time. Gauntlett's (2011) earlier research drew a parallel between various types of creativity. It resonated with Simonton's (1999) findings on similar working behaviour patterns among artists and scientists.

The scholarship has several ways of approaching creativity. A comprehensive study on 'everyday makers' (Gauntlett, 2014) suggested that the rapid nature of creative evolution shapes both media industries and media studies. Media workers encompass not only full-time and part-time employed professionals but also amateurs empowered by digital media. Many factors influence creative production, therefore several scientific domains are necessary for theorising of media production in its current complexity. For instance, Paul Dwyer (2015) viewed "media production processes as responses both to common economic and organisational challenges and to media-specific creative and cultural influences" (p. 990). Having looked at creative production, Mercedes Delgado, Michael E. Porter and Scott Stern (2016) suggested that commonalities within

certain types of enterprises are hyper-local. Both arguments support the idea of time and space as important points for consideration for creative firms' origins and growth.

Another way of looking at the idea of time and space is through the analysis of creative clusters. Delgado, Porter and Stern's (2016) study identified clusters as "geographic concentrations of industries related to knowledge, skills, inputs, demand, and/or other linkages." Insights from creative clusters can help spot creative potential and, possibly, a business opportunity within certain locations. Following this logic, the next subchapter is going to explore the Creative City Model.

Creative City Model

Creative City Model developed by Mateos-Garcia and Bakhshi (2016) aims at classifying and analysing creative clusters, people and networks. According to this model, internal dynamics within creative clusters (organisation management) are examined in conjunction with economies of cities and city planning (urban studies). The model argues that network connections between various economic subsectors such as digital, arts and music, create new forms of value in highly dynamic economic environments. In this sense, both time and space are factors affecting creativity and its actors. Therefore, Creative City Model is a tool which can be used to classify clusters, people and networks in highly dynamic and diverse creative en-

vironments. Besides, this model offers a bigger picture of creative clusters by considering not only established clusters in large metropolitan areas but also the smaller creative conurbations with high growth potential.

Creative Clusters in the UK, the US and Canada

This subsection provides a brief overview of major findings of two NESTA reports on the creative economy published in 2016. The first report by Max Nathan, Tom Kemeny, Andy Pratt and Greg Spencer compared creative industries in the UK, the US and Canada by conducting sub-national analysis using residence-based data (Nathan et al, 2016). The second report by Juan Mateos-Garcia and Hasan Bakhshi (2016) used dynamic mapping approach for mapping creative 'hotspots' in the UK comprised of 'creative cities' and 'creative conurbations'.

The first report, a three-country comparative study by Nathan et al (2016), revealed that "the US has the largest creative economy in counts, but this comprises a smaller share of all employment than in Canada" (p. 7). This report also found that "[the UK's] creative industries have the highest creative intensities" (Nathan et al, 2016, p. 7). These findings suggest that the US creative economy is larger than the other two, given the larger size of its national economy (Nathan et al, 2016, p. 21). The US has the biggest number of large conglomerations or metro ar-
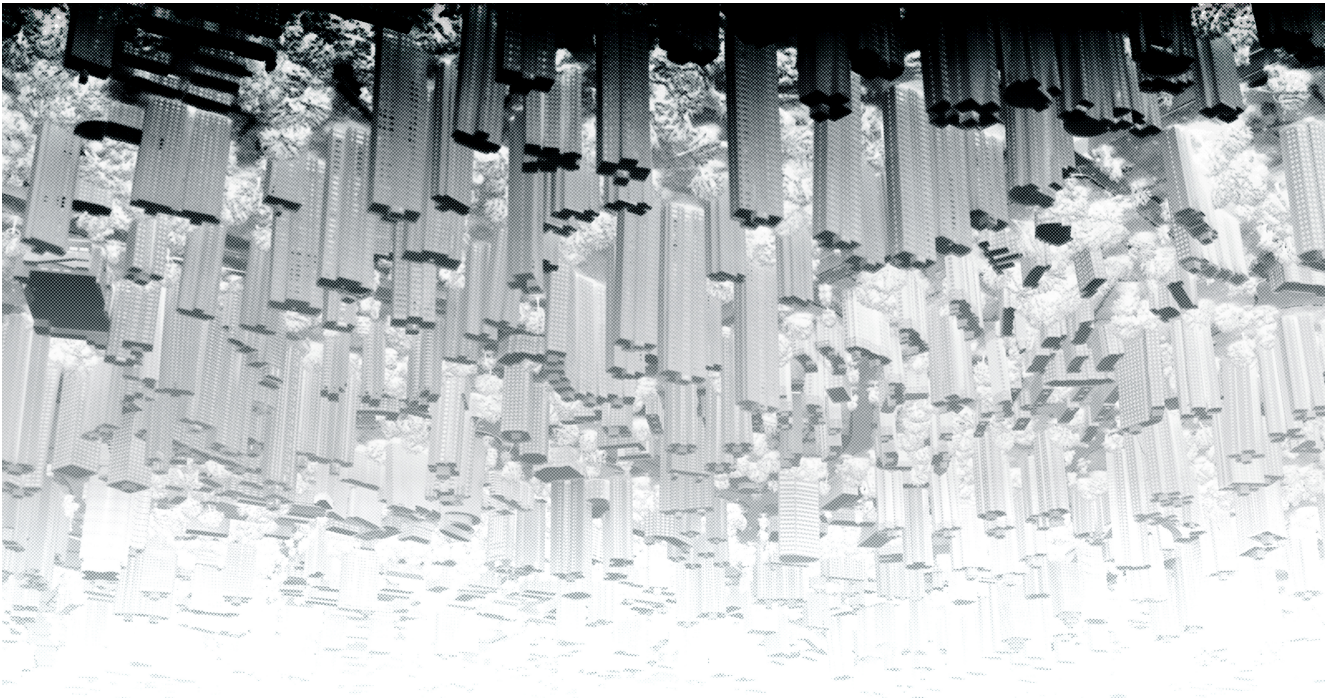
eas such as New York, LA, San Francisco, Washington DC and Austin, which "may conceivably help US localities enjoy stronger agglomeration economies (Nathan et al, 2016, p. 7). Canadian case is different from the other two by the largest number of creative workers employed in non-creative industries. The UK has the highest creative intensity since "the UK's creative industries are more specialised in creative work rather than their US or Canadian counterparts" (Nathan et al, 2016, p. 7).

As far as types of creative industries are concerned, 20.10% of US creative jobs are within IT, software and computer services sector. Advertising and marketing sector comes second employing 18.29% of the creative workforce. Music, performing and visual arts businesses are third, giving jobs to 14.02% of US creative workers (Nathan et al, 2016, p. 23). These are the latest available data of 2011-2013. In Canada, the top three creative industry types in terms of the amount of jobs are IT, software and computer services (19.46%), architecture (18.12%) and advertising and marketing (15.63%) (Nathan et al, 2016, p. 23). These are the latest available data of 2011. In the UK, the top three creative industry types are IT, software and computer services (33.77%), Film, TV, video, radio and photography (13.69%), and publishing (12.56%) (Nathan et al, 2016, p. 24). These are the most recent available data of 2011-2013.

The report couldn't provide the geographic dynamic comparison of the creative economy in Canada due to stats available only from one year. Yet, it was possible to compare the data from the UK and the US. According to Nathan et al (2016), New York-Newark-New Jersey had the largest creative economy in the US as of 2013 (Nathan et al, 2016, p. 33). Moreover, the other 20 largest creative conurbations stayed within the same positions during 2011-2013 (Nathan et al, 2016, p. 33). As of 2013, the largest creative economy cluster in the UK was London and parts of the Greater South-East. According to NESTA, during 2011-2013 there has been a broader development in such creative conurbations as Greater Manchester, Greater Glasgow, Leads-Bradford (Nathan et al, 2016, p. 33) and Greater Bristol (Nathan et al, 2016, p. 36).

To move on, the second report by Juan Mateos-Garcia and Hasan Bakhshi (2016) revealed further developments in "quality hotspots" in the UK. Mateos-Garcia and Bakhshi (2016) define "quality hotspots" as rapidly growing creative conurbations outside of major urban areas that specialise in a small number of creative sub-sectors, but whose economic impact is significant on a nation-wide level. "For instance, 'creative conurbations' like Slough, High Wycombe, Peterborough and Guildford rarely feature in creative cluster mappings. These clusters – specialising in a small number of creative sub-sectors with a high technology component – may be less 'hip' than creative cities like Brighton, Liverpool and Glasgow, but [NESTA] research suggests they make significant economic contributions" (Mateos-Garcia and Bakhshi, 2006, p. 6). There are several implications of these findings that can be relevant for the studies of creative industries in any market. First, this report of-

fered to look beyond established agglomerations that encompass more than one metropolitan area and add significant value to the creative economy. The economic impact of clusters in smaller 'creative conurbations' needs to be studied more closely as the creative industries become more important in local economies. "The geography of the UK creative industries is an interconnected system" (NESTA, 2016) and creative communities in different parts of the country are well-connected across different clusters, Mateos-Garcia and Bakhshi concluded (NESTA, 2016).

Conclusion

This research report argued that time and space influence creativity and its actors. Creative City Model by Mateos-Garcia and Bakhshi (2016) aims at analysing creative clusters, people and networks. As the UK example demonstrated (Mateos-Garcia and Bakhshi, 2016), Creative City Model helps to reveal existing connections between regional clusters and different types of creative businesses. While large metropolitan areas impact creative economy significantly, smaller creative conurbations also add value to the economy due to strong intra-cluster bonds. Therefore, looking for 'quality hotspots' rather than 'hip places' has a potential of providing insights on how creativity develops over time and space. The 'quality hotspots' framework (Mateos-Garcia and Bakhshi, 2016) proved to be useful for the analysis of creativity at the national level. International comparisons require addressing "data-related and definitional challenges" (Nathan et al, 2016, p. 7).

References:

Brown, H., (2008). *Knowledge and innovation: a comparative study of the USA, the UK and Japan.* Milton Park, Abingdon, England; New York: Routledge.

Cantwell, J., (2014). *Location of International Business Activities: Integrating Ideas from Research International Business, Strategic Management and Economic Geography.* Basingstoke: Palgrave Macmillan.

Cooke, P. N. and Shòvarts, D., (2007). *Creative regions: technology, culture and knowledge entrepreneurship.* Abingdon: Routledge.

Delgado, M., Porter, M. E., and Stern, S., (2016). Defining clusters of related industries. *Journal of Economic Geography,* 16 (1), pp. 1-38.

Dwyer, P., (2015). Theorizing media production: the poverty of political economy. *Media, Culture and Society,* 37 (7), pp. 988-1004. DOI: https://doi.org/10.1177/0163443715591667

Dwyer, P., (2016). Understanding media production: a rejoinder to Murdoch and Golding. *Media, Culture and Society,* 38 (8), pp. 1272-1275. DOI: https://doi.org/10.1177/0163443716671495

Gauntlett, D., (2011). *Making is Connecting: The Social Meaning of Creativity from DIY and knitting to YouTube and Web 2.0.* Cambridge, UK; Malden, MA: Polity Press.

Gauntlett, D., (2014). *Making Media Studies: The Creativity Turn in Media and Communications.* New York: Peter Lang.

Gauntlett, D., (2017). Making Media Studies Transformational: Creativity Over (Just) Criticism. *Westminster Papers in Communication and Culture,* 12 (1), pp. 11–12. DOI: http://doi.org/10.16997/wpcc.240

Hesmondhalgh, D., (2006). Bourdieu, the media and cultural production. *Media, Culture and Society,* 28 (2), pp. 211-231. DOI: 10.1177/0163443706061682

Mateos-Garcia, J and Bakhshi, H., (2016). *The Geography of Creativity in the UK: Creative Clusters, Creative People and Creative Networks. July 2016.* Available from NESTA < http://www.nesta.org.uk/sites/default/files/the_geography_of_creativity_in_the_uk.pdf> [Accessed 3 May 2017].

Nathan, M. et al., (2016). *Creative Economy Employment in the US, Canada and the UK: A Comparative Analysis. March 2016.* Available from NESTA < http://www.nesta.org.uk/sites/default/files/creative_economy_employment_in_the_us_canada_and_uk.pdf> [Accessed 7 May 2017].

NESTA (2016). *The Geography of Creativity in the UK.* Available from NESTA < http://www.nesta.org.uk/publications/geography-creativity-uk/> [Accessed 7 May 2017].

Simonton, D.K., (1999). *Origins of Genius: Darwinian Perspectives on Creativity.* New York; Oxford: Oxford University Press.