

CREATIVE INDUSTRIES AND KNOWLEDGE REPLICATION*

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Abstract: The concept of creative industries is becoming popular in recent years. Therefore, many publications deal with this topic. Nevertheless, fewer of them are dedicated to managerial issues. Most publications concentrate on the scope of creative industries and their influence on economy and society. The first aim of this paper is to present the specificity of management of organization in creative industry and its activity. The second aim is to collect and cite different definitions of knowledge replication to explain the meaning of the notion of knowledge replication. The third aim is to show the role of knowledge replication for organization's activity in creative industries. The article also contains an introduction concerning different approaches to definition and classification of creative industries.

Keywords: creative industries, management, knowledge replication.

1. Introduction

In the report "Investing in Creative Industries: A guide for Local Authorities" prepared by the UK Government, Department of Culture, Media and Sport, creative industries are defined as: "those industries which have their origin in individual creativity, skill and talent which have a potential for job and wealth creation through the generation and exploitation of intellectual property" [DCMS 2009, p. 4]. According to this report creative industries cover thirteen industries such as: TV, radio, software, computer games, film and video, music, advertising, art and antiques, crafts, designer fashion, design, publishing and performing arts [DCMS 2009, p. 4]. There are also other models of creative industries: symbolic text model, concentric circles model and WIPO (World Intellectual Property Organization) copyrights model. Symbolic text model is based on the approach to culture which came into

existence in Europe, where so called "high" arts or "serious" arts are seemed more important for society than popular culture. In this sense creative industry is described as: "The processes by which the culture of a society is formed and transmitted are portrayed in this model via the industrial production, dissemination and consumption of symbolic texts or messages, which are conveyed by means of various media such as film, broadcasting and the press" [UNCTAD 2008, p. 12]. In the concentric circles model, the emphasis was put on the value, which cultural goods have and the level of cultural content included in them. Thus, products of creative industries can have high degree of cultural content instead of commercial content and then these products are classified closer to the core of concentric circles model. Creative arts in the form of music, sound or text and image constitute above mentioned core of the model. Thus, every product of creative industries originates from art and therefore creative

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industries are so important and are distinguished from other sectors [UNCTAD 2008, p. 12]. Finally the last model – WIPO copyrights model – is based on the assumption that intellectual property rights are the embodiment of human creativity. Hence creative industries are defined as: “industries involved directly or indirectly in the creation, manufacture, production, broadcast and distribution of copyrighted works” [UNCTAD 2008, p. 12]. Different industries included in each model are presented in table 1.

Statistics Poland also gives definition of creative industries as “business entities involved in the creation and sale of goods and services that arise as a result of indirect consumption of cultural resources (culture is inspiration and creative contribution to their formation), require creative input and often bring cultural content; these are activities connected with design, architecture, advertising and translations” [GUS 2018, p. 31]. Much more broader and complete definition of creative industries was given by UNCTAD (United Nations Conference on Trade and Development). According to this organization “creative industries:

- are the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs;
- constitute a set of knowledge-based activities, focused on but not limited to arts, potentially

generating revenues from trade and intellectual property rights;

- comprise tangible products and intangible intellectual or artistic services with creative content, economic value and market objectives;
 - stand at the crossroads of the artisan, services and industrial sectors;
- and
- constitute a new dynamic sector in world trade” [UNCTAD 2010, p. 8].

According to J. Hartley [2005, p. 114] „creative industries are enterprises that monetize (creative) ideas in a consumer economy. (...) They represent (...) coherent social effort to gear up individual talent to an industrial scale”. According to J. Howkins [2005, p. 119]: “it is best to restrict the term “creative industry to an industry where brain work is preponderant and where the outcome is intellectual property.” Abundance and diversification of definitions of creative industries results in a need for the classification of definitions and concepts. One of such classifications was proposed by U. Dubaraitė i G. Startienė. According to these authors the first group of definitions concerns an approach to creative industries in which creativity and personal skills are the focal point. The second group of definitions concerns sectors comprising creative industries. The third group of definitions is connected with the

Table 1. Different models of creative industries

UK DCMS model	Symbolic texts model	Concentric circles model	WIPO copyright model
Advertising Architecture Art and antiques market Crafts Design Fashion Film and video Music Performing arts Publishing Software Television and radio Video and computer games	Core cultural industries Advertising Film Internet Music Publishing Television and radio Video and computer games Peripheral cultural industries Creative arts Borderline cultural industries Consumer electronics Fashion Software Sport	Core creative arts Literature Music Performing arts Visual arts Other core cultural industries Film Museums and libraries Wider cultural industries Heritage services Publishing Sound recording Television and radio Video and computer games Related industries Advertising Architecture Design Fashion	Core copyright industries Advertising Collecting societies Film and video Music Performing arts Publishing Software Television and radio Visual and graphic art Interdependent copyright industries Blank recording material Consumer electronics Musical instruments Paper Photocopiers, photographic equipment Partial copyright industries Architecture Clothing, footwear Design Fashion Household goods Toys

Source: [UNCTAD 2008, p. 11].

role of creative industries in economy [Daubaraitė, Startienė 2015, p. 130]. Other classification was made by K. Goto [2017, p. 17-19]. In his paper three dimensions were set apart: economy and culture, art and commerce, nonprofit and for-profit. The first dimension means that some definitions concentrate on creativity as the source of economic wealth and others concern the role of creative industries in the production and distribution of cultural goods or providing cultural activities. In the second dimension definitions concerning relationships between art and commerce were collected. First of all the creation of cultural content should be understood as characteristics of creative industry. Besides there are some connections between art and commerce. Namely, production in creative industries consists of two processes: the creation of content and the delivery of content. The process creation is accomplished by an artist and the delivery process is realized by a businessperson. In the third dimension the emphasis was put into the existence of two types of activity – directed and not directed for profit – in creative industries. Hence creative industries cover actions being the part of state policy concerning cultural heritage and also including commercial ventures [Goto 2017, pp. 17-19].

Connection between art and commerce seems to be one of the most important characteristics of making activity in creative industry and therefore it influences the specificity of management there.

2. Different aspects of management in creative industries

In the light of presented concepts of creative industries, ambidexterity is an important management issue for companies operating in creative industries. Ambidexterity is understood as capacity to manage conflicting goals and activities. At first, managers in creative industries have to manage both internal and external relationships. Internal relationships cover the problem of employees engagement in creative work and standard operating procedures. In the area of external relationships managers have to decide about the competing or cooperating with other companies. The second problem concerns development strategy. Should it be based on flexibility or on rational and methodic planning? Flexibility is currently important because it means an opportunity of seeking and work based on improvisation and knowledge. It leads to going beyond an existing schema, paradigms or pattern of action, which could be generally named as non-standard activities. However, these activities are realized in formal organizations, which accomplish repetitive processes and standardized procedures. It

should be noted that processes aimed at flexibility and realized in the frame of emerging strategy have higher priority than standard planning processes. Hence managers in creative industries should be creative and also concentrate on effectiveness [Radomska, Silva 2018, pp. 261-262, 268].

There are also further characteristics of enterprises functioning in creative industries [Morawski et al. 2019]:

- Improving creativity in commercial activity requires team building and open communication, which is an important condition for systematic sharing of knowledge and experience.
- Meaningful role of relationships between people in an organization. It relates to superior-subordinates relationships, relationships between coworkers in a team. It is noteworthy that these relationships are more often shaped by emotions being the effect of previous experiences and behaviors of other people.
- Strong identification with organization or work being performed (e.g. being an artist), which manifests itself in the feeling of common fate.
- Positive attitudes (e.g. enthusiasm, openness) toward new ideas, paradigms, concepts.
- Management activities based on routines are realized in a formal way, with inclination to a formal approach to the implementation of procedures, processes and use of appropriate terminology.
- Allocation of resources between different entities of organization is an effect of consultations with regard to information and thorough knowledge about different areas of company's activity.
- Engagement of employees in knowledge based processes like knowledge creation or knowledge transfer plays an important role.
- Highly qualified staff with unique competencies and university education.
- The need for the model of enterprise management based on shaping organizational culture to create knowledge sharing behaviors, management of knowledge workers, team building, modern information and communication technology and directed for knowledge development, shaping attitudes of loyalty and commitment, encouraging unconventional thinking of people, what in turn leads to open communication, creativity and innovation.

However, scientists look for common characteristics of management in creative industries, because a separate subsector of creative industry differentiates each other in such elements of an organization as reward systems, structures, or type of competencies required for employed staff [Thompson et al. 2007,

p. 638], or business models. For example P. Dziurski [2016, p. 86], described four business models typical for creative industries, namely: creative service providers, creative content producers, creative experience providers, creative originals producers. Business models in creative industries were also researched by P. Klimas [2018, pp. 104-106]. On the basis of research among game developers she identified key activities in the frame of monetization model.

Dualism in the nature of activity in creative industries is that creative work exists with standardized work in one organization. Therefore, creativity management is important as well as routine tasks are accomplished. Companies in creative industries also like other businesses have to grow up and scale up through replicating practices and transferring knowledge. They need to transfer knowledge from one company to other in alliances or transfer knowledge between projects. Hence, the understanding of notion of replication is important here.

3. The concept of knowledge replication

According to Ch. Baden-Fuller and S. Winter [2005, p. 3] knowledge replication is “reproducing the practices of an organizational unit of a given type in a new location”. Knowledge replication is a knowledge transfer mechanism as well as knowledge adaptation. Moreover: “Replication indicates that the extent of the recipients uses the transferred knowledge from the senders in their operations” [Chen et al. 2014, p. 2532]. According to C. Williams [2007, p. 870]: “Replication and adaptation are modes, then, by which organizations accomplish knowledge transfer”. Similarly, I-Y. Lu, C-J. Mao and C-H. Wang present clone-type replication as one of the knowledge transfer models in which: “best practices are generated at one subunit and transferred to single or multiple recipients” [Lu et al. 2010, pp. 343, 354]. It is noteworthy that such a knowledge replication is a useful mechanism of intra-firm and also inter-firm knowledge transfer. Yang Liu, Ping Deng, Jiang Wei, Ying Ying, Mu Tian [2019], define knowledge replication as: “permitted use of partner’s knowledge in the same status as it was accessed or obtained”. According to J.S. Denford [2013, p.183]: “Replication involves internal exploitation of knowledge to be absorbed into the firm”. Knowledge replication should be understood as the dynamic capability of the firm as it was written by S. Kaplan, A. Schenkel, G. von Krogh and C. Weber [2001, p. 23]: “The replication capability represents the capacity to transfer knowledge from

a transmitting entity (an individual, an organization or an industry) to a receiving entity with a minimal loss of information”. The concept of replication can be adopted for describing company’s development strategy as stated by S.G. Winter and G. Szulanski [2001, p. 730]: “Replication (...) entails the creation and operation of a large number of similar outlets that deliver a product or perform a service”. Replication is related to the complexity of firm’s strategy and the risk of its imitation by competitors. Research made by J.W. Rivkin [2001, p. 286] proved that “the replicator’s relative advantage is greatest with respect to decision problems of intermediate complexity”. As M.C. Becker [2004, p. 660] stated: “Routines store knowledge”. Therefore, the replication of routines is also associated with knowledge transfer and has a similar definition to knowledge replication. According to G. Szulanski and R. Jensen [2004, p. 349]: “Replicating a routine involves the creation of another routine that is similar to the original routine in significant respects”. Investigation conducted by R. Jensen and G. Szulanski [2007, p. 1727] provided: “empirical support for the fundamental claim that template use enhances the effectiveness of knowledge transfer”. However, the template can be defined as “a specific working example (...) knowledge source and transfer aid” [Winter 2010, p. 107].

The other question is what the knowledge replication in creative industry is. It seems that in a commercial part of activity creative industry needs only the understanding of knowledge replication in above presented definitions. However, the question is how to understand knowledge replication in the relation to creative activity. The right answer is given in the definition of knowledge replication presented by B. Fiorenza and S. Sedita [2005, p. 9]: “By knowledge replication we mean the reproduction of a creative output over time, it might be a piece of classic music, or a movie-remake, or 70s design furniture, or the re-use of micro-array technologies for different purposes”. They also defined the process of knowledge creation (as contrary to the process of knowledge replication) as: “the recombination of old knowledge or the new knowledge creation, including the capacity to create ex-novo, imposing new standards and dissociating from the artifact of the past” [Fiorenza, Sedita 2005, p. 9]. On a basis of these concepts they determined proportion between replication and creation processes for music industry and industrial design. In music industry (in the frame of performing arts) the majority of creative work is realized by knowledge replication (frequently old and popular works are performed). Industrial design is another example. The process of

knowledge creation plays a dominant role, because of the need for the following new tendencies in the design of products [Fiorenza, Sedita 2005, p. 11].

However, also a more typical understanding of knowledge replication (more similar to definitions stated above) was presented in scientific papers concerning creative industries. For example M.V.W. Seoane described media institutions practices which allowed them to replicate knowledge and expand their activity by means of networks building [Seoane 2016, p. 253].

On the basis of theoretical considerations following research questions can be stated according to knowledge replication in creative industries:

1. Is knowledge replication positively or negatively correlated with knowledge creation?
2. Is knowledge replication process more based on template or rules?
3. What is the role of replication strategy for companies making their activity in creative industries?
4. What are the most typical practices for creative industries, which are replicated in different creative industries (art, film, music, design)?
5. What are typical barriers or problems with knowledge replication in creative industries?

Research questions formulated above indicate the complex character of knowledge replication process in creative industries, which requires further research.

4. Conclusion

There are many definitions of knowledge replication. However, these definitions suggest three characteristics of knowledge replication: transfer of knowledge (between or within organizations), creating duplicate of existing knowledge or reinterpretation of it in the creative process, reuse of knowledge in a different location. The next conclusion is that replication plays an important role in organization development. Every organization needs to replicate to grow and scale up its activity. It comprises enterprises and other institutions both in creative industries and in other sectors. Creative industry is usually associated with creation and novelty, but an enterprise in creative industry – as every business – has to accomplish repeatable processes. Even creative process contains some elements of knowledge replication. There is no work without previous existing knowledge used in it. Finally, dual nature of creative industry being a combination of art and commerce comprises the creation of cultural content and accomplishment of commercialization process. It needs to engage knowledge creation process as well as knowledge replication process.

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PRZEMYSŁY KREATYWNE I REPLIKACJA WIEDZY

Streszczenie: Koncepcja przemysłów kreatywnych staje się w ostatnich latach coraz bardziej popularna. Jednak większość publikacji koncentruje się na zakresie przemysłów kreatywnych oraz ich wpływie na gospodarkę i społeczeństwo, a mniejsza część z nich jest poświęcona kwestiom zarządzania. Pierwszym celem pracy jest przedstawienie specyfiki zarządzania organizacją w przemyśle kreatywnym i jej działalnością. Drugim celem jest zebranie różnych definicji replikacji wiedzy i wyjaśnienie znaczenia tego pojęcia. Trzecim celem jest pokazanie znaczenia replikacji wiedzy dla organizacji realizujących działalność w przemyśle kreatywnych. Artykuł zawiera także wprowadzenie dotyczące różnych podejść do definiowania i klasyfikacji przemysłów kreatywnych.

Słowa kluczowe: przemysły kreatywne, zarządzanie, replikacja wiedzy.