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# **Creative Employees: Effects of Labor Mobility on Innovation**

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# THE CREATIVE INDUSTRIES



## **Creative Industries**

Independent artists

Visual arts

Theatre

Music

Film

Publishing

Radio and television

Architecture

Design

Advertising

Photography

*Bille (2012)*



## **Creative Jobs**

Visual artists

Dancers

Actors and directors

Musicians

Photographers

Writers

Architects

Craft and design

*(Bille, 2012)*



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# MOTIVATION



## **From Cultural Economics**

Knowledge transfer through labor mobility might be especially important for creative industries (Benhamou, 2003).

Mobility of workforce is a key mechanism for creative industries to support innovation in wider economy (Müller et al., 2008).



## **Research on the Creative Industries**

Cunningham & Potts (forthcoming 2013):

1. A mapping of the creative industries
2. A broad concern with effects on employment, entrepreneurship, growth of markets and regional clusters
3. Broader spillovers of the creative industries into regional, sectorial and national innovation systems

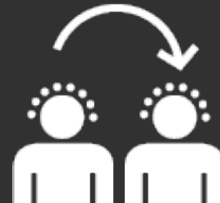


## **Spillovers of the Creative Industries**

Throsby and Zednik (2011) investigate labor mobility within the artistic and creative industries.

Bakhshi et al. (2008): Stronger supply chain linkages to the creative industries are associated with higher levels of innovation.





When ***creative employees*** move from ***firms in creative industries*** to ***firms in other industries***, what is the effect on ***innovation***?



## **Analytical Levels**

Industry

Firm

Individual

Activities



## 'The Creative Trident'

	Employment in creative industries	Employment in other industries	Total
Employment in creative occupations	<b>Specialist creatives</b>	<b>Embedded creatives</b>	Total employment in creative occupations
Employment in other occupations	<b>Support workers</b>		
Total	Total employment in creative industries		Total creative workforce

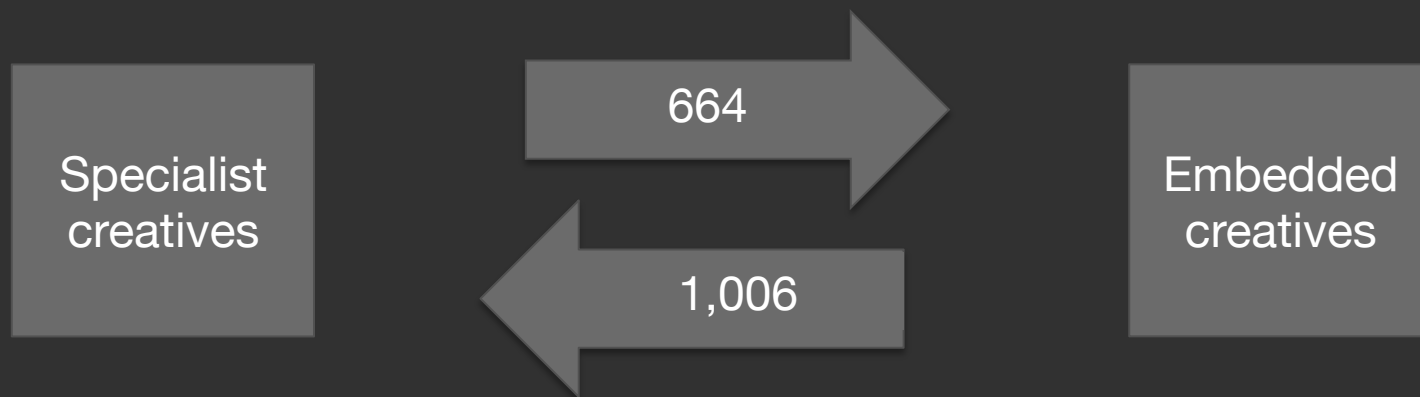


## **Creative Employment in Danish Workforce, 2008**

	Employment in creative industries	Employment in other industries	Total
Employment in creative occupations	11,449	18,314	29,763
Employment in other occupations	63,553		
Total	75,002		93,316



## Mobility of Danish Workforce, 2008





## **Transfer of Human Capital**

Creativity as a part of human capital in the form of a skill, knowledge or capability to be creative and thereby an ability to innovate.

Assumptions:

1. Creative employees build up human capital through creative education and work experience
2. Human capital is mobile



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# METHOD



## **Data**

### **IDA**

Creative job function

Creative industries

Labor mobility

Socio-economic variables

Firm specific variables





## **Quantitative Method**

**Dependent variable:** sales, total factor productivity and employment

**Independent variable:** Number of newly employed workers from the creative industries

**Control variables:** Firm size, industry, firm specific characteristics of employees (age, gender, skills, title, and wage proportions), distance to receiving firm



## **Mobility Employee Constraints (Parrotta and Pozzoli, 2012)**

Employees move from and to creative occupation

Creative education

Donor firm is not downscaling the labor force

Unemployment < 3 months

Existing or new position?

Employees moving have to experience a wage increase



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**THANK YOU!**