

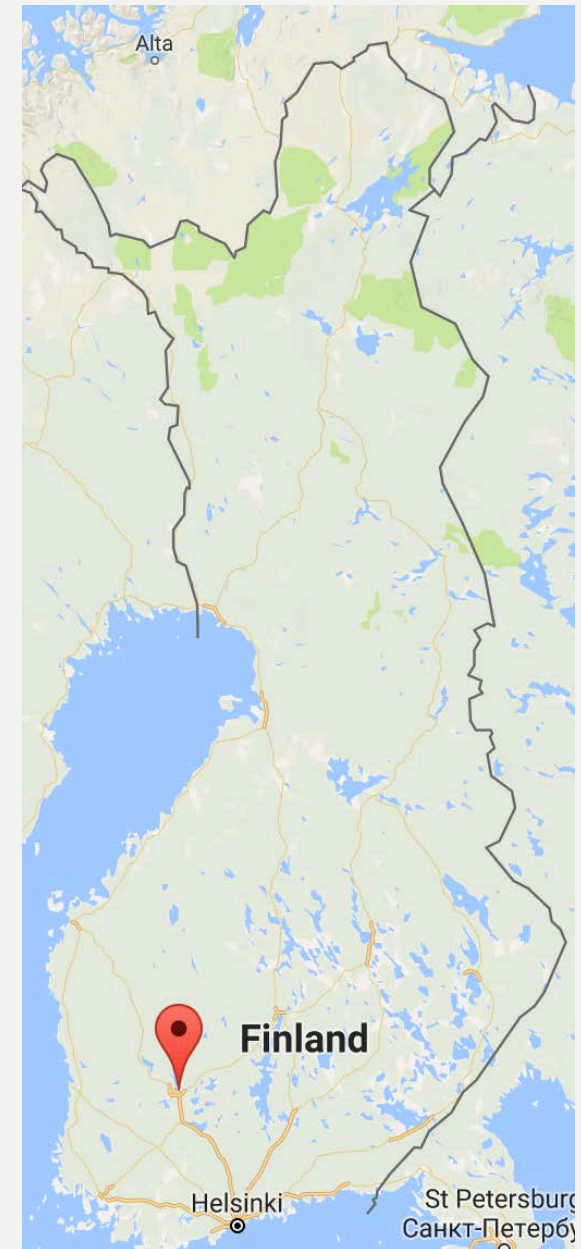
**CREATIVE CLUSTERS:  
OUTCOME AND EFFECTIVENESS,  
LESSONS FROM CASE STUDIES**

**MEDIAPOLIS**

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# Welcome to Tampere, Finland!



# Seven kilometres to the west...







mediapolis







10-05-2017

emma Pre-conference 2017 - Sari Virta



# Mediapolis

- Mediapolis is a cluster of media, storytelling and digital industries.
  - *“Mediapolis is a Finnish centre and network for content production and digital industries, offering customers both a wide variety of production services and a huge range of opportunities. Mediapolis is a growing media ecosystem operating on an international scale.”*
  - *“a centre for storytelling and digital industries, where interdisciplinary innovations are born”*
  - *Yle (Finnish Broadcasting Company) as a central anchor, which is typical for clusters*
  - *Place, network, brand, idea, co-operative... and a lot more*
- Planning and development started several years ago

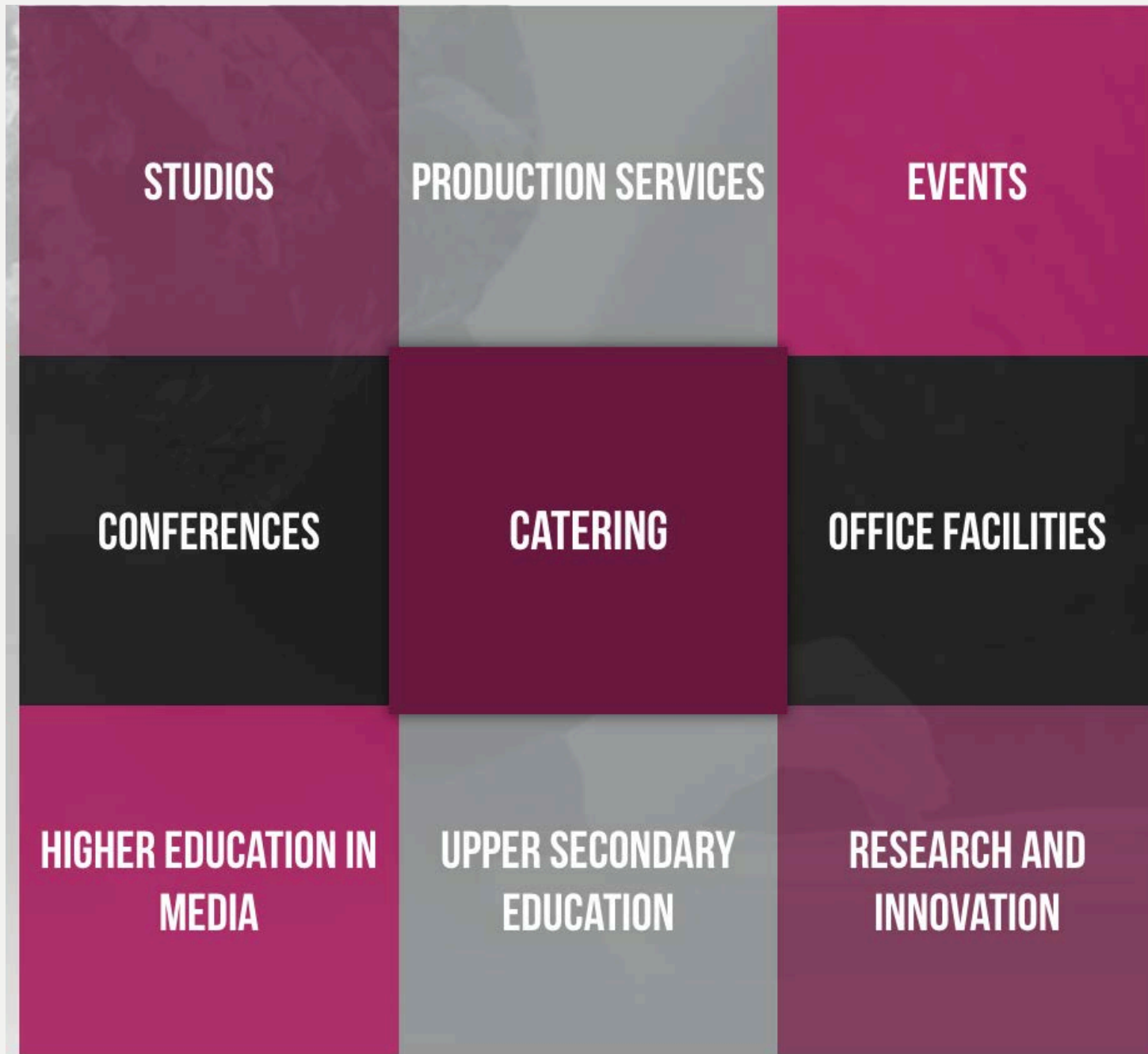
# Different interests in Mediapolis development

- Creative Tampere – regional industrial development plan 2006-2011
- Cost savings and "openness" strategy of the national public service broadcaster Yle
  - *Threat of consolidating operations in Helsinki (concern to Tampere city and region)*
  - *Getting rid of real estate + opening up to collaboration*
- Negotiations with Technopolis (international real estate operator) started late 2011, the deal was made in October 2012
- Negotiations with Tampere University of Applied Sciences (TAMK) of central importance alongside Yle as long-term tenants
- Extensive real estate development for two years
- Unofficial Board between the main partners during the development period



# Mediapolis today

- Campus launched officially in the autumn 2014
  - *Currently ca. 30 companies, about half media-related*
  - *Great success as a real estate project – ahead of schedule, very successful rental rate and low turnover rate*
- For operational and content reasons, a Co-operative Company (as the official legal structure) was formed in January 2016 between Technopolis, TAMK, Yle, Aito Media and Aito Tehdas, and the Yle representative was nominated Chair
- The role of the City or the Region was strongest in the beginning



# Case study

- Longitudinal, qualitative case study (since 2011)
- 23 interviews with 15 individuals from 12 organisations; 03/2013 - 02/2017
- Official documentation
- Participant observation
- Unofficial discussions and meetings



# Approach to the case 1/2

- Media cluster management benefits from the value network approach
  - *In-house structures are not sufficient for development and innovation, also for policy reasons, which leads to the need of co-operative arrangements*
  - *Value is no longer created internal to a single organisation, but in complex co-opetitive relationships*
- Value Networks
  - *Purposeful configurations of interdependent relationships between multiple organisations that work collaboratively to generate value (Allee 2003, 2009)*
  - *“complex and shifting patterns of rivalry and cooperation” (Powell et al. 1996)*
  - *Complex and dynamic management practices (Duysters et al., 1999)*
- The viability of Mediapolis depends on successfully managing a value network in the media cluster context

# Approach to the case 2/2

- Three interdependent levels of management practice: strategic (goals by top leaders), tactical (professionals in projects) and operational (managing the work) (Coughlan et al., 2003, Kanter, 1994)
- Three dualities:
  - 1) *Opportunities and limitations (strategic level) – conditional*
  - 2) *Influencing and being influenced (tactical level) – relational*
  - 3) *Control and release (operational level) – managerial*

(cf. Håkansson & Ford, 2002)
- Dualities and respective tensions are useful for analytically capturing the complexity of value network management

# Strategic integration

- Managing the duality between opportunities and limitations
  - *“We have to aim high, that’s self-evident. This cannot be regional but has to be national and international, we need to keep the big visions in mind. But to get there, one needs to understand that everything is built on the grassroots level, in day-to-day operations and small things that build the big picture. And these need to be fluent, correctly priced, well accomplished and rightly organised.”*
  - *“It is not tuned to a similar timing as the commercial operators where you must react rather quickly and make a decision, which can be good or bad, but above all they have to make a decision. They cannot stay in a state of indecisiveness because the business goes down if no decisions are made, and that is the worst scenario.”*



# Tactical integration

- Managing the duality between influencing and being influenced
  - *“The unsolved, shared area of responsibilities has been too big and unclear, and it has hindered the development of concrete small things. Many partners have wondered what is done here because nothing happens ... It’s a cruel truth in the background that when there are no process functions or supporting machinery that could create co-operation or new business, this exists on paper. But you cannot build them only on paper.”*
  - *“The root reason is a positive problem that no one’s business is directly dependent on the co-operation. This makes the motivational level and drivers rather feeble. It is already a success because it is up and running, works and is full of people. It’s a won case. [But] now when we try to move from this basic level to the ideal level that is pursued, the motivations are not strong – there are no imperative reasons for action.”*

# Tensions - examples

- Asymmetrical relationships: public – private & large – small
  - *“Yle as a partner is so big and so unpredictable that if your operations would only depend on Yle, your company might fall or succeed. [So] it’s totally coincidental.”*
- Current business – future (exploitation – exploration)
  - *“There is kind of an agreement about the big vision, but not about the concrete steps. The Mediapolis vision is not really relevant for the daily priorities of the partners”*
- Co-opetition: collaboration – competition
  - *“...that is one challenge, of course, that we are open but cannot be [that] in certain issues ... we play towards the same goal but nonetheless everyone has their own games in the background with their own objectives”*
- Strategic – operational
  - *“There is a paradox here that since 2011 we have tried to build the operational model, but the truth and practice has shown that it is more useful to just do things and build models afterwards based on the action”*

# Findings & Lessons

- Strategic-level aims are not realized in practical operations
  - *Strategy and tactics become focused on operational issues. The levels need to be integrated in management practice to create value.*
  - *Mere co-location does not secure success (although Mediapolis is a success in the traditional cluster sense), a value network based on relationships and managed as a whole and across levels is vital.*
- Decision-making in practice is a challenge
  - *The pace, rhythm and style of decision-making varies significantly between partners, especially between public-private and large-small.*
  - *Relationships cannot be controlled, but they need to be managed.*
- Value creation for future requires specific attention
  - *Differences in priorities creates tensions, although integration on strategic level has been successful*
  - *The central role of Yle and other large organisations dominates – what is the role of the Co-operative?*



# More details



Virta, Sari & Lowe, Gregory Ferrell (2017):  
Integrating media clusters and value networks:  
Insights for management theory and research from a case  
study of Mediapolis in Finland

*Journal of Management & Organization*, 23(1), 2-21

DOI: <https://doi-org.bibl.proxy.hj.se/10.1017/jmo.2016.56>



# THANK YOU!

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