

# HRM Strategies for Enhancing Competitiveness of Culture Creative Industry: Based on Literature Reviews

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**Abstract.** This paper explores the development of cultural and creative industries in China and primarily the relevant literatures have been sorted out. Focusing on promoting industrial competitiveness, it concludes that HRM is of the utmost importance for the industries. The study symmetrically reviews literatures of the development of cultural creative industries, the development of regional economy and industrial competitiveness; furthermore, it also reviews how the HRM strategies help promote industrial competitiveness for cultural and creative industries, referring to the research findings on HRM in the three fields mentioned above.

## 1. Introduction

Compared to Western countries, the cultural and creative industries in China starts late but develops fast. This is mainly because China has long history and rich cultural resources, which precisely provides optimal environment and solid foundation for the development of modern cultural and creative industries. In addition, with the improvement of our living standards, the widespread of Chinese cultures in the world and the increasing demand of Chinese excellent cultural products in the domestic and overseas markets, the cultural and creative industries will have had vast potential consumption market. Nowadays, industries structure optimization and upgrade in China has made it change from traditional “Big Manufacturing Country” to “Big Creating Country”, and cultural and creative industries has been increased the height of national strategy. Therefore, the study on the competitiveness of cultural and creative industries is vital for the development of relative industries, cities and nations.

## 2. HRM and cultural creative industries

### 2.1 HRM and regional economy

Many scholars have done a lot of research on the relationship between industrial development and human resource construction. From the perspective of regional economic development, human resource is the most important and irreplaceable one among many factors that enhance the level of productivity. Just like labor is the main productive force of agricultural production, post-technical workers are the main productive forces in industrial production, in which human resources often play a decisive role. It is necessary to use Human Resource related theories and methods to investigate, research, form data, analyze and integrate regional resources, so that human resources can play a greater role in promoting regional economic development.

Some studies (Liu Donghua) believe that it is necessary to strengthen the development, integration and utilization of human resources, because it can help prevent the ineffective construction of talents, giving full play to the advantages of regional human resources, gradually improving the quantity and quality of human resources, enhancing the ability of entrepreneurial employment, and contributing to the promotion of the development of the regional

economic. At the same time, economic development will also provide a broader employment environment and developing space for talents, and further enhance the level of talent development. Therefore, the economic development and human resource exploration promote each other.

Cui Yingying believes that among those determinants of economic development, human resource has its unique characteristic, which makes it difficult to replace. Human resource is regarded as the first resource because it can integrate and utilize other resources, play a resource advantage and make up for the shortcomings according to the types of resources they have and also promote regional economic development. The reason for the lack of economic development in many regions is that the adjustment of human resources structure is lagging behind, and it is not compatible with the industrial structure.

## **2.2 HRM and creative cultural industries**

According to John Howkins, the father of the world's creative economy, the creative industries and creative economy are made up of four industries: copyright, patent, trademark and design. The creative economy relies on those people who use their imagination, dreams and fantasies. He believes that once a person has his own ideas, he is more powerful than the person who controls the machine. Based on this idea, Howkins also emphasized the importance of human creativity and intellectual property because the creative industry is characterized by "mind" services; independent intellectual property is the core of creative talents; And creative talents are what we call "specialized talents" who possess professional or special skills (e.g. design).

Florida puts forward the theory of creative class, focusing on the classification of creative talents and the values of talents. He divides the creative class into two parts: a core of special creativity and a creative professional. The former group mainly focuses on people in various industries who have influence on public opinion, including university professors, scientists, artists, actors, designers, etc. The latter one is mainly specialized professionals in knowledge-intensive industries, covering industries such as finance, high technology, and law. Florida believes that the creative class tends to respect individuality and follow competition and power. Just like those who prefer open and diverse urban social environment, these people are suitable for creative careers and their lifestyles and values will influence the future direction of both cities and communities.

## **3. HRM and industrial competitiveness**

### **3.1 Cultural and creative industries' competitiveness**

Michael Potter diamond model is the most widely used. The updated research results have been explored in the evaluation system.

Qin Qin (2008) established evaluation system of 26 indexes, which includes five factors such as industry scale, economic return, research and development, human resources, social and cultural environment. As being difficult to obtain some of the index data, four indexes in the empirical section are adopted: total assets, main business income, total profit and taxable income tax.

Zhang Xueliang (2008) also analyzed and evaluated the competitiveness of cultural and creative industries by setting up a comprehensive evaluation system in xi 'an. However, it is difficult to quantify some factors, such as industrial locality and characteristics, cultural policy trends, etc., so the empirical test is conducted in the form of expert scoring, which is highly subjective, and the empirical test is only for the longitudinal comparison of Tianjin.

Liu Dongdong (2011) pointed out the index system of industrial culture, industrial output surface and industrial output surface and industrial surface and industrial space surface is established, but some factors such as industry local and characteristic and cultural policy trend are difficult to quantification, so the empirical test of the expert rate is used in the form of experts, and the subjective is strong, and the test is only for the vertical comparison of Tianjin.

Liu Dongdong points out that five main factors affecting the competitiveness of cultural and creative industries include: scientific and technological innovation, human capital, demand base,

government support, cultural and creative environment. We have constructed the evaluation system of urban cultural and creative industry: three primary indexes are the basic status, the core competitiveness, the environmental competitiveness; Eight secondary indexes, 18 tertiary indicators indexes.

Shi Yan constructs the evaluation index system of cultural and creative industry competitiveness. The system is composed of three modules: external display competitiveness, basic competitiveness and potential competitiveness, eight competitive faces and 18 evaluation indexes.

In conclusion, as the competitiveness of the cultural and creative industries has become a very concerned topic, the research results are increasingly abundant, but it is undeniable that the evaluation research of the competitiveness of cultural and creative industries is not systematic, and it is only in the primary stage. In the existing evaluation model, the qualitative analysis outnumbers the empirical study, and the perspective of the analysis is rather simple, which is difficult to reflect the overall appearance of the competitiveness of the cultural and creative industry in a region.

In addition, the cultural and creative industry has its specific growth environment and survival space, as Scott mentioned, the development of the creative industry depends on the unique development environment and has a distinct regional characteristic. Charles Landry, Hutton.T, Florida, Yusuf, etc., points out that there is a high level of relationships between the cultural and creative industry and cities. The development and spatial layout characteristics of the cultural and creative industry also show that the city is the base to attract creative people, and the cultural and creative enterprises. Therefore, the research on the competitiveness of cultural and creative industries has aimed at cities. In the evaluation of the competitiveness of urban cultural and creative industries, the characteristics of the city should be focused, especially the convenience, diversity and openness of the city, which are important to the flow of creative talents and the expiration on creative ideas.

### **3.2 Talent and Innovation Index**

Regardless of how industrial competitiveness changes, the essential elements of talents, such as technology, culture and ability, remain the same. The 3T theory in innovation field was put forward by Richard Florida in 2002, based on his theory of innovation capital, in which he classifies the fundamental conditions for the development of innovation economy as technology, talents and tolerance. Technology refers to the scientific applications for industrial or commercial purposes, sharing the similar meaning of the term in classical economic theory. Talents includes well educated labor participants, especially those with an innovative mind-set. Tolerance, which is the fresh part of this theory and is rarely used in common economic theories, refers to the extent to which the religions, behaviors and creativity of people in different nations, races and careers would be accepted (Richard Florida, 2002).

The innovation index is used to measure the region's ability in converting the capability of the innovation class into innovation economic results with "new concept, new hi-tech enterprises and regional increase". Florida, in his research in 2002, first proposed this concept and the talent index system, which includes talent index, technology index and tolerance index, based on his "3Ts" theory (Talent, Technology and Tolerance). The index's creative index system. Among them, the talent index is measured by the proportion of the innovation class. The technology index is composed of a high-tech index and an innovation index. The tolerance index is measured by the homosexual index, the bohemian index (relative concentration of artists, musicians and entertainers) and the furnace index (the ratio of foreign immigrants in the total number of people). Different from the past, while the innovation index pays full attention to the importance of traditional technology, talents or human resources, it complements the traditional evaluation structure and adds tolerance, openness and diversity index.

Later, Florida in 2004, collaborating with Tinagli, further refined and quantified the "3Ts" index based on the actual situation in Europe, brought out the "European Creative Index" which includes the European Talent Index, the European Technology Index, and the European Inclusion Index. The index is more conducive to comparison between different countries and is the most influential creative index so far. However, it is worth noting that due to the existence of many soft indicators that

are difficult to measure and the ambiguity of weights, the application of the index to China is greatly reduced.

Drawing on foreign research results, many large cities in China are also active research innovation index, and Hong Kong and Shanghai have established innovation index in 2004 and 2006 respectively. The Hong Kong Creative Index first borrowed the “3Ts” innovation index, but it had to improve its overall structure due to the lack of relevant data of the tolerance index and increase the economic and social cultural parameters related to the creative industry, and form the “5C” model. That is, the results of creativity, structure and institutional capital, human capital, social capital and cultural capital. Combined with China's national conditions and the development of Shanghai's creative industries, Shanghai has released the mainland's first creative index, which is greatly influenced by the Hong Kong Creative Index and also includes relevant economic and social indicators, including industry scale, technology research and development, cultural environment, human resources and social environment. These five major indexes have 33 sub-indicators, with assigned weights and strong applicability.

Although the innovation index indicator system captures the core of the creative industry, it has important guiding significance for analyzing the source of the competitiveness of urban cultural and creative industries. However, it should be noted that most of the research on the creative index is based on the city itself, trying to find the source of the city's creativity and assessing its core innovation capabilities, rather than completely from the perspective of industrial development. Other important factors, such as market demand or government behavior, did not receive enough attention. In addition, in the selection and classification of some specific indicators, it mainly aimed at the specific development of each city, and the applicability to other cities is still to be considered. Therefore, in a strict sense, the innovation index can only reflect the status of competitiveness from certain aspects and is not suitable for direct use as an evaluation of comprehensive industrial competitiveness.

#### **4. HRM Strategies and Promotion of Competitiveness**

In respect to the path and countermeasures of promoting cultural and creative industries, many domestic scholars put stress on introducing the experience and strategies of foreign countries. Actually, there are many different measures and methods in different regions or countries. For example, in America or Japan, talents fostering schemes or projects in the industries have been carried through the whole educational system, whether in one's childhood or in his or her secondary or university learning stage. They even set the supporting professional courses to make the creativity and imagination deeply root in education. Likewise, Taiwan has made a series of cultural and creative plans and actions in recent years from gathering talents and setting upgrade courses to performing communication and exchange programs. The measures also include strengthening talents fostering in art colleges and universities and improve their qualities of creative aesthetics in the cultural and creative industries. Meanwhile, culture and innovation concept has been blended into basic education in Taiwan and been push on further propelled in tertiary education. Zhao Shuming and Li Chenhua claim optimize and integrate resources, break the bounds of different trades, build creative talents highland, fully play the function of urban agglomerates and finally create an open, human-oriented cultural and creative soft environment at the height of national development strategy. This not only keeps a foothold at home but expands the horizon to the whole world. Zhang Xianglin and Xiang Yong's research puts emphasis on the policy role of environment, incentives and salaries played on the development of cultural and creative talents, advocating developing human resources based on policy making, personal incentives, professional training and so on. They suggest attracting and retaining top talents by making policies scientifically, providing quality services for talents by creating an excellent industry environment and improving salaries, incentive mechanism and evaluation system for creative talents.

Yin Baoliang holds, a permanent mechanism of universities continuously supplying for cultural and creative industries should be established, and the mode of talent training should be updated

constantly; therefore, the function of universities will be played on talent training as incubator or reservoir. Especially, he proposes an idea of Bachelor Pre-localization for Fostering and Bachelor Post-training for Comprehensive Practice, which more precisely locates the cultural and creative talents and benefit for strengthening their professional training.

According to Wu Yunhui's research, cultural and creative talents being fostered by universities today are generally in the quality of outmoded notion and lack of creativity, which cannot satisfy the demand of development of cultural and creative industries and is short of core competitiveness. Many universities, she introduces, has an unclear talent training objective a, incoherent curriculum system and out-fashioned teaching methods, which makes them hard to foster the creative and imaginative talents. As the main fields of exhibiting creative thinking and the major organizations of accommodating cultural and creative industries, universities should hold the direction of firm basis and major in fine in curriculum setting; specifically, they should not only set cross-major and inter-discipline curriculum model between culture, art, management, economy and marketing, etc., but set fine subject courses by categories based on students' interest and specialty. Meanwhile, they should strengthen the major of cultural industry management and increase the timeliness of fostering talents, in order to provide more excellent professionals for the cultural and creative industries.

## **5. Conclusion and Discussion**

Through the review on the existing research, we could find that the choke point of the development of cultural creativity industry is talent, and the talent training reserve is an important factor of affecting the development of the industry. As pointed out by the research of Chen Hongyu and Li Wuwei, the shortage of talents in China's cultural creativity industry is mainly reflected in two aspects. On the one hand, from a product innovation point of view, there are relatively few original works and high-end or more creative talent; on the other hand, the scarcity of senior management personnel in the cultural creative industry leads to the deficiency of comprehensive management ability in design, development, promotion, brand building and other aspects of cultural creativity products, which further restricts the production of industrial derivatives and value-added services. All in all, the improvement of industrial competitiveness has been greatly hindered. In addition, professional structure and age structure should be fully considered in the cultivation of talents in the cultural and creative industry. According to the survey in China, although there are a large number of talents under the age of 40, senior talents are deficient, accounting for a small proportion, and the interdisciplinary talents are extremely scarce.

Therefore, the cultivation of talents can fundamentally improve the industry competitiveness, namely relying on the human resource strategy to realize the improvement of competitiveness, which needs the full cooperation of the industry and academia, optimizing the subject setting in education, combining theory and practice, avoiding disconnect of talent training and market requirement, paying full attention to the cultivation of diversified and interdisciplinary talents, getting rid of the relying that traditional ideas on fixed assets and cash flow.

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