



UNIVERSITÀ DEGLI STUDI DI PADOVA

Dipartimento di Scienze Economiche “Marco Fanno”

THE MANAGEMENT OF “EVENTS” IN THE VENETO  
PERFORMING MUSIC CLUSTER:  
BRIDGING LATENT AND  
PERMANENT ORGANISATIONS.

FIORENZA BELUSSI  
Università di Padova

SILVIA RITA SEDITA  
Università di Padova

October 2006

*“MARCO FANNO” WORKING PAPER N.28*

DRUID Summer Conference 2006 on  
“Knowledge, innovation and competitiveness:  
dynamics of firms, networks, regions and institutions”  
18-20 June 2006, CBS, Copenhagen, Denmark

Theme I: Creativity, Experimentation and Organisation

## **The management of “events” in the Veneto performing music cluster: bridging latent and permanent organisations**

**Fiorenza Belussi and Silvia Rita Sedita**

Department of Economics, University of Padua, Italy  
fiorenza.belussi@unipd.it; silvia.sedita@unipd.it

### **Abstract**

The paper aims to provide some empirical evidence to strengthen the debate around the project-based organisation, which tends to qualify the latter as the dominant organising form among the creative industries. Our focus is the performing music industry. We recur to an unique database we have built on the basis of data provided by ENPALS (Ente Nazionale di Previdenza e di Assistenza per i Lavoratori dello Spettacolo) in Rome (Italy), which collects the pension contributions for the workers of performing arts among all Italian public and private organisations. The output of our descriptive analysis confirms that the project based organisations, that in our case of the performing music regard primarily the event management, are the most diffuse form in this field. Moreover, our research gives some interesting hints on the characteristics of the performing music labour force, asserting the project based workers as the category that includes the majority of workers in the industry.

**Key-words:** Project based organisation, performing music, permanent organisation, latent organisation  
**JEL Classification:** L82

## **1. Introduction**

The aim of the paper is to provide some empirical evidence to strengthen the debate around the project-based organisation, which tends to qualify the latter as the dominant organising form among the creative industries. Our focus is the performing music industry. Explorative in nature, the work gives interesting hints, both on the organisation of performing music, and thus of artistic events, and on the characteristics of the labour force, and thus of the artists.

While some economists (Maskell and Lorenzen, 2004; Breschi and Malerba, 2005) have considered the different organizational arrangements occurring in the market (different from the hierarchical organisations) developing some ideal stereotype like networks, project based organisations, clusters and districts, our work is based on an integrated perspective, which considers together the way in which resources, capabilities, places, social structures are combined for the production of an artistic event. Following Grabher (2002:212), who describes the interrelations between projects, personal ties, local relations and organisational affiliations, we have studied the modality through which activities (events) are organized by local associations (permanent organisations) recruiting local and distant human resources. Thus, there is a continuum between the so called project organisation and the permanent organisation. The role of each individual association is to pre-organise the demand of a musical event, using the existing resources (musicians) and the locally embedded social network of talented artists (Trimarchi, 1993). The project organisation - a one-shot form of organising transactions - is created by the ability of the permanent association to design an appropriate organisational arrangement involving the existing social and productive net, which is the latent organisation (the informal network based on reputation-driven interpersonal relationships – Starkey et al., 2000). Hence, as argued by Grabher (2001a, p. 1334), the proliferation of projects is dependent on a societal context which is made up of traditional firms and other more stable categories of social organisations.

## **2. Principal features of the organisation of performing music**

Despite a large base of our economy in Western Countries is now founded on the dominant presence of service sectors and of creative industries (Bell, 1973), the study of these sectors and the analysis of the organisational modality through which new products reach the consumer market, until recently, has been systematically disregarded both in the economic and business literature. The progress obtained through the application of new technology and the new paradigm of ICT have decisively shift the economy toward the production of immaterial goods or intangible products, like new services, cultural artefacts, artistic goods, and manufacturing product bearing a high design content.

A first look at this “economy of creativity” shows that the production of goods in these sectors is realised through very specific organisational modalities. In relation to the music performing sector, which is a part of the fluid and magmatic area of creative goods, some characteristics can be enlightened, depending on the fact that:

- a) the creative good (De Bono, 1995; Hartley, 2005) is a product with a high content of knowledge and novelty (and quite often is a unique product, not just a differentiated item organised around a standardised mass-customised

system). At the basis of a creative good there is a “producer” capable of replicating and combining old existing knowledge (Belussi and Sedita, 2005): this creative act may either produce a novelty (a new product or service that is personal, original, meaningful, and useful, as discussed by Howkins, 2005), or an innovation, a new product that represents a radical new thing, satisfying the criterion of innovation used by the Frascati Manual and by the EU innovation survey (CIS – Community Innovation Survey) conducted in various states. While creativity, in fact, involves novelties related to non-linear and often illogical personal expression, innovation represents a “calculated” and measurable creation of new knowledge. Thus, if it is true that each creative good is a novelty (even if under a kind of repetitive standard – like the replication of a famous song or opera or a reworked piece) not all new creative goods represent an innovation (an important variation from the existing standard – like a new genre of music, or the recourse to a technologically new support, as in the case of the experimental computer music);

- b) creative sectors are not dealing with information, but with ideas that can be protected through copyrights; they covers various types of activities along the filière of knowledge replication - novelty – innovation. There are many different and overlapping criteria to define these sectors (Hartley, 2005: 30), which tend to group creative activities under a variety of sub-systems, such as “creative industries”, largely characterised by the nature of labour inputs (advertising, architecture, design, interactive software, film and tv industry, music, publishing, and performing arts), “copyright industries” defined by the nature of asset and industry output (commercial art, creative arts, film and video, music publishing, recorded media, data processing, software), “content industries” defined by the focus of industry production (pre-recorded music, music retailing, broadcasting and film software, multimedia services), “cultural industries”, defined by the public policy function and by the type of funding (museum and galleries, visual arts and crafts, arts education, broadcasting, film, music, performing arts, literature and libraries), and “digital content”, defined by the combination of technology and focus of industry production (commercial art, film and video, photography, electronic games, recorded media, sound recording, information storage and retrieval);
- c) the creative good often is technically reproducible at a very low cost tanks to the use of ICT – Information and Communication Technology, while the large part of its costs are related to its conceptualisation, and to the high sunk investment spent during the preparation of the “first copy” (Varian and Shapiro, 1998). Thus only within an institutionalised strong regime of copyright protection the market system appears to work; however, the production of creative goods on electronic and reproducible supports is significantly different from the segment of performing arts like music, where the costs are not just related to the production of the artefact itself, but are embedded in the general costs that an organisation bears to orchestrate the event;

- d) the creative good is offered to a highly risky consumer market, characterised by a high level of failures, or inability to cover the basic production costs, because, among the numerous new unique products existing in the market, only few, in relative terms, reach success, recognition, and/or mass consumption (see also ). It follows that the organisation of performing arts is rarely just a result of the pure “market” functioning, being often supported by the active role of the state (or regional and local government), private sponsors (banks and foundations), and other supporters (the members of musical associations);
- e) the creative good is often a collective good, often produced within a collective firm, where many entrepreneurial agents cooperate, and this is explained by the necessity to organise a complex work, where many dissimilar strategic capabilities require to be harmonised and cannot be bought on the market as such (we enter in a post Fordist-world, where routinised work does not exist any more, and it appears impossible for one agent to possess all the knowledge necessary to organise the production of a creative good on a “factory stile”: 1. extreme separation of task conception and execution, and 2. repetitive tasks to be replicated by unskilled workers). Therefore, for instance, the good performance of an opera requires a complex web of interactions between the orchestra, the singers, the scene-designer, and the artistic director;
- f) the creative good requires the co-participation of many subjects (private/public) but also operators (producers/artists) for sponsoring the high initial investment involved for the production of the creative item, considering that the traditional financial institutions require firms with liabilities, and mobile and immobile capitals on which to insure a possible credit. Thus individual agents cover themselves from the risk with the caution of adopting, during the year, strategies of multiple involvement in multiple artistic networks. In any case, in the creative industries the older corporate-centred system defined by large companies has given rise to a more “people-driven” system (Florida, 2002); intrinsic motivations are behind every creative task, so that it has been authoritatively shown that most individual would rather prefer earning 50.000 dollars a year doing good jobs than 100.000 dollars doing alienating activities (Davis and Scase, 2000);
- g) the relative short duration of the activity related to the “fabrication” of a creative good needs a suitable organisational context characterised by “event-organisations” (known in the literature also as temporary organisations, or project organisations), where the assembling of resources is, by definition, non-permanent and created *ad-hoc* for the designed venture to be realised. These organisations have flexible boundaries and flexible composition of required working inputs (the permeability of the labour market – Grabher, 2001) . The typical economic actor and the locus of production where creative goods are realised is not the traditional firm, which we are used to represent in the business and economic manuals, but the project based organisation, which bridges a permanent network of associations and a latent network of talented artists for the completion of a creative event. The expert and skilful workers who deal with the event are not employed on a regular basis by a subject playing the role of a profit-maximiser entrepreneur. They are indeed

temporarily associated agents in an artistic venture, in which they find not only their money-to-live-on, but also artistic, cultural, and aesthetic gratification, as well as social identity, learning opportunities, and expressive modality of underlining their ego (in contrast with the monistic idea of a firm as a restrict mono-finality organisation). Consequently the organisational context of performing arts is normally, strictly speaking, not a firm, but typically a public organisation or a non-profit organisation (Hansmann, 1981). The activities that take place within the organisation might be latent during the year, and manifest themselves in the shape of an event, which might be of a one-shot or a frequent-base nature (project, temporary or semi-permanent organisation). Otherwise they can be permanently ongoing within the organisation (permanent organisation - it is, however, not a very much frequent case). The organisational context is characterised by the presence of a public organisation with cultural finalities (the production of a public good) or by private non profit associations where the members are actively involved, share the value of the organisation, and participate to the management of the events (permanent organisation);

- h) networks of creativity (to which Grabher, 2001b refers to as ecologies), even if masked within the activities of a permanent public organisation, liberate creativity within working groups, which are based on participation, collaboration, informal work style, and are motivated by result-oriented behaviours, aiming to produce a creative good. Members of these networks combine incessantly during time their diverse capabilities in a latent modality, as it has been proved in different studies, as in the case of the German repertory theatres, studied by Haunschild (2003). While within a firm-centred approach, human resources are typically stable, in the ecology of creativity, they are mobile and temporary (Becker, 1982), pursuing *more 'professional' rather than 'organizational' careers*, as it has been spelled out by Tempest et al. (2004). The management of an artistic event is based on the exploitation of given territorial resources and capabilities, connected by a system of embedded relations. As a result, typically “unstable” and organisations of events recur to existing localised agents. The territorial dimension of cooperation and networking is important in order to allow the feasibility of the model of the event-based organisation, because it lowers the transaction costs by reducing uncertainty and risk-taking, and it allows a continuous knowledge upgrading, given the easing of face to face encountering and knowledge exchange.

### **3. Theoretical background: project based organisations and territorial embeddedness**

Recently the Nordic school (Asheim 2002; Maskell and Lorenzen, 2004; Frederiksen and Lorenzen, 2004) has presented many attempts to study and formalise the project-based organisations, which represent an alternative modality to organise the artistic production. Project based organisations characterise creative industries like advertising, music, movies (Grabher, 2002a, 2002b).

An important element of the organisation of the industry is the existent process of territorial proximity that allows the development of networks of collaboration or interaction between the production and the users. Creative industries tend to cluster to benefit of the same external economies and increasing returns mechanism of traditional manufacturing districts. The literature on post-Marshallian clusters (Albertini and Pilotti, 1996; Belussi and Pilotti, 2002) recognises the role of knowledge assets as the crucial strategic components of the success of this form of organisation of the market. Knowledge (both tacit and codified) transfer mechanisms benefit, in fact, from geographical proximity, “common ground” and mutual knowledge. It is widely acknowledged that proximity is an important dimension in post-Marshallian districts and it appears to be particularly relevant also for temporary organisations. Several advantages derive from sharing strategic resources (physical, but also intangibles): reduction of the transaction costs, guarantee of reproduction of the system, social capital building.

The creative goods often demand for the coexistence of strongly specialised complementary activities. The creative product is often the output of a collective engagement, and of different components such as competences, skills, and specialised jobs. Territorial proximity is a decisive element for supporting the creativity of artistic performers through relational overlapping and inter-firm or social networks. The territory contains cognitive pieces of a mosaic that is activated and designed in relation to every specific creative plan.

Beside large corporations<sup>1</sup>, bunches of clustered actors have emerged in creative industries, which are populated by temporary organisations or project based organisations (Grabher, 2002a, 2002b; Asheim, 2002; Maskell and Lorenzen, 2004; Frederiksen and Lorenzen, 2004). This is related to a new mode of organising transactions in the market, as it has been discussed for the analysis of the film industry in Hollywood, or for Cinecittà in Rome (De Filippi and Arthur, 1998; Storper, 1989; Scott, 2001; Corsi, 2001).

Few are the empirical contribution to sustain the theoretical literature around these new forms of organisation. Our work represents a unique attempt to measure the relevance of project based organisation in a specific performing music cluster.

#### **4 The Veneto cluster of performing music**

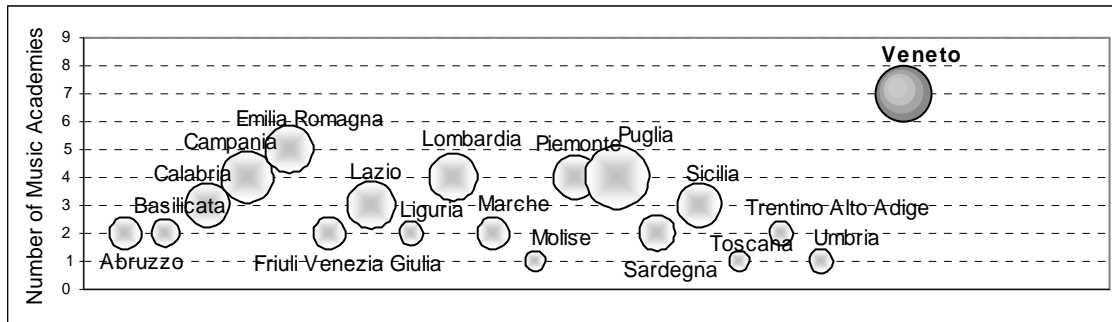
In order to study the organisational and territorial relations of networks of creativity (in the meaning assigned above) involving latent and permanent organisations in the performing music, we have selected for our analysis an Italian region very well-known for its musical tradition, namely the Veneto region. Here are located two of the most important Italian music institutions (the Fenice Theatre Foundation of Venice and the Arena of Verona Foundation), together with numerous academies of music (7 Conservatori) and music schools, classical music associations, and modern music clubs.

---

<sup>1</sup> It is the case, for instance, of the film industry in US, where we have (Pearce and Robinson, 1997) the Walt Disney company, the Warner Bros, the Paramount Pictures, the Twentieth Century-Fox, the Universal, the Sony pictures Entertainment; the MGM/UA. Or, again, in the music production, where we find the 5 sisters which dominate the international markets with about 70% of the market: the Universal, the EMI, the SONY, the Music Entertainment; the Warner, the BMG (see Federation of the Phonographic Industry, 2003).

Graph. 1 shows clearly the concentration of academies of music in the Veneto region and pinpoints the peculiarities of this region compared to the others of Italy.

**Graph. 1: Regional distribution of students and Music Academies in Italy**



Source: Our elaboration on “Banca Dati dell'Alta Formazione Artistica e Musicale”; [www.miur.it](http://www.miur.it)

Note: the size of the spheres corresponds to the amount of students enrolled in each region during the academic year 2004-2005.

Besides, the 8<sup>th</sup> of July 2005, the directors of the seven academies of music in Veneto originated the “Consorzio tra i Conservatori di Musica del Veneto”, a consortium which groups together about 3.500 students and 650 professors. The experience is unique in Italy and gives rise to a network of capabilities and resources with big potentialities. The consortium is, in fact, oriented to share capabilities; coordinate research, education and artistic production activities within the network of Conservatori.

The Veneto region appears to be specialised above all in the opera performances, being, in 2003, concentrated here about one third (31,8%) of the value of all tickets sold in Italy (source: SIAE, see Tab. 1). In addition, also symphonic music performances and other events scored very high, making this selected region an important laboratory of analysis for the empirical representation of the activity of organisations specialised in performing music (see also the report on the music activities in the Veneto region edited by Dalla Libera and Palumbo, 1988) .

**Tab. 1 Number of events and value of the tickets sold in the Veneto region during 2003**

	Number of events in Veneto	Number of tickets sold in Veneto	Revenues in Veneto	Revenues in Italy	% Veneto/Italy
Opera	270	456.136	22.314.120	70.274.077	31,8
Symphonic music	2.193	337.269	4.330.754	31.479.160	13,8
Music and dance	535	151.034	1.515.026	19.905.612	7,6
Operetta	41	6.347	77.380	2.665.820	2,9
Pop music	1.341	495.103	7.870.434	113.814.960	6,9
Jazz	250	52.299	490.512	8.168.556	6,0
Musicals	112	123.343	4.263.468	45.359.260	9,4
Other musical events	6.428	112.429	1.935.868	12.158.940	15,9
<b>Total</b>	<b>11.170</b>	<b>1.733.960</b>	<b>42.797.562</b>	<b>303.826.385</b>	<b>14,1</b>

Source: SIAE



## 4.1 Data source

Our tentative of analysis is based on the original elaboration of data obtained by the institute ENPALS (Ente Nazionale di Previdenza e di Assistenza per i Lavoratori dello Spettacolo) in Rome, which collects the pension contributions for the workers of performing arts among all public and private organisations. The micro data analysed are anonymous and refer to each musical event occurred in the Veneto region (also organised by external organisations) during the year 2003, based on the fact that at least one working day has been paid to a musician by a “firm” (public organisation, private firm, or non-profit association) for an event that has taken place in this region. A special code links and matches the individual worker with the “firm”, making possible to combine firm and workers characteristics, such as age, location, working days, retributions and others). This way of elaborating data excludes any initiative conducted by the Veneto music organisations outside the region, while it includes the “import” of initiatives organised by organisations and firms officially located outside. Our database has censused during the year 2003 about 1,000 organisations which have activated at least one event (Tab. 2). This corresponds to 1/10 of the number of overall initiatives registered in Veneto by the SIAE (the Italian institute for the protection of copy rights) which has estimated, during 2003, 11.170 initiatives localised in the Veneto region. In fact, most of the organisations have operated in the Veneto region on the basis of an ample supply of different initiatives. Our data base does not allow us to discern each initiative organised for the organisation, because is based on the contracts stipulated by each organisation with the workers. However it offers some interesting and original insights on the way in which the music activities are organised in the region.

Moreover, we enriched our knowledge of the industry organising ten qualitative interviews with important associations operating in the performing music sector. Those have been particularly useful to gain insight on the sector supply side.

## 4.2 Some descriptive analysis

### 4.2.1 *Performing music: the organisations*

In Tab. 2 we elaborated for each organisation the number of working days paid to workers. Using the stratagem of considering the maximum extension of the activity registered by the organisation (i.e. the maximum number of days paid within a contract by firm), we propose a taxonomy of the existing organisations, which distinguishes four categories, depending on the duration of the activity: 1) project organisations, 2) temporary organisations, 3) semi-permanent organisations and 4) permanent organisations.

1) Organisations/firms with only one day of activity have been inserted in the category of project organisation. This means that the existing organisations/firms, individuated with the fiscal code, has produced only one event in the region during the period considered. The extension of “project organisation” in our database is limited, only 100 organisations/firms, in fact, belong to this category.

2) The most spread modality in our data is the “temporary organisation”, which individuates about 400 organisations/firms. We have defined as temporary organisation an institution that has realised (on the basis of contracts stipulated with the workers)

events for less than 27 days (this could correspond either to one event 27 days long or to 27 events of one day, or a mixture of cases).

3) The third case identifies the category of “semi-permanent organisations”. In the Veneto region 354 organisations/firms belong to this category. They exhibit a long period of activity during the year (27- 300 days), justified by the presence of at least one worker having a sum of working days (corresponding generally to more contracts) located between 27 and 300 working paid days.

4) “Permanent” organisations represent a small niche of the population of organisations/firms observed. We count here only 18 case. However, they are the dominant modality among the opera houses and the theme parks. In these organisations/firms, a significant share of employment is also “permanent” (see Tab. 3), thus is enrolled with a stable contract (*lavoratori a tempo indeterminato*).

In our analysis we have considered both the organisation involved in classical music and those specialised on music and entertainment (Tab. 2). Therefore we are able to detect for each sub-sector of activity the existing organisational variety. Project organisations, temporary organisations, semi-permanent organisations and permanent organisations are equally spread in all musical branches of the region.

Considering the territorial distribution of musical events, there is to note that in the Veneto regions the territorial embeddedness of the music-performing organisations is not spatially concentrated in districts but it is organised with a form of a polycentric cluster<sup>2</sup>, following the urban hierarchisation. In addition we can observe a kind of self-organisation model. In the most important cities where there is no opera tradition (Padova, Vicenza), private associations devoted to opera have been created. Thus, in the region, a public system (characterised by the Fenice Theatre Foundation in Venice and the Arena of Verona Foundation) co-exist with private initiative. On the contrary, the associations involved in the performance of symphonic music are only private and their number is almost uniformly distributed among the main cities. Each important city guests about 15-20 symphonic organisations, which is a large number considering the typical Veneto region city size (about 200,000 inhabitants). Pop music organisations are concentrated above all in Verona (136) and Rovigo (197), where we can hypothesise at least a weak correlation with tourist activities. Modern music counts for more than 1/3 of all existing musical organisations (353 out of 898), which are well spread all over the region, and particularly present in Padua, where 28% of the organisations involved in this musical genre are located. Rock and jazz music is typically played in a city with the tradition of a large university, involving a melting pot of students. If we refer to the dimension of employment (Tab. 5), we observe that there is a polarisation between classical music and modern/pop music. Classical music played by opera and symphonic musicians occupies about 5,000 persons, while modern and pop music, together with the music played in clubs, pubs, and dancing, involves about 4,500 working units.

---

<sup>2</sup> It has to be underlined that the hierarchy of importance of the various provinces in relation to the number of workers employed by the music performing organisations (Verona, Venice, and Padua) is nearly followed by the importance of the provinces where performers live (information on the place of residence are extracted from our database, which denotes 42% of workers living in Verona, and 19% in Venice, and 10% in Padua).

**Tab. 2 Organisations performing musical events in the Veneto region during 2003**

	Organisations (all)		Project organisation	Temporary organisation	Semi-permanent organisation	Permanent organisation
	N	Percentage	Only 1 day of activity registered	2-27 days of activity registered	28-300 days of activity registered	More than 300 days of activity registered
Recording Companies	4	0,4	1	1	2	0
Opera houses	4	0,4	1			3
Organisations devoted to opera	5	0,5	3	2		0
Organisations devoted to symphonic music	120	12,5	30	70	16	4
Organisations devoted to music and dance	4	0,4		4		0
Organisations devoted to pop music	372	38,9	29	204	139	0
Organisations devoted to popular bands	8	0,8		3	5	0
Pubs and dancing clubs	353	36,9	28	133	187	5
Zoo and theme parks	4	0,4			3	1
Municipality and political party festivals	19	2,0	8	8		3
Music festivals	5	0,5		1	2	2
<b>Total</b>	<b>898</b>	<b>93,8</b>	<b>100</b>	<b>426</b>	<b>354</b>	<b>18</b>
Missing (sector not defined)	59	6,2				
<b>Total</b>	<b>957</b>	<b>100,0</b>				

Source: our elaborations on ENPALS data

**Tab. 3 Organisations performing musical events in the Veneto region during 2003**

	Total organisations	Total number of employees*	Full-time workers**	Total days of activity registered by employees in each organisation	Non full-time workers	Average days worked per employees excluding full time
Recording companies	4	23	0	523	23	22,7
Opera houses	4	2.192	581	282,479	1.611	62,8
Organisations devoted to opera	5	82	0	742	82	9,0
Organisations devoted to symphonic music	120	3.359	26	33,599	3.333	7,6
Organisations devoted to music and dance	4	21	0	220	21	10,5
Organisations devoted to pop music	372	3.243	3	58,850	3.240	17,9
Organisations devoted to popular bands	8	8	0	492	8	61,5
Pubs and dancing clubs	353	1.451	3	32,143	350	89,2
Zoo and theme parks	4	734	173	120,958	561	119,4
Municipality and political party festivals	19	125	3	5,674	122	38,8
Music festivals	5	159	5	3,465	154	12,4
<b>Total</b>	<b>898</b>	<b>11.397</b>	<b>794</b>	<b>539,145</b>	<b>10.603</b>	<b>27,5</b>

Source: our elaborations on ENPALS data

Note: \* Employees with at least one day contract during the year, \*\* workers with more than 300 days paid in the year.

**Tab. 4 Organisations performing musical events in the Veneto region during 2003 by province of the headquarter of the organisation/firm**

	Total organisations										Non Veneto provinces		Total
	BL	PD	RO	TV	VE	VI	VR	Veneto	Veneto				
Recording companies	0	0	2	0	1	0	1	4	0			4	
Opera houses	1	0	0	0	2	0	1	4	0			4	
Organisations devoted to opera	0	3	0	0	0	2	0	5	0			5	
Organisations devoted to symphonic music	4	20	8	18	30	25	15	120	0			120	
Organisations devoted to music and dance	0	0	1	0	1	1	1	4	0			4	
Organisations devoted to pop music	3	7	197	7	17	5	136	372	0			372	
Organisations devoted to popular bands	0	1	0	1	2	1	3	8	0			8	
Pubs and dancing clubs	49	91	10	47	57	26	50	330	23			353	
Zoo and theme parks	0	0	0	0	2	0	2	4	0			4	
Municipality and political party festivals	5	0	0	2	9	1	2	19	0			19	
Music festivals	0	2	1	0	0	1	1	5	0			5	
<b>Number of organisations</b>	<b>62</b>	<b>124</b>	<b>219</b>	<b>75</b>	<b>121</b>	<b>62</b>	<b>212</b>	<b>875</b>	<b>23</b>			<b>898</b>	
<b>Employment</b>	<b>401</b>	<b>1.404</b>	<b>1.282</b>	<b>1.049</b>	<b>2.196</b>	<b>676</b>	<b>4.345</b>	<b>11.353</b>	<b>44</b>			<b>11.397</b>	

Source: our elaborations on ENPALS data

**Tab. 5 Employment in the organisations performing musical events in the Veneto region during 2003 by province of the headquarter of the organisation/firm**

	Total organisations	BL Emp.	PD Emp.	RO Emp.	TV Emp.	VE Emp.	VI Emp.	VR Emp.	Veneto Emp.	Non-Veneto provinces Emp.	Total Emp.
Recording companies	4	0	0	4	0	17	0	2	23	0	23
Opera houses	4	5	0	0	0	761	0	1.426	2.192	0	2.192
Organisations devoted to opera	5	0	61	0	0	0	21	0	82	0	82
Organisations devoted to symphonic music	120	63	1.036	237	535	702	461	325	3.359	0	3.359
Organisations devoted to music and dance	4	0	0	6	0	10	3	2	21	0	21
Organisations devoted to pop music	372	91	54	896	252	388	67	1.495	3.243	0	3.243
Organisations devoted to popular bands	8	0	1	0	1	2	1	3	8	0	8
Pubs and dancing clubs	353	226	244	36	257	214	74	356	1.407	44	1.451
Zoo and theme parks	4	0	0	0	0	3	0	731	734	0	734
Municipality and political party festivals	19	16	0	0	4	99	2	4	125	0	125
Music festivals	5	0	8	103	0	0	47	1	159	0	159
<b>Total employment</b>	<b>898</b>	<b>401</b>	<b>1.404</b>	<b>1.282</b>	<b>1.049</b>	<b>2.196</b>	<b>676</b>	<b>4.345</b>	<b>11.353</b>	<b>44</b>	<b>11.397</b>
<b>Total organisations</b>	<b>898</b>	<b>62</b>	<b>124</b>	<b>219</b>	<b>75</b>	<b>121</b>	<b>62</b>	<b>212</b>	<b>875</b>	<b>23</b>	<b>898</b>

Source: our elaborations on ENPALS data

Note: BL= Belluno province; PD= Padua province; RO= Rovigo province; TV= Treviso province; VE= Venice province; VI= Vicenza province; VR= Verona province.

Specific activities like the Gardaland theme park, situated around Verona in Peschiera, promote a large number of seasonal musical events, hiring 731 employees in 2003.

#### 4.2.2 *Performing music: the labour force*

The accurate counting of performing music labour force allows us to count the number of workers in 2003 in the Veneto region, it is 8.981 units. Differently from Tabs. 3-4-5, where some individuals working in more than one organisation are multiple-counted, here we have used the ENPALS database referring to the individual worker as the unit of analysis, and thus we have an exact correspondence between the numbers here provided and the total number of workers in the sector.

ENPALS is the institution that organises the pension fund for the musicians and classifies the insured individuals in different categories, according to their principal activity. Thus we can distinguish in our database between the following categories: 1) singers (11%), 2) disc-jockey (5%), 3) directors (1%), 4) concert artists, members of orchestra and band (60%), 5) others, non artists (23%). Consequently we can match this information with the one related to the prevalent type of contract used in order to engage the worker, which allows to discriminate between<sup>3</sup>:

- 1) Group A: Project based workers (55%). To this group belong those who supply, within a short-term contract (*contratto a tempo determinato*), artistic or technical activities, directly connected with the production and the realisation of artistic events. Such category of workers is characterized for being holder of short and discontinuous job relationships.
- 2) Group B: Temporary workers (12%). In this group are inserted those who supply, within a short-term contract (*contratto a tempo determinato*), activities outside the hypotheses which determine the belonging to the previous group. These workers are mainly seasonally employed and generally not connected to the production and the realisation of artistic events.
- 3) Group C1: Permanent workers within an organisation based in the Veneto region (9%). Those who supply activities within a long-term contract (*contratto a tempo indeterminato*), working at least 301 days for organisations based in the Veneto region, belong to this group.
- 4) Group C2: Permanent workers within an organisation not based in the region (24%). Those who work, within a long-term contract (*contratto a tempo indeterminato*), less than 301 days, for organisations based in Veneto, belong to this group.

Tab. 6 illustrates the composition of the labour force according to the belonging category and type of contract. As we can see, the majority of workers in the performing

---

<sup>3</sup> The classification here proposed comes from an elaboration of the ENPALS classification (art.2, comma 1, d.lgs. 182/97), from which it differs substantially for the definition of permanent workers (Group C1 and C2). Here we found the need to distinguish between full-time workers employed in an organisation based in Veneto (C1) and workers employed full-time in an organisation not based in Veneto (C2), but who supply some activities in the Veneto region.

music works within project-based contracts (Group A), and this is especially true for the category of the artists (66% of them are project-based workers; 29% are permanent workers outside the region and 5% are permanent workers within the region). This result clearly supports the idea that performing music industry is significantly but not exclusively dominated by project-based workers, who are engaged temporarily for activities strictly related to the production of an artistic event. Tab. 7 allows us to estimate the weight of permanent workers (which in the category of artists are 2.338). These permanent workers are enrolled stably in organisations external to the region, but are systematically engaged in project/temporary/latent organisations within the region (see Tab.2). Therefore the Veneto region is deeply characterised by a mobile network of artists and very flexible organisations.

In Tab.7, the average number of worked days in the year 2003 is presented. Workers enrolled within project based contracts, show an average of 24 days of paid work in Veneto region organisations (however for the ENPALS registration they are supposed to work yearly about 120 days). Thus, we can infer that these workers have performed many activities in other regions of Italy, and also in foreign countries. Temporary workers in our database have performed for on average 104 days. As a consequence, we can infer that about half of the worked days of this category occurred outside the Veneto region. Permanent workers in our files register an average of 312 worked days. They are exclusively working in a stable way for one regional organisation. Permanent workers who are active also outside the region are employed by local organisations for 34 worked days on average. They are “permanent” in relation to their job contract, but “mobile” in relation to their multiple working experience.

In Tab.8 we have reported the average daily earning, differentiated by each professional category and type of contract. The table shows how much the category of artists are paid, on average, more than the other workers (199 euros per day against an average of 62 for the non-artists). Among artists the most paid are the project based workers (and particularly the directors, which earn about 2000 euro per day). The “star” artists belong to this category. Therefore, spot contract relationships are strongly and positively related to higher capabilities and reputation of the artist.



**Tab. 6 Workers in performing music in the Veneto region during 2003**

	Workers (all)		Project based workers	Temporary workers	Permanent workers (within an organisation based in the region)	Permanent workers (within an organisation not based in the region)
	N	Percentage				
<b>Artists</b>						
Singing	986	11	688	0	122	176
Disc-jockey	461	5	364	0	1	96
Directors	126	1	92	8	9	17
Concert artists, members of orchestra and band	5.357	60	3.440	0	194	1.723
<b>Total artists</b>	<b>6.930</b>		<b>4.584</b>	<b>8</b>	<b>326</b>	<b>2.012</b>
<b>Others non artists</b>	<b>2.051</b>	<b>23</b>	<b>375</b>	<b>1.065</b>	<b>464</b>	<b>147</b>
<b>Total</b>	<b>8.981</b>	<b>100</b>	<b>4.959</b>	<b>1.073</b>	<b>790</b>	<b>2.159</b>

Source: our elaborations on ENPALS data

**Tab. 7 Workers in performing music in the Veneto region during 2003 – Average worked days**

	Workers	Project based workers		Temporary workers	Permanent workers (within an organisation based in the region)		Permanent workers (within an organisation not based in the region)
		Group A	Group B		Group C1	Group C2	
<b>Artists</b>							
Singing	70,71	34,57			311,28		45,23
Disc-jockey	34,78	32,95			312,00		38,81
Directors	64,52	36,26	136,25		312,00		52,71
Concert artists, members of orchestra and band	31,42	17,57			312,53		27,42
<b>Total artists</b>	<b>37,83</b>	<b>21,71</b>	<b>136,25</b>		<b>312,04</b>		<b>29,73</b>
<b>Others non artists</b>	<b>140,07</b>	<b>47,41</b>	<b>104,17</b>		<b>312,27</b>		<b>93,01</b>
<b>Total</b>	<b>61,18</b>	<b>23,66</b>	<b>104,41</b>		<b>312,18</b>		<b>34,04</b>

Source: our elaborations on ENPALS data

**Tab. 8 Workers in performing music in the Veneto region during 2003 – Average daily earning (euro)**

	Workers		Project based workers	Temporary workers	Permanent workers (within an organisation based in the region)	Permanent workers (within an organisation not based in the region)
	All	Group A	Group B	Group C1	Group C2	
<b>Artists</b>						
Singing	322,50	395,83		86,67	199,30	
Disc-jockey	131,92	151,86		29,67	57,39	
Directors	1584,59	2003,69	98,25	122,56	789,97	
Concert artists, members of orchestra and band	149,33	195,24		110,80	62,01	
<b>Total artists</b>	<b>198,91</b>	<b>258,20</b>	<b>98,25</b>	<b>101,84</b>	<b>79,95</b>	
<b>Others non artists</b>	<b>62,25</b>	<b>50,82</b>	<b>57,86</b>	<b>78,86</b>	<b>72,68</b>	
<b>Total</b>	<b>167,70</b>	<b>242,52</b>	<b>58,16</b>	<b>88,00</b>	<b>79,46</b>	

Source: our elaborations on ENPALS data

#### 4.2.3 Performing music: the relationship between organisations and labour force

Tab. 3 reports the matching between organisations/firms and workers<sup>4</sup>. The number of workers employed during the year 2003 counts for 11,397. However this is a fictitious estimate of the total workers involved in the region in the musical activity because we have to consider also the parameter of the days worked *pro capite*.

Considering the 11.397 individuals only 794 are employed in the region as full time workers, while 10.603 are flexible manpower. It is interesting to observe that also in “permanent” organisations/firms the number of flexible workers exceed that one of full time jobs. The last column of Tab. 3 reports the average days worked referred to this category on non-permanent workers. The average period per workers oscillates between 7,6 days in the category of symphonic organisations/firms to 119,4 days in the entertainment parks.

In Table 3 the activity of workers has been defined in relation to number of working days attached to each individual organisation/firm. However the national data base allow us to explore better the qualification of the individual worker once we consider the type of contract in which he/she is inserted. The ENPALS institute, following the Italian legislation, divide the category of performing art workers into three classes: Groups A which corresponds to qualified workers directly involved in performing activities with short term contract and high levels of revenue, Group B where workers involved in the artistic production have seasonal contracts, and Group C, characterised by full time workers (a tempo indeterminato).

Thus, using this new criterion, in Tab. 9 we have elaborated this information, distinguishing full time workers operating in Veneto and outside our region, and project based workers and temporary workers. Project based workers is the dominant category.

Graph. 2 shows the tendency of workers employed in the performing music to work for one or more organisations during the year. Therefore, we can distinguish two categories of workers in the performing music industry in Veneto, according to their loyalty to the organisation: 1) the “monogamists” (enrolled by only one organisation) and 2) the “libertines” (enrolled by more than one organisation). As we can see, the majority of them (83.4%<sup>5</sup>) prefers to be enrolled by the same organisation, eventually by means of more than one contract, than changing frequently the employer (16,6%)<sup>6</sup>. Considering the “libertines”, the 43,3% of them works for 2 organisations, while the 14.5% works for 3 organisations. Only 3% have contracts with more than 6 organisations (the maximum value is 9).

---

<sup>4</sup> The number of employees is here counted by organisation. We have matched information about workers with the related firm/organisation enrolling them, sometimes in multiple contracts. We have cleaned our data in relation to the problem of the existence of more than one contract per worker in each firm. However, when the individual worker appears to be enrolled in more than one firm/organisation, he/she has not univocally counted, affecting the aggregate. In other words, the number of employees is correctly estimated per firm, but suffers of over-representation when data are aggregated (by region, category, province, or sector of activity).

<sup>5</sup> Percentages are not reported in the tables.

<sup>6</sup> Note that these type of data tend to under-estimate the number of workers that are enrolled in more than one organisation, since some of the performers might work for more organisations without being asked to register officially the secondary activity.

**Tab. 9 Organisations performing musical events in the Veneto region during 2003**

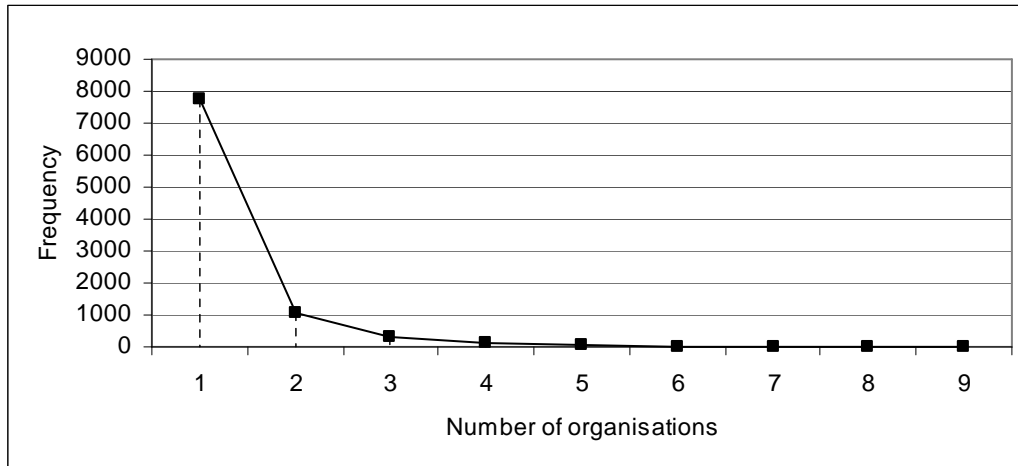
Total organisations	Total number of employees*	Project based workers	Temporary workers	Permanent workers (within an organisation based in the region)	Permanent workers (within an organisation not based in the region)
Recording companies	4	19	0	0	3
Opera houses	4	916	486	581	209
Organisations devoted to opera	5	76	5	0	0
Organisations devoted to symphonic music	120	2831	9	26	238
Organisations devoted to music and dance	4	18	3	0	0
Organisations devoted to pop music	372	1492	1	3	1666
Organisations devoted to popular bands	8	0	3	3	4
Pubs and dancing clubs	353	1157	7	0	201
Zoo and theme parks	4	1	534	3	24
Municipality and political party festivals	19	85	0	3	26
Festivals	5	127	25	5	2
<b>Total</b>	<b>898</b>	<b>6731</b>	<b>1073</b>	<b>794</b>	<b>2373</b>

Source: our elaborations on ENPALS data

Note 1: \* Employees with at least one day contract during the year

Note 2: Considering the DL 182/1997 (adopted law with subsequent modifications); Group A is defined by ENPALS as workers directly involved in performing activities with short term contract and high levels of revenue (it is required a minimum of 120 worked days); Group B: workers involved in the artistic production with seasonal contracts (it is required a minimum of 260 worked days); Group C: full time workers (a tempo indeterminato).

**Graph. 2: Number of organisations per worker**



Source: our elaborations on ENPALS data

The “monogamists” count for a more extended period of work in the Veneto region, if compared to the “libertine”, who presumably work also for other organisations outside the Veneto region, as we can see in Tab. 10. Besides, there are not relevant differences according to the average daily earning, and, as it can be expected, the number of contracts held by the “monogamists” is larger than the one related to the “libertine”.

**Tab. 10 A classification of the music performers**

	N	Average yearly days of work in Veneto	Average daily earning	Average number of contracts
“Monogamists”	7.724	62,66	167,25	5,96
“Libertines”	1.539	45,98	165,99	8,34
Tot.	9.263	59,89	167,04	6,36

Source: our elaborations on ENPALS data

Tab.11 shows how the previous results concerning the two identified categories vary when, from the pool of workers, the “star artists” have been excluded (1.712 stars, i.e. the 18% of the whole population of musicians have been cut off). Basically we want to assess the real differences between the categories, excluding potential biases due to the special contractual treatment reserved to “star artists”, who can be detected among the individuals employed for only one day within the year 2003 by an organisation located in Veneto. As we can see comparing Tabs 10 and 11, the inclusion of the star artists within the “monogamist” group pushes the average daily earning upwards, as it might have been expected. An interesting information emerges, and it concerns the type of relation that links the worker and the organisation: being a “monogamist” does not correspond to being enrolled within a long-term contract, but it rather means being

employed repeatedly from the same permanent or semi-permanent organisation, ensuring, on average, a higher number of yearly working days

**Tab. 11 A classification of the music performers (excluding stars\*)**

	N	Average yearly days of work in Veneto	Average daily earning	Average number of contracts
“Monogamists”	6.012	80,22	127,42	7,37
“Libertines”	1.539	45,98	165,99	8,34
Tot.	7.551	73,24	135,28	7,57

*Note: \*Individuals employed only one day within the year 2003 by a organisation located in Veneto*  
Source: our elaborations on ENPALS data

## 5. Conclusions

The paper aimed to add to the recent debate on the organisation of the creative industries, focusing specifically on the performing music sector, and the management of artistic events. We adopted a comprehensive approach, which takes in consideration the interplaying between different agents involved in the realisation of a musical event, identifying mainly two important elements to be further investigated: the permanent organisations devoted to music, which often promote and are in charge of preparing the event, and the latent organisations composed by networks of artists informally linked together by a reputation driven mechanism. The project-based organisation, emerges when an event has to be carried out, and it works as a bridge between these permanent and latent organisations, which are mainly territorially embedded.

This work has analysed the event management modalities within the performing music industry, and an important region of Italy, characterised by a long-term tradition in the creation of music, has been chosen to settle the empirical research: the Veneto region. Let us mention, among the others, some famous composers, music directors, and opera singers, like Vivaldi, Benedetto Marcello, Gabrieli, Tartini, Salieri, Arrigo Boito, Pollini, Iris Adami Corradetti, Valentini Terrani, and Katia Ricciarelli, who were born and have studied in the Veneto region.

We think that our empirical study shows the complexity of the organisational web that surrounds the music industry, with an ample variation of organisational types, and flexible contractual structures. In the paper, in fact, we have been able to distinguish, according to the durability of their activities, among project, temporary, semi-permanent and permanent organisations, which populate various artistic niches. Similarly, we identified different labour force archetypes, corresponding to specific types of job and professional qualifications, namely: project based, temporary, and permanent workers.

Our contribution resides in the attempt to relate the durability of the music associations with the inter-organisational and inter-regional labour mobility of the artists, giving an interesting picture of the functioning of a project-based organisation.

The embeddedness of organisations in the territory is given by the presence of regional training institutions and associations devoted to the promotion of music, and to the process of assembling of existing local pools of resources for the production of musical events.

## REFERENCES

- Albertini S. and Pilotti L. (1996), *Reti di reti. Apprendimento, comunicazione e cooperazione nel Nordest*, Padova: CEDAM.
- Asheim B.T. (2002), Temporary organizations and spatial embeddedness of learning and knowledge creation, *Geografiska Annaler*, 84 B(2): 1-14.
- Becker H. S. (1982), *Art worlds*, University of California Press, Berkeley.
- Bell D. (1973), *The Coming of Post-Industrial Society. A Venture in Social Forecasting*, New York: Basic Books.
- Belussi F. and Sedita S.R. (2005), The economics of intangibles, paper presented at the DRUID Summer Conference, Copenhagen, 27<sup>th</sup>-29<sup>th</sup> June.
- Belussi F., Pilotti L. (2002), Knowledge Creation, Learning and Innovation in Italian Industrial Districts, *Geographiska Annaler*, 84 B (2): 125-139.
- Breschi S., Malerba F. (2005) (eds.), *Clusters, networks and innovation*. Oxford University Press, Oxford.
- Caves R.E. (2000), *Creative Industries*, Harvard University Press.
- Christianen M. (1995), Cycles in symbol production? A new model to explain concentration, diversity and innovation in music industry, *Popular Music*, 14 (1): 55-94.
- Dalla Libera F. and Palumbo G. (1988), *Veneto in Musica*, Marsilio Editori, Venezia.
- Davis H. and Scase R. (2000), *Managing creativity: the dynamics of works and organisation*, Open University Press, Buckingham.
- De Bono E. (1995), *Serious Creativity*, HarperCollins, London.
- De Fillippi R. and Arthur M. (1998), Paradox in project-based enterprise: the case of film making, *California management Review*, 40 (2): 125-39.
- Florida R. (2002), *The rise of the creative class, and how it's transforming work, leisure, community and everyday life*, Basic books, New York.



- Frederiksen L., Lorenzen M. (2004), Projects, innovation and organisation of the market: a look at the entertainment industries, DRUID Summer Conference, Jun. 2004, Elsinore, Denmark.
- Grabher G. (2001a), Locating economic action: projects, networks, localities, institutions, Commentaries, *Environment and Planning A*, vol. 33 (8): 1329-34.
- Grabher G. (2001b), Ecologies of creativity: the Village, the Group, and the heterarchic organisation of the British advertising industry, *Environment and Planning A*, 33 (2): 351-374.
- Grabher G. (2002a), Cool projects, boring institutions: temporary collaboration in social context, *Regional Studies*, 36 (3): 205-214.
- Grabher G. (2002b), The project ecology of advertising: tasks, talents and teams, *Regional Studies*, 36 (3): 245-262.
- Hansmann H. (1981), Nonprofit enterprise in the performing arts, *The Bell Journal of Economics*, 12 (2): 341-361.
- Haunschild A. (2003), Managing employment relationships in flexible labour markets: the case of German repertory theatres, *Human Relations*, 56 (8): 899-929.
- Hartley J (2005), (ed.), *Creative industries*, Blackwell, Oxford.
- Howkins J. (2005), The Mayor's commission on the creative industries, in Hartley J. (ed.), *Creative industries*, Blackwell, Oxford.
- Lorenzen M., Frederiksen L. (2003), Experimental music: innovation, projects, and dynamic capabilities in the pop music industry, DRUID PhD winter conference, Jan. 2003, Aalborg, Denmark.
- Maskell P., Lorenzen M. (2004), Firms & Markets, Networks & Clusters Traditional & Creative industries, Paper for DRUID's Winter Conference, January 2004.
- Meisel J. and Sullivan T. (2002), The impact of the internet on the law and economics of the music industry, *Info*, 4 (2): 16-22.
- Scott A. (2002), A new map of Hollywood: the production and distribution of American motion pictures, *Regional Studies*, 36 (9): 957-975.
- SIAE (2003), Il quaderno dello spettacolo in Italia, Rome.

- Starkey K., Barnatt C., Tempest S. (2000), Beyond networks and hierarchies: latent organizations in the U.K. television industry, *Organization Science*, 11 (3): 299-305.
- Storper M. (1989), The transition to flexible specialisation in the US film industry: external economies, the division of labour and the crossing of industrial divides, *Cambridge Journal of Economics*, 13 (2): 273-305.
- Tepper S.J. (2002), Creative Assets and the Changing Economy, *The Journal of Arts Management, Law, and Society*, 32 (2): 159-168.
- Tempest S., McKinlay A., Starkey K. (2004), Careering alone: careers and social capital in the financial services and television industries, *Human Relations*, 57 (12): 1523-1545.
- Trimarchi M. (1993), *Economia e cultura*, FrancoAngeli, Milano
- Van Aalst I. (2002), From museum to mass entertainment, *European Urban and Regional Studies*, 9(3): 195-209.
- Varian H., Shapiro, C. (1998), *Information rules: a strategic guide to the network economy*, Cambridge: Harvard Business School Press