



Location factors of creative knowledge companies in the Dublin Region

The managers' view

ACRE report 6.13



Enda Murphy
Declan Redmond

Location factors of creative knowledge companies in the Dublin Region

The managers' view

ISBN 978-90-75246-93-3

Printed in the Netherlands by Xerox Service Center, Amsterdam

Edition: 2008

Cartography lay-out and cover: Puikang Chan, AMIDSt, University of Amsterdam

All publications in this series are published on the ACRE-website

<http://www.acre.socsci.uva.nl> and most are available on paper at:

Dr. Olga Gritsai, ACRE project manager

University of Amsterdam

Amsterdam institute for Metropolitan and International Development Studies (AMIDSt)

Department of Geography, Planning and International Development Studies

Nieuwe Prinsengracht 130

NL-1018 VZ Amsterdam

The Netherlands

Tel. +31 20 525 4044

+31 23 528 2955

Fax +31 20 525 4051

E-mail O.Gritsai@uva.nl

Copyright © Amsterdam institute for Metropolitan and International Development Studies (AMIDSt), University of Amsterdam 2008. All rights reserved. No part of this publication can be reproduced in any form, by print or photo print, microfilm or any other means, without written permission from the publisher.

Location factors of creative knowledge companies
in the Dublin Region
The managers' view

ACRE report 6.13

Enda Murphy
Declan Redmond



Accommodating Creative Knowledge – Competitiveness of European Metropolitan
Regions within the Enlarged Union

Amsterdam 2008
AMIDSt, University of Amsterdam

ACRE

ACRE is an acronym of the international research project ‘Accommodating Creative Knowledge – Competitiveness of European Metropolitan Regions within the Enlarged Union’.

The project is funded under the Priority 7 ‘Citizens and Governance in a Knowledge-based Society’ within the Sixth Framework Programme of the European Union (contract no 028270).

Coordination:

Prof. Sako Musterd

University of Amsterdam

Amsterdam institute for Metropolitan and International Development Studies (AMIDSt)

Department of Geography, Planning and International Development Studies

Nieuwe Prinsengracht 130

NL-1018 VZ Amsterdam

The Netherlands

Participants:

- **Amsterdam** (Amsterdam institute for Metropolitan and International Development Studies, University of Amsterdam, the Netherlands)
Marco Bontje ~ Olga Gritsai ~ Heike Pethe ~ Wim Ostendorf ~ Puikang Chan
- **Barcelona** (Centre de Recerca en Economia del Benestar – Centre for Research in Welfare Economics, University of Barcelona, Spain)
Montserrat Pareja Eastaway ~ Joaquin Turmo Garuz ~ Montserrat Simó Solsona ~ Lidia Garcia Ferrando ~ Marc Pradel i Miquel
- **Birmingham** (Centre for Urban and Regional Studies, University of Birmingham, UK)
Alan Murie ~ Caroline Chapain ~ John Gibney ~ Austin Barber ~ Jane Lutz ~ Julie Brown
- **Budapest** (Institute of Geography, Hungarian Academy of Sciences, Hungary)
Zoltán Kovács ~ Zoltán Dövényi ~ Tamas Egedy ~ Attila Csaba Kondor ~ Balázs Szabó
- **Helsinki** (Department of Geography, University of Helsinki, Finland)
Mari Vaattovaara ~ Kaisa Kepsu
- **Leipzig** (Leibniz Institute of Regional Geography, Germany)
Joachim Burdack ~ Günter Herfert ~ Bastian Lange ~ Katja Manz ~ Robert Nadler
- **Munich** (Department of Geography, Ludwig-Maximilian University, Germany)
Günter Heinritz ~ Sabine Hafner ~ Manfred Miosga ~ Anne von Streit
- **Poznan** (Institute of Socio-Economic Geography and Spatial Management, Adam Mickiewicz University, Poland)
Tadeusz Stryjakiewicz ~ Jerzy J. Parysek ~ Tomasz Kaczmarek ~ Michal Meczynski
- **Riga** (Stockholm School of Economics in Riga, Latvia)
Anders Paalzow ~ Diana Pauna ~ Vjacheslav Dombrovsky ~ Roberts Kilis ~ Arnis Sauka

- **Sofia** (Centre for Social Practices, New Bulgarian University, Bulgaria)
Evgenii Dainov ~ Vassil Garnizov ~ Maria Pancheva ~ Ivan Nachev ~ Lilia Kolova
- **Toulouse** (Interdisciplinary Centre for Urban and Sociological Studies, University of Toulouse-II Le Mirail, Toulouse, France)
Denis Eckert ~ Christiane Thouzellier ~ Elisabeth Peyroux ~ Michel Grossetti ~ Mariette Sibertin-Blanc ~ Frédéric Leriche ~ Florence Laumière ~ Jean-Marc Zuliani ~ Corinne Siino ~ Martine Azam ~ Hélène Martin-Brelot
- **Milan** (Department of Sociology and Social research, University degli Studi di Milan Bicocca, Italy)
Enzo Mingione ~ Francesca Zajczyk ~ Elena dell’Agnese ~ Silvia Mugnano ~ Marianna d’Ovidio ~ Carla Sedin
- **Dublin** (School of Geography, Planning and Environmental Policy, University College Dublin, Ireland)
Declan Redmond ~ Brendan Williams ~ Niamh Moore ~ Veronica Crossa ~ Enda Murphy ~ Philip Lawton

Table of contents

Executive summary	1
1 Introduction	3
1.1 Introduction to the Greater Dublin Area.....	3
1.1.1 Development and change in the Irish economy.....	3
1.1.2 A changing city.....	4
1.1.3 A changing employment structure.....	5
1.1.4 Quality of life.....	6
1.2 Work package objectives.....	8
2 Sectors in the Dublin region	9
2.1 Overview of employment in creative knowledge industry.....	9
2.2 Overview of selected sectors.....	12
3 Research methodology	13
3.1 Qualitative research: Semi-structured interviews.....	13
3.2 Selection of respondents.....	13
3.3 Conduct of the interviews.....	15
3.4 Problems and limitations.....	15
4 Results	17
4.1 Introduction.....	17
4.2 Business and management consultancy activities.....	18
4.2.1 Company overview.....	18
4.2.2 Historical development paths.....	18
4.2.3 Location factors: The role of ‘hard’ and ‘soft’ locations factors.....	20
4.2.4 The role of Dublin.....	22
4.2.5 Labour and labour processes.....	26
4.2.6 The role of networks and networking.....	30
4.2.7 Future trajectories.....	32
4.2.8 Results summary.....	33
4.3 Motion picture and video; radio and television activities.....	33
4.3.1 Company overview.....	33
4.3.2 Historical development paths.....	34
4.3.3 Location factors: The role of ‘hard’ and ‘soft’ factors.....	35
4.3.4 The role of Dublin.....	38
4.3.5 Labour and labour processes.....	41
4.3.6 The role of networks and networking.....	45
4.3.7 Future trajectories.....	47
4.3.8 Results summary.....	49
4.4 Computer games and electronic publishing.....	50
4.4.1 Company overview.....	50
4.4.2 Historical development pathway.....	50
4.4.3 Location factors: the role of ‘hard’ and ‘soft’ factors.....	52
4.4.4 The role of Dublin.....	56
4.4.5 Labour and labour processes.....	59
4.4.6 The role of networks and networking.....	61

4.4.7	Future trajectories.....	63
4.4.8	Results summary	65
4.5	Key stakeholders in Dublin’s creative knowledge economy	65
4.5.1	Location factors: the role of ‘hard’ and ‘soft’ factors	66
4.5.2	The role of Dublin	68
4.5.3	Urban policy and economic competitiveness	69
4.5.4	Results summary	72
5	Conclusions.....	73
5.1	Overview.....	73
5.2	General conclusions.....	73
5.2.1	Location choice and the role of ‘hard’ and ‘soft’ factors	73
5.2.2	Labour organisation.....	75
5.2.3	The role of networks.....	76
5.3	Implications for urban policy.....	76
6	References.....	79
7	Appendix.....	81
7.1	List of company participants.....	81
7.2	Interview guidelines.....	82

EXECUTIVE SUMMARY

This report forms part of a broader project that explores the impact of emerging creative and knowledge industries on the competitiveness of European metropolitan regions. Through a comparative approach, which includes 13 European metropolitan areas, the project seeks to understand the extent to which creativity, innovation and knowledge are central to successful long-term economic development. The previous report in this series (Murphy, Redmond and McKnight, 2008) investigated the extent to which creative knowledge workers were influenced by consumption related 'soft' factors (for example, attractive housing, amenities and leisure facilities; the atmosphere or 'buzz' of a city) or by production related 'hard' factors (such as job availability, the quality of public services and transport accessibility) when deciding to locate in a particular city.

The current study investigates the relative role of 'hard' and 'soft' factors for the location decision making of creative knowledge companies. The analysis focussed on determining to what extent location decision making is influenced by consumption related 'soft' factors (for example, attractive housing, amenities and leisure facilities; the atmosphere or 'buzz' of a city; the level of tolerance in the city) or by production related 'hard' factors (such as job availability, the quality of public services, local taxation policy and transport accessibility). The research also investigates labour organisation and labour processes in the creative knowledge companies as well as the role of formal and informal business networks for creative knowledge companies.

The analysis is concentrated on three creative knowledge sectors: (1) business and management consultancy activities; (2) motion picture and video and radio and television activities; and (3) computer games and electronic publishing activities. A total of 19 qualitative interviews were undertaken with managers/directors/owners of creative knowledge companies and a content analysis of interview material was undertaken. In addition, four interviews were undertaken with key stakeholders in the creative knowledge economy. These officials were interviewed due to their expertise on creative knowledge sector generally, on the drivers of indigenous enterprise in the sector, on the relative importance of 'hard' and 'soft' location factors for company location decision making and on their expertise in relation to competitiveness issues within the regional and national economy. It is important to note that the results emerging from this study relate specifically to the sectors being analysed and do not necessarily characterise industries in the creative knowledge economy as a whole.

One of the key results to emerge from the research is that the role of 'hard' and 'soft' factors varies in the location decisions of creative knowledge companies. In particular, the results demonstrate that role of 'hard' and 'soft' factors varies depending on the sectors under analysis. 'Hard' factors appeared to be dominant for the business and management consultancy sector while 'soft' factors played only a minor role in company location choice. On the other hand, 'soft' factors played a central element of the location decision making of companies within the motion picture and video, radio and television sector and also within the

computer games and electronic publishing sector. It is notable, however, that 'hard' location factors played the most important role in all of the sectors considered while 'soft' factors played an important secondary role. Thus, the results for company location are similar to those for workers analysed in the previous work package (Murphy, Redmond and McKnight, 2008).

Broadly speaking, the research evinced that 'soft' factors played a more important role in the location decisions of foreign companies. Indeed, most foreign companies felt 'soft' conditions were important for attracting 'key' personnel to the city where they are considering locating. For foreign companies, the role of 'soft' factors became particularly important when the 'hard' factors were deemed to be adequate in more than one competing city. In such a case, the evidence suggests that foreign companies look towards 'soft' conditions within cities when making a final decision on where to locate. By way of contrast, 'hard' factors were considerably more dominant in the location decisions of indigenous companies.

The communications infrastructure is causing considerable concern for many of the companies analysed. In particular, there is a high degree of dissatisfaction with the quality of the transport system, and the public transport system in particular, within the Dublin region. The quality of the broadband system is a further source of concern for many of the companies interviewed. However, this was particularly the case for small and medium sized companies who do not have high-end broadband specifications with their internet services providers. On the other hand, the most attractive feature of Dublin for companies deciding to locate in the Dublin region was undoubtedly the availability of a highly qualified, highly diversified labour market and this trend was similar for both indigenous and foreign companies interviewed.

The results emerging from this study show that companies are attracted to Dublin primarily on the basis of the productive elements of the city, particularly the availability of an adequate labour pool with a wide range of specialisms. Thus, 'hard' factors are an extremely important part of the cities attractiveness. However, it is clear also that the role of Dublin as a city in which to live was also important for company location and this was particularly the case when the productive factors ('hard' factors) were deemed to be adequate in more than one competing city. This implies that while 'hard' factors are the core building blocks around which Dublin's creative knowledge economy is likely to be based into the future, 'soft' factors associated with the city's living environment can also be a determining factor in the location choice of companies. Looking to the future, while the results suggest that the bulk of resources should to be invested in the core infrastructure of the city, investment also needs to be directed to the city's living infrastructure.

1.1 Introduction to the Greater Dublin Area

1.1.1 Development and change in the Irish economy

Global economic cycles of growth and recession have acutely affected the development and prosperity of Ireland, particularly in the 1970s when the widespread recession that affected large parts of the developed world had particularly adverse economic and socio-demographic impacts on the state. In the major cities, districts were cleared as part of slum clearance programmes and the emergence of large tracts of unused space as a result of changing technologies due to economic restructuring resulted in the overall impression of urban landscapes of dereliction. The unprecedented rise in unemployment across the country affected inner urban areas particularly badly (MacLaran, 1993; Prunty, 1998). The fragility of indigenous industry and the dependence of the economy on foreign enterprise resulted in the Irish urban economy being disproportionately affected by global influences and was one of the major drivers behind emigration that characterised the country until the 1990s and accounted for a loss of almost 500,000 people through the 1980s.

However, the introduction of fiscal rectitude combined with wage restraint and the development of a social partnership framework between government, employers and unions in the late 1980s, sowed the seeds for the economic boom that has characterized the Irish economy since the mid 1990s. The first social partnership agreement entitled the *Programme for National Recovery* (1987-1990) has since been followed by five other social partnership agreements. Between 1995 and 2002, the Republic of Ireland experienced an average annual growth rate of 8%. This growth was driven by an increased emphasis on the tertiary, and in particular the high tech and pharmaceutical sectors. According to recent figures by the ESRI for 2005 (2006), the services sector accounted for 66 per cent of employment, industry for 28 per cent and agriculture for 6 per cent. Current economic forecasts suggest that the Irish economy remains healthy, with overall growth in Gross National Product of 6.2 per cent in 2006 and a forecasted growth of 5.3 per cent in 2007, still above the European averages (see Table 1.1).

Table 1.1 - GDP per capita at market prices: Ireland and EU (25) and EU (15), 1998-2007 (€)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
EU (25)	17,900	18,800	20,100	20,800	21,500	21,800	22,700	23,500	25,000	25,600
EU (15)	20,600	21,700	23,100	23,800	24,500	24,800	25,800	26,500	27,600	28,700
Ireland	21,200	24,200	27,500	30,300	33,100	34,800	36,400	38,800	40,900	43,400

Source: Eurostats

1.1.2 A changing city

Since the early 1990s, Dublin has undergone a dramatic transition. Although national economic development has been the most widely publicised and influential element of change, social and cultural transformations have also provided new challenges to be addressed. Immigration and return migration have also contributed to the emergence of a new set of socio-cultural challenges and since 1998, immigration has, for the first time, exceeded emigration in Ireland. But although these shifts have caused major controversy and debate, issues of physical and economic development continue to dominate the urban agenda in Ireland. Chief among these are concerns about the direction and sustainability of future spatial development which are seen as potentially threatening the economic development of the urban region.

One major impact of economic growth and development has been the rapidly growing population. In a reversal of the situation that characterised Ireland from at least the 1900s until the early 1990s, immigration now significantly exceeds emigration in Ireland. Coupled with the fall in the number of those leaving the country, Ireland is now seen as an attractive destination for migrants and net immigration to Ireland has grown dramatically, and particularly since the mid 1990s. Much of this began as return migration with many of those citizens who had been forced to leave due to economic and financial necessity a decade earlier returning home to obtain employment. Return migration had been on the increase since 1987 but finally peaked at 27,000 in 2002. However, between 1996 and 2003, Ireland experienced an influx of approximately 200,000 migrants, a significant proportion given the overall population figures for the state as a whole.

Unlike all of the other EU-15 countries, except Sweden and the United Kingdom, Ireland welcomed labour migrants from the new member states immediately on their accession. During the same time period (1996-2003), it is estimated that 85,115 immigrated to Ireland with almost half of that number coming from Poland (MacEinri, 2005). It is now estimated that there are over 150,000 Polish migrants in Ireland, followed by significant numbers of Lithuanian and Latvian migrants.

In addition to this, the Irish population is also expanding due to natural increase. Unlike many other European countries where population decline is a serious economic and social concern, Ireland is currently experiencing a baby boom. The current birth rate in Ireland is 15.1 per 1,000 of the population with an average death rate of only 6.6 per 1,000 of the population. The most recent statistics available, those covering the year to December 2005, conclude that the national natural increase was 33,601. Since 2005, there has been a 32 per cent increase in natural increase setting Ireland apart from other European countries and boding well for continued and future economic growth (Central Statistics Office, 1979-2007).

Table 1.2 - Actual and projected population ('000s) of Regional Authority areas, 2002 and 2021

Regional Authority Area	Population 2002	Natural Increase	Internal Migration	External Migration	Population 2021	Total Increase	Average Annual Increase (%)
Border	433	57	8	48	546	113	1.2
GDA	1,535	298	-54	284	2,063	528	1.6
Dublin	1,123	197	-112	232	1,440	317	1.3
Mid-East	413	101	58	51	623	210	2.2
Midland	225	37	14	19	296	71	1.4
Mid-West	340	50	-4	24	410	70	1.0
South-East	424	59	20	35	537	114	1.3
South-West	580	72	2	50	705	124	1.0
West	380	59	13	60	513	133	1.6
State	3,917	633	0	520	5,070	1,153	1.4

Source: Central Statistics Office, 2006.

While government policy seeks to achieve what it terms balanced regional development, the reality is that the GDA has grown at a fast pace and the dominant position of Dublin has become more rather than less entrenched as a result. Most forecasts of future growth predict that this trend will continue. Table 1.2 shows the actual population in 2002 and the projected population to 2021. The population of the GDA stood at just over 1.5 million people in 2002 but this is expected to rise to just over 2 million in 2021. This anticipated growth would result in the GDA having over forty per cent of the national population. In reality, the functional region, in terms of the regions commuting zone and its economic footprint, extends beyond the boundaries of the GDA and into adjoining administrative districts. In short, the impact and influence of Dublin extends across practically the whole of the Eastern seaboard.

1.1.3 A changing employment structure

Dublin is somewhat unusual in terms of its place in the urban structure of Ireland when compared with other European cities. It has historically had a dominant position in the urban hierarchy and has therefore had a central economic, political and cultural role. Over the past decade, as economy and society have developed and transformed at an astonishing pace, the role of Dublin has become ever more dominant. As stated earlier, this area now officially recognised for the purposes of regional and metropolitan planning, contains approximately 40 per cent of the national population and over 40 per cent of its economic activity. Thus, what happens in the GDA is crucially important not only for the region itself but also for the nation as a whole.

Table 1.3 details some of the most recent figures for employment structure in the GDA. What is clear is that the services sector dominates the employment structure not only of the GDA but of the country as a whole. However, in the GDA service sector employment accounts for 77 per cent of all jobs while nationally services jobs account for 71 per cent of jobs. The Table also shows the strength of particular sectors in the GDA. For example, two thirds of all banking and financial services jobs are located in the GDA, while 60 per cent of real estate

and related jobs are in the GDA. Over half of transport and communication jobs are in the GDA (discussed in detail in section 6). We know also that a number of the leading ICT firms are located in the GDA. Examples include Intel, Microsoft, Google and E-bay, all of whom have their major European operations located in the GDA.

Table 1.3 - Employment Structure in Ireland and the Greater Dublin Area, 2006

	State	GDA	% in GDA
Manufacturing			
Mining, quarrying and turf production	7,751	1,823	23.5
Manufacturing industries	243,182	79,149	32.5
Electricity, gas and water supply	11,290	4,525	40.1
Construction	215,184	70,213	32.6
Services			
Wholesale and retail trade	257,309	106,524	41.4
Hotels and restaurants	100,731	37,604	37.3
Transport, storage and communications	105,705	53,917	51.0
Banking and financial services	85,413	55,153	64.6
Real estate, renting and business activities	180,973	103,085	57.0
Public administration and defence	101,264	47,223	46.6
Education	127,476	50,655	39.7
Health and social work	191,219	74,838	39.1
Other community, social and personal service activities	80,358	38,205	47.5
Industry not stated	132,910	65,323	49.1
Agriculture, forestry and fishing	89,277	12,003	13.4
Total	1,930,042	800,240	41.5

Source: Census of Population, 2006

1.1.4 Quality of life

While policy developments to encourage R&D and a knowledge economy are well developed, the ability of government agencies and local urban management systems to cope with rapid growth has not been sufficiently developed. The buoyant economy has generated considerable urban growth and development in Dublin but this has been managed poorly from the viewpoint of overall infrastructure provision, particularly in terms of poor provision. There is little doubt that issues such as traffic congestion and poor connectivity between urban functions generally have had a detrimental impact on overall quality of life in Dublin. In essence, urban planning has been largely unsuccessful in the GDA, particularly in terms of delivering hugely important regional infrastructure projects. One reason for this is that the current planning and development system has its main focus and statutory powers at the individual local authority level and there is little co-operation between local authorities at the regional level. These structures have proved inadequate at dealing with the emerging infrastructure and quality of life issues that require responses at the regional and even national level.

A recurring theme in the analyses of Dublin's issues and problems suggests that key problems of transport and infrastructure deficits and housing affordability lie partly in the lack of robust and effective governance and management structures. From central to local government, it is suggested, there is an inability to plan for and deliver basic infrastructure such as public

transport, sewage, water supply at a regional level. However, the Government has recently passed a *Strategic Infrastructure Act*, which is intended to fast-track major projects such as public transportation infrastructure and waste management facilities. Yet it remains to be seen whether this will address the core issue of co-ordinated administrative action at the regional level.

A number of reports have identified quality of life, broadly construed, as an important issue in terms of maintaining and sustaining Dublin's evolution towards a knowledge economy. These are clearly important issues with respect to the long term ability of Dublin to attract knowledge industries and the creative class. Failure to deal with such issues may, in the long run, lead to serious problems with regard to the sustainability of the city. Compared with many EU cities of a similar size, most analysts agree that Dublin has a serious under provision of public transport. With the rapid growth of the past decade the problems that this has generated have increased considerably, to the extent that traffic congestion is causing major problems with regard to business efficiency and overall mobility. Some of the key issues with respect to transport are: traffic congestion and increasing travel times; undeveloped public transport systems (particularly rail-based systems) when compared to similar sized urban areas in the EU, and long delays and cost overruns in construction and completions of key infrastructure projects.

One of the other crucial factors causing concern is the buoyancy of the residential property market and problems of access to sufficient affordable housing. A number of important factors led to a house price explosion in the Irish housing market over the past decade. On the economic side, low interest rates, high increases in employment, wage inflation from an expanding economy all increased the demand for housing. Demographically, natural population increase, alongside extensive in-migration from return emigrants and immigration by non-EU nationals has also driven demand. Since the short-run supply of housing is relatively inelastic, the shift in demand due to growth in disposable income, growing employment levels and lower interest rates resulted in prices escalating rapidly. However, supply did respond by the late 1990s (see Murphy, Redmond and McKnight, 2008). The main characteristic of the Irish housing market is that 90% of all houses completed over the past ten years were private houses, while social housing accounted for only 9% of the total completions. Moreover, the rate of house completions in recent years has been the highest per capita in the European Union.

Although supply increased very substantially, the level and scale of demand for new housing resulted in extraordinarily rapid house price inflation (see Murphy, Redmond and McKnight, 2008). While the rapid increase in house prices is evident from 1997 onwards, what is also evident is the even more rapid increase in the Dublin area. Over the decade 1993-2003, new house prices increased by 221% nationally while in Dublin new house prices increased by 286%. The second hand market was even more buoyant. Over the same period second hand house prices increased by 296% nationally while in Dublin they increased by an extraordinary 362%. The rate of these price increases, especially when compared to general inflation, suggest the emergence of affordability problems. In the last year or so however, there has been a significant reduction in house prices throughout the country (as much as 15% year on year) coupled with a rapid deceleration in the number of house completions nationally and in

the Dublin region. While has eased affordability concerns for many, the recent international 'credit crunch' has made it more difficult for potential buyers to secure access to credit.

There are mixed views on the impacts of the buoyant residential property market. While some analysts take a fairly sanguine view of house price escalation and its impacts, others are more pessimistic (Fahey, Nolan and Maitre, 2004; National Economic and Social Council, 2004). Overall, however, the balance of the argument suggests that house price escalation has generated significant problems of affordability with a number of obvious and some less clear consequences. First, the evidence suggests that first-time buyers have affordability problems, with clear implications for the labour market and knowledge-based industries. One of the problems in Dublin has been a relative undersupply of new housing in the city and, as a consequence, the dispersion of new house building into adjoining areas. This has happened rapidly, with new housing being developed in an arc of 90km around Dublin. While the location of jobs remains predominantly in the built-up area of the city, the development of a spatially dispersed pattern of development has led to a Dublin housing market which in reality extends well beyond the city confines. In turn, this has generated a complex pattern of commuting to Dublin from towns and villages in adjoining areas. However, recent decreases in house prices and a decline in the projected housing output suggests that housing may become more affordable, at least in the short term.

1.2 Work package objectives

The previous work package in the ACRE project investigated the attitudes of creative knowledge workers and higher educated graduates in relation to their experiences of living and working in the Dublin region. Of particular importance was the extent to which the attractiveness of the metropolitan region is influenced by consumption related 'soft' factors (for example, attractive housing, amenities and leisure facilities; the atmosphere or 'buzz' of a city; the level of tolerance in the city) or by production related 'hard' factors (such as job availability, the quality of public services, local taxation policy and transport accessibility).

This work package focuses specifically on managers/directors/owners in creative knowledge industry in an attempt to determine the drivers behind company location within the Dublin region. Of particular importance is the extent to which the location decisions of companies are influenced by the aforementioned 'hard' and 'soft' factors associated with the city. Moreover, within the city itself, what are the location preferences of companies in relation to whether they settle in one specific part of the city over another? The type of labour processes operating within the creative knowledge economy is analysed within the context of Scott's (2006) description of labour organisation within 'new economy' industries. The role of formal and informal networks in driving innovation is also investigated along with the role of government policy in stimulating and incubating creative knowledge industry in the Dublin region.

The foregoing research aims were to be achieved using qualitative research methods, namely interviews. A total of 23 interviews were undertaken with managers/directors/owners and key stakeholders in creative knowledge enterprises. This will be discussed in greater detail in Chapter 3.

2 SECTORS IN THE DUBLIN REGION

2.1 Overview of employment in creative knowledge industry

Tables 2.1 and 2.2 provide an overview of the number of people employed in creative and knowledge industries in Ireland. In comparative terms, and by comparison with other cities involved in the ACRE project, the Dublin analysis is hampered significantly by the fact that data is not easily attainable for creative and knowledge industries. In fact the data in creative knowledge industries is unavailable at the regional level; it is only available at the NUTs II level in Ireland. This is a significant barrier towards determining with any real degree of accuracy the state of employment within the creative knowledge sector in Dublin but also in terms of the contribution of the sector to the economy of the Dublin region.

Looking at Table 2.1, it can be seen that between 2002 and 2004 there was a 32.0% increase in the number of people employed in the creative sector in Ireland. While these figures do not relate specifically to Dublin we estimate that, given the dominance of Dublin in a national economic context whereby it accounts for c.40% of economic activity, somewhere between 40% (62, 062) and 55% (85,336) of employment in creative industries is located in the Dublin region. There is little doubt then that the creative and knowledge industries form an important component of the regional economy.

Table 2.2 provides an overview of the number of people employed in knowledge industries at the national level. It can be seen that the number of people employed in the knowledge sector increased by 15.6% between 2002 and 2004. This suggests that the number of people employed in creative industries has increased at twice the rate than for the knowledge sector in a period of two years. In a similar manner to creative industries discussed previously, data for knowledge industries was unavailable at the regional level. Using the same logic as described previously for creative industries, we estimate that between 53,756 (40%) and 73, 915 (55%) of the national figures are employed in the Dublin region. Thus, the foregoing results suggest that there are currently more people employed in the creative sector than in the knowledge in the Dublin region.

Table 2.1 Number of people employed in Creative Industries in Ireland, 2000 and 2004

	NACE codes	2000	2004	% change
Advertising	74.4 Advertising	2,241	3,298	47.2
Architecture	742 Architectural & engineering activities & related technical consultancy	12,281 ⁽⁰¹⁾ *	20,262	65.0
Arts/antiques trade	52.4 Other retail sale of new goods in specialized stores	50,214 ⁽⁰²⁾	63,552	26.6
	52.5 Retail sales of second-hand goods in store	529	930	75.8
Designer fashion	171 Preparation & spinning of textile fibre	982	810	-17.5
	172 Textile weaving	642	n/a	n/a
	173 Finishing of textiles	1,185	872	-26.4
	174 Manufacture of made-up textile articles, except apparel	n/a	n/a	n/a
	175 Manufacture of other textiles	578	852	47.4
	176 Manufacture of knitted & crocheted fabrics	n/a	n/a	n/a
	177 Manufacture of knitted & crocheted articles	1,271 ⁽⁹⁹⁾	578	-54.5
	181 Manufacture of leather clothes	4418	2,324	-47.4
	182 Manufacture of other wearing apparel & accessories	3,993	2,324	-41.8
	183 Dressing and dyeing of fur; manufacture of articles of fur	49	50	2.0
	191 Tanning and dressing of leather	717	404	-43.7
	192 Manufacture of luggage, handbags & the like, saddlery & harness	487	n/a	n/a
	193 Manufacture of footwear	n/a	n/a	n/a
Video, film, music & photography	223 Reproduction of recorded media	6,540	5,116	-21.8
	921 Motion pictures & video activities	1,701 (02)	4,522	165.8
	748 Miscellaneous business activities (*part of it)	11,081 ⁽⁰²⁾	15,697	14.7
Music & the visual & performing arts	923 Other entertainment activities	2,267 ⁽⁰²⁾	n/a	n/a
	927 Other recreational activities	4,368 ⁽⁰²⁾	n/a	n/a
Publishing	221 Publishing	3,915 ⁽⁹⁹⁾	4,850	23.9
	924 News agency activities	n/a	n/a	n/a
Computer games, Software, electronic publishing	722 Software consultancy & supply	14,735 (02)	16,536	12.2
Radio and TV	922 Radio & television activities	4,416 (02)	n/a	n/a
Total		117, 529	155,157	32.0%

* The numbers in parenthesis () represent the year in which the figure was published

Source: (Crossa et al, 2007)

Table 2.2 - Number of people employed in Knowledge Industries in Ireland, 2000 and 2004

Knowledge Industries	NACE codes	2000	2004	% change
2. Information Communication Technology	300 Manufacture of office machinery & computers	20,619	14,327	-30.5
	313 Manufacture of insulated wire & cable	3,250	1,111	-65.8
	321 Manufacture of electronic valves & tubes & other electronic components	9,415	n/a	n/a
	322 Manufacture of television & radio transmitters and apparatus for line telephony & line telegraphy	4,621	n/a	n/a
	323 Manufacture of television & radio receivers. sound or video recording or reproducing apparatus & associated goods	989	n/a	n/a
	332 Manufacture of instruments & appliances for measuring. checking. testing. navigating & other purposes except industrial process control equipment	1,999	2,157	7.9
	333 Manufacture of industrial process equipment	474	265	-44.1
	642 Telecommunications	n/a	n/a	n/a
	72.1: hardware consultancy;	n/a	1,534 (03)	n/a
	72.3: data processing;	n/a	3,231 (03)	n/a
	72.4: database activities;	n/a	393 (03)	n/a
	72.5: maintenance & repair of office. accounting & computing machinery;	n/a	618 (03)	n/a
	72.6: other computer related activities;	n/a	1,574 (03)	n/a
	3. Finances	65 Financial intermediation. except insurance & pension funding	n/a	n/a
66 Insurance & pension funding except compulsory social security		n/a	n/a	n/a
67 Activities auxiliary to financial intermediation		n/a	n/a	n/a
4. Law and other business services	741 Legal. accounting. book-keeping & auditing activities; tax consultancy. market research & public opinion polling. business and management consultancy.	34,397 (02)	48,765	41.8
	743 Technical testing & analysis	837 (02)	1,348 (02)	61.05
	745 Labour recruitment & provision of personnel	11,048 (02)	11,312	2.4
	746 Investigation & security activities	7,150 (02)	10,046	40.5
5. R&D and higher education	73 Research & Development	852	2,066	142.5
	731 Research & experimental development on natural sciences & engineering	n/a	n/a	n/a
	732 Research & experimental development on social sciences & humanities	n/a	n/a	n/a
	803 Higher education	20,620 (02)	n/a	n/a
Total		116,271	134,392	15.6%

* The numbers in parenthesis () represent the year in which the figure was published

Source: (Crossa et al, 2007)

2.2 Overview of selected sectors

Three sectors were chosen for analysis in this work package and were selected on the basis of NACE code characteristics. These selections were chosen by the ACRE co-ordination team. They comprise of the following sectors:

- Knowledge Industry: NACE 74.14 (business and management consultancy services)
- Creative Industry: NACE 921 and 922 (motion picture and video; radio and television activities)
- Creative Industry: NACE 722 (specifically computer games and electronic publishing)

Table 2.3 provides an overview of the employment within the selected NACE sectors at the national level. No data exists with regard to the state or role of these sectors within the Dublin region. At the national level it is clear that all of the sectors have experienced considerable employment growth between 2002 and 2004. It is notable that the largest proportional increases have been in the NACE 741 sector and in the NACE 921 and sectors. The level of employment growth in these sectors has been more than three times greater than in the NACE 722 sector.

Table 2.3 - National employment figures for the three NACE sectors selected for analysis

NACE Code	2002	2004	% Change
741:Legal, accounting, book-keeping & auditing activities; tax consultancy, market research & public opinion polling; business and management consultancy	34,397	48,765	41.8%
921 & 922:Motion pictures & video; Radio & television activities	6117	8938	46.1%
722:Software consultancy & supply	14,735	16,536	12.2%

As mentioned already, the data does not currently exist at the regional level so it is difficult to determine the role played by these sectors in the regional economy of Dublin. However, given Dublin's dominant position economically one can assume that the proportion of the selected NACE sectors employed in the Dublin region is considerable.

3 RESEARCH METHODOLOGY

3.1 Qualitative research: Semi-structured interviews

In contrast to the previous work package which used quantitative research methods in an attempt to gain insights about the attitudes of creative knowledge workers, the current work package uses qualitative research methods in order to gain information from company managers that would otherwise be difficult to gain using more rigid quantitative techniques. More specifically, the research uses semi-structured interviews based on guidelines previously decided upon by the ACRE team members. The guidelines consisted of a number of core thematic areas to be discussed in interviews which were then adopted to satisfy the local factors of each of the teams. In the case of Dublin, the principle thematic areas around which questions were asked included: company development, location factors and the role of Dublin as a city, labour and labour processes, networks and future prospects. While the interviews were guided by key thematic areas (see Appendix 2), very often questions were formulated and asked rather loosely depending on the manner and trajectory of the particular interview being undertaken. In many instances questions were asked rather spontaneously based on the response of the interviewee and not necessarily according to the guideline document.

3.2 Selection of respondents

Respondents were selected on the basis of three characteristics: (1) geographical location of the company; (2) the size of the company (in terms of the number of permanent employees) and (3) on the basis of the previously selected NACE code sectors (Table 3.1). The selection of company size on the basis of employee numbers was based on an analysis of empirical material by the Amsterdam team from various European city regions, including Amsterdam, Budapest and Helsinki. The analysis suggested that creative knowledge sectors were clustered around these particular employment size categories.

Our aim was to get at least one in interview in each of the categories defined in Table 3.1. However, as can be seen we were unable to find a suitable interviewee in the freelance outer city category for the business and management consultancy sector. However, in the motion picture and video, radio and television sector and the computer games and electronic publishing sector we were able to interview more than one individual in some of the categories. This led to a total of 19 interviews being undertaken with managers/ directors/ owners within the selected sectors. A list of companies interviewed is available in Appendix One.

The aim of qualitative research is not to acquire a representative sample but rather to gain more in-depth information which would not have been possible using quantitative techniques.

Accordingly, most companies were selected simply on the basis of the aforementioned selection criteria but some were selected due to their strategic importance within the sector.

Table 3.1 Breakdown of interview responses by company size and geographic location

NACE 74.14: Business and Management Consultancy Activities		
	Inner City	Outer City
Freelance	Company 1	N/A
2-5 Employees	Company 2	Company 3
6-200 Employees	Company 4	Company 5
NACE 921 & 922: Motion Picture and Video; Radio and Television Activities		
	Inner City	Outer City
Freelance	Company 6	Company 7
2-5 Employees	Company 8	Company 9
6-200 Employees	Company 10 & 11	Company 12
NACE 722: Computer Games and Electronic Publishing		
	Inner City	Outer City
Freelance	Company 13	Company 14
2-5 Employees	Company 15 & 16	Company 17
6-200 Employees	Company 18	Company 19

In addition to interviews with managers, four expert stakeholders in the creative knowledge sector were also to be interviewed. These experts included a local government official from Dublin City Council involved with creative urban policy, an official from the state foreign investment authority, the IDA, an official from the state indigenous enterprise authority, Enterprise Ireland and an official from the state competitiveness authority, the National Competitiveness Council. These officials were interviewed because of their expertise either on creative knowledge sector generally, on the drivers of indigenous enterprise in the sector, on the relative importance of 'hard' and 'soft' location factors for company location decision making and on their expertise in relation to competitiveness issues within the regional and national economy.

Table 3.2 - Breakdown of stakeholder interviews

Key Stakeholders in Creative Knowledge Economy		
	Position/Organisation	Agency Role
Interview 20	Senior Manager, IDA Ireland	A government agency responsible for the promotion and development of foreign direct investment
Interview 21	Senior Manager, Enterprise Ireland (EI)	A government agency responsible for the promotion and development of innovation and capacity building within indigenous enterprise
Interview 22	Policy Advisor, National Competitiveness Council (NCC)	A government body which reports to the Taoiseach on key competitiveness issues facing the Irish economy. It also makes policy recommendations on enhancing Ireland's competitive position
Interview 23	Senior Manager, Dublin City Council (DCC)	One of four administrative districts in county Dublin. DCC is the largest local authority in the Dublin region and is responsible governing Dublin city.

3.3 Conduct of the interviews

Interviewees were normally contacted first by email to determine if they were interested in participating in the research. If they were interested an interview was either arranged by email for a specific date or via a phone call. In most cases we used a database of creative knowledge companies formulated for the previous work package (see Murphy, Redmond and McKnight, 2008) to target company managers. However, we did not contact companies who had previously participated in the survey analysis conducted for Work Package Five. A total of 19 interviews were conducted with company managers/ directors/ owners. Interviews with expert stakeholders were contacted in a similar way to that for managers and a total of four stakeholder interviews were conducted.

All of the interviews were face to face and were conducted by the ACRE researchers between March and May 2008. Fortunately, with only one exception, all of the interviewees agreed for the conversation to be recorded. The interviews were then made anonymous and transcribed in-house by an Executive Officer in the School of Geography, Planning and Environmental Policy. The vast majority of the interviews were conducted at the company of the interviewee. However, a number of interviews were conducted within the School of Geography, Planning and Environmental Policy, UCD while others were conducted at common meeting places such as hotels or cafés.

3.4 Problems and limitations

One of the key limitations of the study is that the number of interviews conducted in each sector was much too small to be able to make any kind of general conclusions about the sector. In addition, it is also difficult to determine whether new information that arises out of the interviews is highly subjective or is something that may apply on a more general level to companies within the sector being questioned. In this regard, a joint qualitative and quantitative approach would perhaps have proved more fruitful in terms of answering the research questions outlined previously for this work package (section 1.2).

4.1 Introduction

'I think creativity is finding really cool, alternative ways of doing things. I think a bank official can be creative; I think anyone that has to do something can be creative in the way they do it; how you approach it, how you do it. I think everyone thinks creative is interior design, architecture that it's all design related. But I think it can go right down to really normal things. A lot of people think being an actor, a director, an artist, a painter, a designer. I think if you are a sales person you can be creative. I think it's the way you apply something, come up with a solution, and it can be much more brain driven, if you know what I mean. I think some people who are very solution driven are creative. You know, when they say lateral thinking; that is creative! That is how I would define it.'

(Interview 17, Senior Partner, Company 17)

'Making new things really; that is probably it for me anyway. Because you can be creative with programming, you can be creative with anything. It is more what you define it as being. I know what I think is creative and that is very important to me.'

(Interview 14, Owner, Company 14)

'Well, creative industry to me would be the ability for the individuals to, the human element, to actually give good value either in the delivery of a service or the delivery of a product. ...creativity is really your ability to develop new creative technology, innovation or the ability to be a creative thinker which can find value in processing something that can be done in a more creative way, or generating revenue in a way that wasn't considered before, or have the ability to create a solution...'

(Interview 21, Senior Manager, EI)

This chapter provides a content analysis of interviews conducted with senior managers in creative knowledge companies as well as with key actors/stakeholders in the creative knowledge economy in the Dublin region. A key objective of this research is to gain a more comprehensive understanding about the role of 'hard' and 'soft' factors in company location decision making. Further objectives include investigating the advantages and disadvantages of Dublin for creative knowledge companies as well as investigating the historical development of each company, labour organisation procedures, networks as well as the future outlook of each company in a Dublin context. This analysis is undertaken with specific reference to the three creative knowledge sectors selected previously (see section 3.2).

4.2 Business and management consultancy activities

4.2.1 Company overview

Table 4.1 shows the breakdown of companies in the business and management consultancy sector (NACE 74.14). As stated in the previous section, a number of self-employed individuals in the outer area were contacted but were not willing to co-operate. As a result we have no representative company from this section. In addition, the majority of companies interviewed in this section were unwilling to provide annual turnover information. All companies selected were Irish companies. However, many have an international remit.

Table 4.1 - Business and management consultancy firms interviewed (NACE 74.14)

	Inner City	Outer City
Freelance	Company 1	N/A
2-5	Company 2	Company 3
6-200	Company 4	Company 5

4.2.2 Historical development paths

The historical development paths of each of the companies selected for interview differs somewhat. Some are recent start-up companies while others are more established companies. As an example, one company is a very recent start-up established within the last year:

‘[Company 1] is still in the development phase...so it’s an early stage company. It is really only effectively going about a year’

(Interview 1, Owner, Company 1)

There is a tendency throughout the interviews for self-employed individuals to be relatively early start-up companies. This is understandable and appears very often to be due to the desire for a more flexible attitude towards working arrangements together with a strong sense of entrepreneurial ambition. By way of contrast, other companies interviewed were longer established and have gone through a number of development phases since their incorporation:

‘We were founded in 1991 and we have grown gradually through the 1990’s and then probably peaked at about thirty staff, thirty five maybe around 2000, like a lot of consulting firms, and then we did a big contraction, again like a lot of other consulting firms. And we were reduced to about twenty, maybe even less over time. And then we have been growing since then but on a more gradual basis.’

(Interview 5, Director, Company 5)

‘In the first ten years there were twenty employees. From 1989 until around 1999 there were four employees. Presently there are six employees.’

(Interview 3, Director, Company 3)

It seems that many of the consultancy companies have gone through significant phases of expansion and contraction and this is likely to be related to the fact the some companies are more susceptible to fluctuations in national and/or international economic conditions than others. Some companies have seen a relatively steady expansion since their establishment and have not been affected to a large degree by boom and slump economic cycles:

'It's probably been a slow expansion. I started on my own and now there are four of us. So it's been slow. But it hasn't been smooth; it's been a little bit up and down'

(Interview 2, Senior Partner, Company 2)

Another company had yet a different development trajectory and was formed due to the decision of a multi-national firm to close its plant in Dublin:

'The way the company was formed was: we all use to work for a large company here that decided to close down. And so we formed [Company 4], three of us. We secured the seed investment and the company has been successful ever since'

(Interview 4, Senior Partner, Company 4)

This suggests that in some situations, particularly within company's with a highly skilled workforce, new companies are created out of the death or relocation of existing companies. Workers in such companies tend to have first hand experience and in-depth knowledge of where product innovation needs to occur and where niche markets exist. In the case of the aforementioned company, this led to three individuals establishing a new company. It has subsequently grown rapidly and currently employs 40 employees on permanent contracts. The foregoing highlights the complex and diverse nature of company development within the sector.

An issue raised by more than one company was the lack of available investment capital for early start-up companies. In particular, the lack of available seed money and venture capital appears to be an issue for the establishment and growth of firms in the sector. Much of this is related to the success of the Irish property market over the last decade which has acted as a magnet for available investment capital so much so that, in investment terms, it has been viewed as 'the only game in town'. This has had obvious knock on effects on companies seeking investment for the establishment and development of new companies. In effect, this had led to a reduction in the pool of available investment capital for some start-up companies. However, given deteriorating conditions in the housing market in Ireland in recent months, investors will undoubtedly be looking towards other investment avenues for better returns.

'It is difficult in a sense. The Irish market for venture capital money is not deep. You always think of the US market, but that is an exceptionally mature market with deep pockets. The Irish market I think might only have about twelve VC [venture capital] companies. All of them finished their previous funds last year and were raising money last year although currently the amount of money invested by VC's has declined. It is only this year that they might see some take-up.'

(Interview 4, Senior Partner, Company 4)

A further issue to arise in terms of company development is the tendency for more established companies to have changed and/or realigned the products and services offered over time. There is little doubt that this reflects the changing nature of Dublin's economic base over time and particularly its move towards a more service based economy.

'Things haven't changed dramatically in terms of the service we offer which is consulting, but the sectors in which we operate have changed. So now we work in three main sectors which is social services, higher education and research, and not for profit, whereas ten years ago our business was banking, public sector and healthcare. So that is a fairly fundamental change'

(Interview 5, Director, Company 5)

4.2.3 Location factors: The role of 'hard' and 'soft' locations factors

Investigating the role of production-related 'hard' and consumption-related 'soft' location factors in company location decisions is a primary focus of the current work package. 'Hard' factors generally relate to factors such as job availability, the quality of public services, local taxation policy and transport accessibility while 'soft' factors relate to factors such as the attractiveness of housing, amenities and leisure facilities; the atmosphere or 'buzz' of a city and the level of tolerance and diversity within a city.

Generally, the role of 'hard' factors was dominant in location decision making for the business and management consultancy companies interviewed. Unsurprisingly, companies located in the city centre cited the centrality of the location as one of the primary factors in the company's location decision. The reasons for this varied but were related mainly due to better access to clients and better transport accessibility for employees:

'For the industry in general, the single most important thing is to be located close to the clients; so where you have large clusters of companies. If you look at management consultancy in Ireland, it's a bit simplistic but the big consumers are government or financial services. So if government or financial services are in the centre as they used to be, then it tends to cause the management consultancies to be there as well.'

'When Company X closed down we were able to target the top people, a little more skilled. So the city centre was an important factor for them. Say the four founders, three of us live on the north side so in one sense it would have suited us for the business to be on the north side, but we thought it was more important to be beside Pearse [train] Station, be in the city centre. The location was a key factor. So even though we might have got lower rent, and it was suggested by one of the VC's that we could pay half the rent if we rented in the back end of Bray, it just didn't add up.'

(Interview 4, Senior Partner, Company 4)

'We were looking for an office that was central. And that was probably the main thing. And apart from that it was the availability; I suppose, where you could get. We looked at places like Blanchardstown and Sandyford [outer city]. A lot of our clients are in a very small area, or were. It is probably changing a little bit but certainly ten years ago, from Charlotte Quay [city centre], we could walk to almost anybody we worked with. But the business in Dublin has changed a little now because there are more of the bigger companies in places like Sandyford than there used to be...there is no way of being close to them anymore...but it is still better to be in the centre.'

(Interview 2, Senior Partner, Company 2)

The foregoing quotes highlight the difficulty of management consultancy companies to locate close to the majority of their clients and this is due to the increased dispersion of employment functions over the last decade or so in Dublin. They also highlight that while rent is a consideration for companies, it is generally only a secondary consideration. Indeed, the interviews provides evidence which suggests that general accessibility offered by a city centre location is considerably more important than the cost of office accommodation. One interviewee suggested that the retention of employees would be more difficult if the company was relocated beyond the central area:

'A lot of them [the employees] wouldn't come. It might be different if you are a multi-national, where you have a brand, where people want to work for you. But when you are a small company you need to think about employees.'

(Interview 4, Senior Partner, Company 4)

For companies located beyond the central area, other 'hard' factors were more important. Issues such as the availability of adequate office space, the cost of rents and the availability of parking were considered more important than for city centre tenants. However, issues such as proximity to the client base as well as personal motivations of the founding staff members (such as proximity to their residence) were also important for companies located beyond the central area:

'Finding and office space for a company of our size [22 employees] is actually not easy because we are not big enough to need a whole floor and we are not small enough to fit in two rooms or whatever. So that is a tricky size to get. And then rents are slightly cheaper outside the city centre, and also things like parking are easier. And that impacts not just for staff but also for clients who are coming to visit us that they can actually park...'

(Interview 5, Director, Company 5)

'It's central enough for our clients to reach us on the M50 motorway. Forty percent of our clients are within a five mile radius from us. Essentially it's a convenient location. We did look at other locations such as the city centre, Dublin 4 etc but we live here and it is convenient'

(Interview 3, Director, Company 3)

If we turn our attention to 'soft' location factors it is evident that 'soft' factors are playing little role in the location decisions of business and management consultancy firms. Given that all the firms interviewed are indigenous firms, it is unlikely to be the case that they are attracted to the Dublin region on the basis of 'soft' factors. In any case, Dublin is so dominant in the national economy that a huge proportion of enterprise gravitates towards the region almost automatically. As one interviewee asserted:

'One of the things about Ireland, it's very centralised. So if you are located in Dublin you are probably close to the main source of it. We have business outside of Dublin but all the government and most big companies are in Dublin in Ireland. There is very little decentralisation.'

(Interview 2, Senior Partner, Company 2)

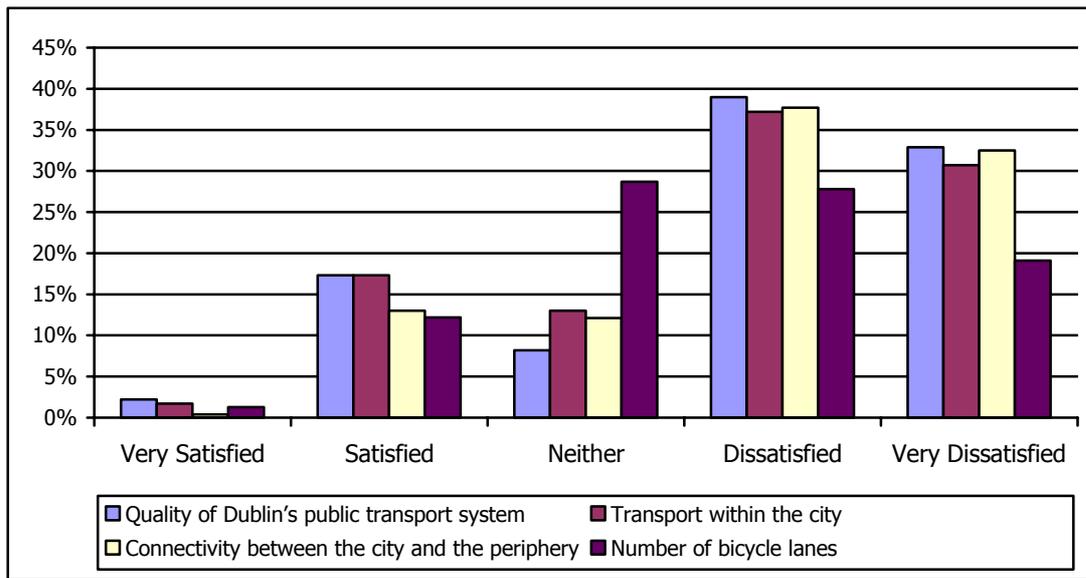
However, while 'soft' factors do not appear to play a role in location-decision making per se, there is some evidence suggesting 'soft' factors play an important role in the work environment itself particularly in creating a positive atmosphere within the work environment:

'I have noticed in companies from my own experience, if you have a lot of people in their twenties you can make an atmosphere, particularly if there a lot of men and women socialising. I have been in companies like that where the employer is clever; he would pay for the pizzas and the beer, you encourage that sort of thing, particularly in low paid industries. I used to work in the call centre business. We would have almost one hundred percent of our employees leave every year. Classically, they would be just out of college, going to Australia. But the thing that kept them there was that there was a huge social buzz around that group of people.'

(Interview 4, Senior Partner, Company 4)

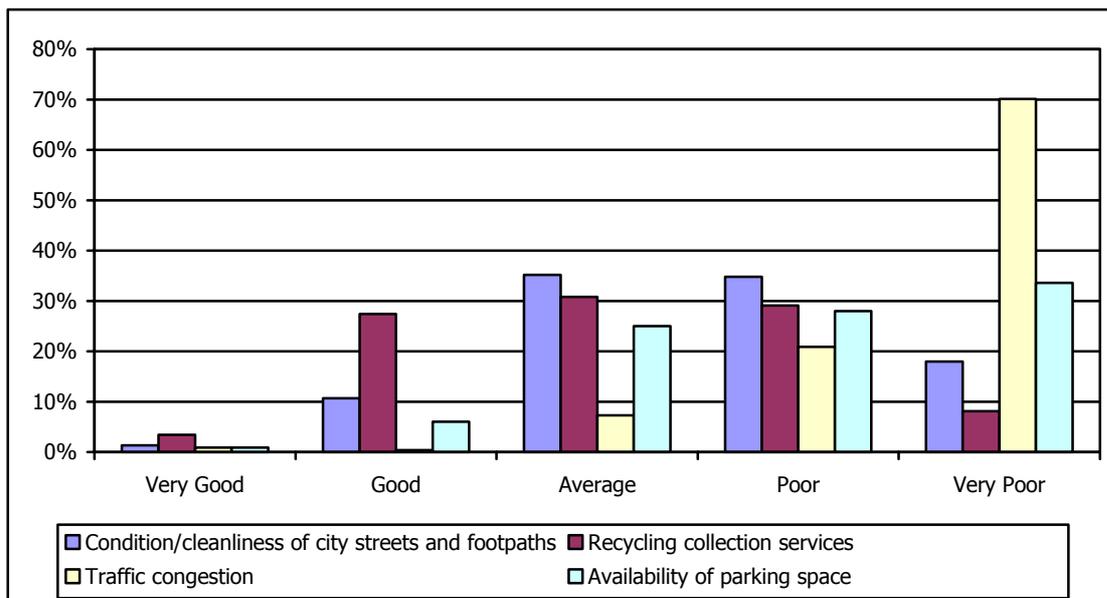
4.2.4 The role of Dublin

One of the propositions emanating from the work of Florida (2002, 2005) is that the attractiveness or otherwise of a city is important in attracting and retaining knowledge and creative workers. A recent survey of creative and knowledge workers (Murphy, Redmond and McKnight, 2008) shows that there were a number of areas where workers were dissatisfied with Dublin as a liveable city. Figure 4.1 shows that high levels of dissatisfaction existed with a number of aspects related to the city of transportation infrastructure. Just over seventy per cent of respondents in that survey were dissatisfied or very dissatisfied with the quality of the public transport system in Dublin.

Figure 4.1 - Satisfaction with transport in Dublin

Source: Murphy, Redmond and McKnight (2008).

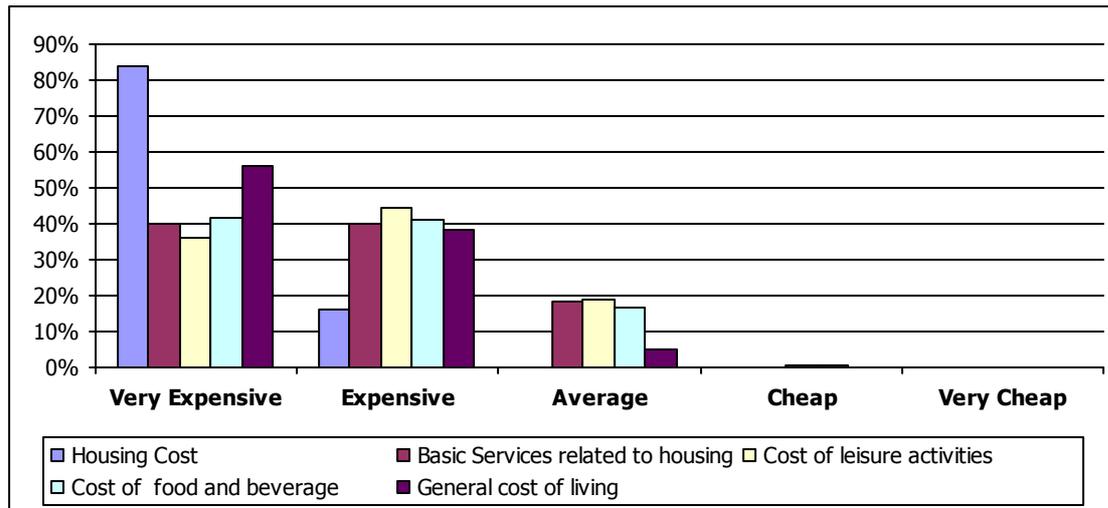
Figure 4.2 demonstrates that there were quite significant levels of dissatisfaction with aspects of the environment. For example, over ninety per cent of respondents thought the level of traffic congestion was poor or very poor while just over fifty per cent of respondents thought that the cleanliness of streets and footpaths was either poor or very poor. Likewise just over fifty per cent of respondents thought the availability of parking spaces was either poor or very poor.

Figure 4.2 - Perceptions of the environment in Dublin

Source: Murphy, Redmond and McKnight (2008)

Given the rapid development of the economy over the past decade and in particular the rising cost of housing, the results showing poor perceptions of cost of living (Figure 4.3) are perhaps unsurprising; a very high proportion of respondents think Dublin is either an expensive or very expensive place to live. The most dramatic expression of this is that over eighty per cent of respondents thought that housing costs were very expensive, with the remaining respondents saying that housing costs were expensive. Over ninety five per cent of respondents thought that the general cost of living in Dublin was either expensive or very expensive.

Figure 4.3 - Perceptions of Cost of Living in Dublin



Source: Murphy, Redmond and McKnight (2008)

These results from the survey form an interesting backdrop to the interviews with the managers of selected creative knowledge companies. One of the interesting results across all the interviews is that the results from the survey of workers are echoed, in differing degrees, by managers in the creative knowledge sector. For those managers in the business and consultancy sector, transport is a crucial issue. One interviewee, in arguing that a central location was necessary to their business, also argued that greater efforts should be made to encourage business to locate centrally in order to improve the transport situation:

‘I think people like the banks and the civil service and insurance companies and everything should be actively encouraged to stay in the middle where the transport can serve them, because they are moving out to places where there will never be adequate transport. I have seen this happen in London, it’s a well organised place but they made a mistake in allowing so many businesses to move from the city out to the ring...’

(Interview 2, Senior Partner, Company 2)

This is interesting as it shows a tension between potential customers i.e. companies that are decentralising and the consultancy firms who serve them. But it also demonstrates what the

foregoing survey of workers suggested: that there is significant dissatisfaction with the connectivity of transport between the centre and the periphery in Dublin.

The cost of living was another aspect which arose among business consultancy managers, although not to as great an extent. One interviewee, referring to the perception of immigrant workers of Dublin asserted:

'We had some of the Czech guys working here and they found it very expensive.... compared to Prague. In fact, the guys that came to Ireland and worked as employees here, when they went back to Prague, but then we left them on the Irish salary in Prague so they are probably making it well...'

(Interview 4, Senior Partner, Company 4)

Another interviewee confirmed the issue of cost of living by explaining as follows:

'I mean the obvious issue is around the cost of living here. Yes in terms of salary, that is where it hits. And in a consulting firm, the economics of a consulting firm is that people's salaries are very closely linked with what you can charge them out to the client. And that is for us to worry about and not the client. The client wants to get the best value for money which is understandable. So there is cost tension on what we can charge out for different people at different levels to the client and what we can afford to pay them. So there are two issues in terms of what we can afford to pay them, one is the cost of living, people want to buy houses and want cars, and two is relative pay rises in the public sector, which is the one that constantly amazes me.'

(Interview 5, Director, Company 5)

While the issues of transport and cost of living are most often seen in a negative light, there is a more positive analysis of Dublin with respect to that most illusive of things, the 'buzz' of the city. One manager had the following to say:

'I would say in general it's helpful. Because we don't have right now a mix of nationalities. I am just thinking in the past when we had English people and American people, certainly they thought that Dublin was a city with young people and a buzz. So that helps.'

(Interview 5, Director, Company 5)

4.2.5 *Labour and labour processes*

One of the key themes to emerge from the interviews was the need for people in business and management consultancy activities to have a certain amount of variety in their job. In addition, jobs that were intellectually stimulating and offered a certain amount of self-responsibility and creativity were considered important in the sector. When asked what attracted individuals to the sector, two interviewees stated:

'Well, I think there are different things. But probably the opportunity to get hold of different experiences and the variety of the work; and maybe the possibility of moving out of standard positions in big organisations and doing something a bit different.'

(Interview 2, Senior Partner, Company 2)

'Variety is what they always say. Anyone that I interview for consultancy says they want variety. So they tend to be people who like working on a few things in parallel and not coming into work and doing the same thing every day. That is the main thing.'

(Interview 5, Director, Company 5)

Some of the firms interviewed felt that these job characteristics were less evident in big organisations where the type of work being offered is perceived as being more mundane and that the expectation of working in big organisations does not always live up to the reality of the experience. This trend was highlighted by two interviewees with previous experience working in large corporations:

'You might find that some of the companies that come here have very attractive names and look like they are doing interesting work. But the actual work they are doing is not that interesting; they are looking for graduates to do what turns out to be quite boring work. And I mean certainly [Company X] have had this problem over the years. I am not sure, I don't know what [Company X] looks like but they have hundreds of people in the building basically selling advertising. A lot of people have come out of colleges with ICT qualifications and then they go to jobs in the big companies with the big names, who are obviously very good companies, but out of the work that they actually do, it doesn't seem to be very satisfying work. And there seem to be large groups of ICT people doing jobs that are not particularly creative jobs. I know that they [the companies] would always say they are doing creative work but it doesn't look like that to the people doing them. And a lot of those people are a bit frustrated. They are a bit surprised at how big these corporations are and how impersonal they are. They thought ICT work was going to be different than that.'

(Interview 2, Senior Partner, Company 2)

'I have worked for big companies and sometimes you can feel disempowered because you are in cubicle number forty eight and you are responsible for this and this and this. But one thing about the company we are in is you get to see everything. And there is much more ownership of issues; you can track a problem out. There is a lot of satisfaction for people...'

(Interview 1, Owner, Company 1)

Clearly then, diversity in the nature of the work being undertaken is important for individuals in this sector as well as empowerment and ownership of the tasks being undertaken within the work environment.

In terms of labour recruitment, there was mixed response with regard to attracting and retaining suitable workers. Most firms used both internet advertising in conjunction with newspaper advertising to seek suitable staff while recruitment agencies were also used with varying degrees of success.

Firms interviewed in this sector also had very little staff turnover. This is likely to be due to the fact that most consisted of more mature employees which appeared to characterise the sector in general. This is due to the fact that past experience appears to be a critical requirement for working in the business and management consultancy services sector. This is highlighted by the following quotes:

'We have no problem retaining staff for people in our company. There is always a certain flow but generally not. We look for staff that have already done their moving about. So we look for staff that are mature, an older calibre of consultants'

(Interview 3, Director, Company 3)

'We have had very little [staff turnover]...of forty employees, we have only had two or three resignations over a three or four year period, so it's very very low.'

(Interview 4, Senior Partner, Company 4)

'There are people who would join us straight from college who might spend two or three years and then get itchy feet and to see the world a bit. So absolutely, in the twenties age group that happens as opposed to the older population'

(Interview 5, Director, Company 5)

One company did point towards low staff turnover being as much of a problem in the consultancy business as too much staff turnover. In effect, they felt that some degree of turnover was necessary in order for innovation to flourish in the workplace:

'We get worried when we have too much turnover or when we have too little. So the optimum for us is to have some turnover because consulting is all about change and new ideas. It [staff turnover] keeps the atmosphere fresh, people with different backgrounds coming in and all that kind of stuff.'

(Interview 5, Director, Company 5)

Despite the low rate of staff turnover generally, some interviewees did point towards the increasing competitiveness of the labour market and highlighted the difficulty of attaining highly skilled staff for specific positions:

'I think the job market is so competitive. We were looking for something specific in that we thought that we would hire people who had worked in consultancy, preferably in one of the big firms and wanted to go off and do something else. We got a lot of people coming to us but there were very few with that profile.'

(Interview 2, Senior Partner, Company 2)

Scott (2006) has suggested that the so-called 'new economy' which characterises creative knowledge industries has very distinct type of labour organisation. He describes the labour markets operating within the new economy as being highly diversified and highly polarised. Scott states:

'On the one hand, hordes of low-wage, unskilled workers are almost always in strong demand in these agglomerations...On the other hand, large numbers of professional, managerial and technical workers are also typically required, and this is especially the case in the more economically advanced societies where much of the high-quality, innovative production characteristic of the new economy is concentrated.' (Scott, 2006, p.6)

The research in this work package concentrates specifically on the more more-qualified workers of the new economy. Scott (2006) and Grabher (2004) have suggested that these workers are increasingly involved in project-oriented labour processes characterised broadly by the formation of team based work. The underlying idea here is that harnessing the collaborative creative abilities of individuals in the form of teams may lead to increased productivity and product innovation, ultimately leading to a greater competitive advantage within the marketplace. Moreover, Scott (2006, p.7) suggests that 'part-time, temporary and freelance work is much in evidence even within groups of high wage workers'. Thus, many of these industries are heavily involved in outsourcing work and favour workers on flexible working contracts.

Our analysis of labour organisation suggested that workers in the sector were organised around the concept of teams which tended to work on specific projects. There appeared also to be a high level of responsibility afforded to individuals working within the sector even though the level of responsibility increased with seniority:

'...somebody who would be at graduate entry level would obviously get a lot of guidance and support and not be let loose; it wouldn't be fair to them and not fair to the client. Having said that, they do get exposure to senior people and clients from very early on because of the nature of the work that we do. But would they be expected to do good research? Yes.'

(Interview 5, Director, Company 5)

In addition, there was evidence of labour being organised as teams in order to produce collectively more synergistic outcomes in terms of the products and services offered by the company:

'It's a crafting process; it's not black and white...I guess it is the approach that you get everyone at an equal level so there is an exchange of ideas...it's not about my big head, it's not about my ideas, it's about trying to get everyone to contribute so we get the best possible solution...'

(Interview 4, Senior Partner, Company4)

One interviewee from a well-established company saw a significant change in the nature of work organisation over the past decade. In particular, the individual saw a move towards more outsourcing and sub-contracting of work, particularly in large organisations where there is now a greater focus on offering a more diverse range of products and services. And this has created opportunities for small and medium sized enterprises to occupy more specialised niche markets:

'In our business the outlook has probably gotten better because there is a tendency to outsource more and more. So we see a lot more contracting. The traditional companies who tended to do everything in-house increasingly get things done outside; Outsourcing, contracting, all sorts of ways of getting it done by somebody other than your own people. What has tended to happen, particularly in the bigger companies, is that they have focussed on trying to keep their management team leaner and it has meant that in order for them to do new things, they increasingly pay somebody to come in and do it or else do it with them. But there is more and more work for that sort of thing and more work for the likes of us as well because more of it is contracted out. I think it's just the change in the nature of work in big organisations. And there is more opportunity for companies to grow to be medium sized.'

(Interview 2, Senior Partner, Company 2)

For the companies interviewed in this sector, all of the employees within those companies were on full-time permanent contracts. There were no flexible working contracts in evidence. However, the number of people employed at any one time in these companies tended to fluctuate depending on the number of contracts being handled within companies at that time. In general terms, the industry strength, as measured by the number employed, appeared to vary depending on global and local conditions.

4.2.6 *The role of networks and networking*

The interviews shed some light on the clustering of business and management consultancy activities. The vast majority appear to be located in or close to the central area. This is mainly due to the fact that face to face contact continues to be an extremely important factor for these companies. However, there is evidence to suggest that this has become less important in more recent times mainly due to the fact that technological changes, particularly the advent of broadband communications, have made working from home easier. This together with the fact that there has been an increased dispersal of companies to the periphery has meant that strategic location close to clients is more difficult than in the past. In the words of one interviewee:

'Going to see clients now means travelling out of the inner ring area [the city centre]. But our clients ten years ago seemed to be in a smaller area than they are now. We have an office but we spend less and less time in the office. The office is becoming less important. It's easier to work from home because with good broadband connections you can do almost anything at all.'

(Interview 2, Senior Partner, Company 2)

Another issue that arose in interviews was in relation to formal collaborative networks that existed between companies within the region. There was evidence that companies collaborated with each other by combining different areas expertise to produce competitive advantage in the marketplace:

'We do work on a project by project basis. We will do business with a law firm for example if we have to bring legal expertise to a particular project we are doing or with architecture firms or conveying firms. So law firms, quantity surveying. Occasionally we bring in some financial expertise although we have some of that in-house. So we deal with firms who have other areas of expertise, other skill sets I guess.'

(Interview 5, Director, Company 5)

'We have all kinds of links and we do work with all kinds of people and we use contractors and all that kind of stuff'

(Interview 2, Senior Partner, Company 2)

'We have international affiliations and collaborations; three or four formal links.'

(Interview 3, Director, Company 3)

However, other companies felt that it was more difficult to develop formal collaborative networks mainly due to the lack of trust. In some cases, competing companies broke formal collaboration because agreements were broken indicating the potential complexity of formal collaboration arrangements:

'...we have tried to ally with other people in the industry but because we are competitors we find it very hard to develop trust...we have tried to do marketing agreements with competitors but they have fallen apart due to a lack of trust.'

(Interview 4, Senior Partner, Company 4)

In addition to formal collaborative links in the sector there was also evidence of informal links through exchange of ideas and information on a conversational level at conferences and meetings. In fact, all of the companies interviewed were part of some or other business organisation; some were national in scope while others had an international remit. Some of the organisations were quite complex in nature with many specialist subgroups existing under umbrella organisations. The organisations were viewed as essential in keeping up-to-date with developments in the industry as well as a providing a meeting place for the exchange of ideas and information:

'I am a member of a formal network group which is a series of consultancy firms...the network is operated through an Institute of Management Consultants. They have got a subgroup which is the Independent Consultants Group. And there is a subgroup of that again which is called the Business Consultants Network and that is a group of about ten or twelve people.'

(Interview 2, Senior Partner, Company 2)

'We are part of an international alliance called the Europe Group Consulting Alliance which is an alliance of independent consulting firms throughout Europe; not every country in Europe yet but the main markets in Europe. And the philosophy behind that is about having a European reach but with local understanding and knowledge, so that combination.'

(Interview 5, Director, Company 5)

However one company did point towards areas where business organisation networks could be improved and highlighted limitations in the size of the Irish market for creating more vibrant networks:

'What doesn't exist [in Ireland] which exists in larger markets is a more vibrant network of management consultancies because there are certainly a limited number here. It might be interesting if that was more vibrant in Dublin but the classic networks are there and there aren't any big gaps.'

(Interview 5, Director, Company 5)

4.2.7 Future trajectories

Looking to the future, most of the companies interviewed had very specific expansion targets for their operations in Dublin. None of the companies interviewed felt the need to relocate away from Dublin indicating that in overall terms they are happy to maintain their business presence in the region. Given the fact that they are all indigenous companies providing services primarily to the Irish market, this comes as no real surprise. However, it was evident that companies at different stages in their development had different expansion ambitions. Larger companies tended to have very ambitious expansion plans in terms of revenue generation and also in terms of broadening the scope of their markets internationally while smaller companies have less aggressive expansion plans:

'...we will be very ambitious; a turnover of X hundred million. We are very ambitious. The turnover now is X million. We doubled revenue in the last two years so we are looking to double it again. So if you think five years...'

(Interview 4, Senior Partner, Company 4)

'We may expand and franchise our business and create a presence internationally starting with setting up a base in London.'

(Interview 5, Director Company 5)

'We would like to expand. We have been expanding very slowly over a long time; we won't move anywhere else though.'

(Interview 2, Senior Partner, Company 2)

One issue which was raised by companies was the tendency for policy makers to support only the traditional sectors with grant assistance and not companies in the business and management consultancy sector. There was a clear conflict between what these company saw as a lack of recognition of fact that their sector was actually an internationally traded service and because it was not viewed as such, was excluded from grant assistance:

'We are not eligible for a lot of the grants that are available to a lot of the traditional sectors in Ireland. It means that the cost of training and skill development and all that stuff is borne by us, which is ok, but if you were in another sector you would actually get support. So I would have a fundamental question as to why support only the traditional industries. And the same argument I am sure could be made for around some other sectors like IT, communications and all that sort of stuff. And we have occasionally got tiny grants from government bodies for the training area but it's so torturous to do that's it's not worth our while. And you have to convince them that you are eligible for it. Likewise we have had some BSS (Business Expansion Scheme) company and we had a whole battle with them to convince them that consulting could be and internationally traded service. They just don't think like that. So they think very old world and I am sure it must be worse for newer sectors.'

(Interview 5, Director r, Company 5)

4.2.8 Results summary

Box 4.1 - Overview of key results within the business and management consultancy sector

Business and Management Consultancy Activities
<i>Summary of main issues</i>
<ul style="list-style-type: none"> ➔ 'Hard' factors important in location decision making. 'Soft' factors play a very limited role. ➔ Negative perceptions of the city with regard to infrastructure and cost of living i.e. 'hard' factors. Positive perceptions with regard to the 'buzz' and social elements of the city i.e. 'soft' factors. ➔ Labour attracted to stimulating and creative aspect of the sector. Mature skills base necessary for working in the sector. Little difficulty in retaining staff. ➔ Labour generally organised on the basis of teams. Significant amount of outsourcing among large companies allowing them to offer a wider range of products and services and increase their competitive advantage in the marketplace. ➔ Formal and informal networks important for exchange of information and attracting new customers.

4.3 Motion picture and video; radio and television activities

4.3.1 Company overview

Table 4.2 shows a breakdown of the companies selected for interview in the motion picture and video, radio and television sector. In so far as was possible we attempted to achieve a breakdown of companies according to the guidelines set out in the methodology (see Chapter 3). For the most part, this was achievable. However, although RTE employs more than 200 individuals we felt that their strategic position as a national broadcaster and their relevance to the creative sector as a whole warranted the company being interviewed. In addition, we attempted to achieve a mix of indigenous and non-indigenous companies for selection. However, this was not always possible. In total seven interviews were conducted in this sector.

Table 4.2 - Motion picture and video; radio and television companies interviewed

	Inner City	Outer City
Freelance	Company 6	Company 7
2-5	Company 8	Company 9
6-200	Company 10 & 11	Company 12

4.3.2 *Historical development paths*

The historical development paths of companies in this sector were quite different to companies in the previous sector analysed. This was primarily due to the nature of the industry itself which is quite unpredictable and in terms of its buoyancy, is highly susceptible to increases and/or decreases in expenditure from the national broadcaster. However, of the sectors analysed during the course of this work package, there is little doubt that this sector in particular is undergoing significant restructuring. This is primarily due to the impact of technological developments in the sector generally and also to the general decline in the role played by television as a communication medium. Advancements in technology and the arrival of online media, in particular, appears to have created opportunities for new niche industries and new markets previously untapped within the sector.

As far as company development is concerned, the interviews demonstrate that the self-employed individuals in this sector had worked previously in full-time employment but took the decision to leave their positions and establish their own business. This was due to a number of reasons but generally it was the case that individuals wanted autonomy and/or a change of direction in their career:

'...two years ago was my first job and that was long, and then I moved to another company and spent five years in-house full-time staff on the payroll. And I decided I wanted to break free of that and move somewhere else...'

(Interview 7, Owner, Company 7)

The aforementioned individual attempted to try and establish a business outside of Dublin in the north west of Ireland. However, they found this to be extremely difficult due to the dominance of the Dublin region for this sector. The dominance of Dublin in a national context and the tendency for economic activity in this sector to gravitate towards the region was a trend that emerged during interviews with managers:

'...there is nobody offering me work in Donegal, so for the last year and a half I have been in my little house in Donegal for two weeks. I took a job with Loopline Films which was filming in Cork for two months and then editing in Dublin for three. Then I had a job with a Welsh company so I spent a month in Wales altogether and a few months in Dublin editing and after that I was working on a job in Dublin for five weeks and then after that a job in Dublin for six months. So it hasn't worked out.'

(Interview 7, Owner, Company 7)

In addition, there appeared to be difficulty acquiring start-up support outside the Dublin region and a lack of co-ordination between the various funding bodies operating in the north west region was evident. Thus, the lack of available funding in regions beyond Dublin appears to be a difficulty in establishing enterprise in other regions:

'I thought when I moved to Donegal, I thought I am a woman in a rural area speaking Irish, working in a creative industry, there are bound to be grants for the taking. I go to Udras [funding agency] and they say: you are two hundred yards from the designated Gaeltacht...so if somebody here in the Gaeltacht wants to set up and never speak Irish in their business, here is a grant for you while Rosie down there two hundred yards from this invisible line that they have drawn up applying to get a grant for a business which she is running through Irish won't get it. And then you go to the Enterprise Board and they say, you are doing loads of stuff through Irish, why don't you talk to Udras na Gaeltachta, and people just push you around from one to another. You are stuck in the middle.'

(Interview 7, Owner, Company 7)

Another company interviewed had a much more positive experience in terms of start-up assistance and enterprise funding but this was for a start-up enterprise locating in the Dublin region. In fact, one interviewee went so far as to say that it would have been impossible to establish their business in Dublin without start-up assistance. In particular, the Create Ireland programme was an invaluable form of incubator assistance for the company as well as providing premises in the Digital Hub facility. The Create programme is a one year government-financed initiative that trains entrepreneurs in starting new digital media enterprises. It has a number of partners including the Digital Hub, a government initiative to create an international centre of excellence for digital content and technology enterprises. As stated by one company owner:

'I was on a business start-up programme called the Create programme which actually had us placed here [in the Digital Hub]. But it was one of the reasons why I was interested in Create because we got office space in here. I know someone else who was involved who is now doing it [the Create programme] and they are going to do great. And I know because of the experience you get, the specific training you get; it's a great opportunity. Those programmes are brilliant because you couldn't try to teach people that in college because they might not turn up to class; they might not turn up for the lesson. I know there are a few of those things [start-up programmes] going on...I have heard that they are very similar to Create. Most of the companies in here have been through something like that.'

(Interview 8, Owner, Company 8)

4.3.3 Location factors: The role of 'hard' and 'soft' factors

In a similar trend to the previous section, 'hard' factors played the most important role for companies locating in the Dublin region. However, 'soft' factors played a more prominent role for companies in the current sector than for companies in business and management consultancy services (section 4.2). For freelance individuals 'soft' factors and dissatisfaction with 'hard' factors played an important role in their attitude towards doing business in Dublin. In particular, the city's poor transport infrastructure appeared to be a critical element that is impacting negatively on the quality of life of individuals:

'You become a commuter and I don't see the value of spending three hours a day on the road and it's only three miles...It's so hard to get out of town. Traffic is mental. Even today I was cycling around town and I nearly got hit by five buses, cars turning off in front of you, it's just a hectic pace of life and it just seems to be increasingly hectic. I don't remember it being this crazy ten years ago. It is just a pressure cooker. And it's a very hectic environment...So it's not for me. I value my quality of life and I have a very nice quality of life up there [in Donegal] when I am up there. Just things like, there is no crime, you don't have to worry about parking your car; little things, tiny little things; people being helpful to you on a daily basis. Just the little things that make life that little bit easier...so totally a quality of life.'

(Interview 7, Owner, Company 7)

For the more established companies 'hard' location factors were extremely important. In particular, because the industry is quite unpredictable, rental levels were considered important. In addition, there was clear evidence of a cluster of television and related activities around the south inner city area within close proximity to the national broadcaster RTE; so proximity to other related services was also considered important. Other factors such as proximity to the airport and proximity to the residence of core staff were also important considerations. These factors are highlighted in the following quotes:

'We knew our lease was coming to an end and we wanted to get a good place that we could bed ourselves down into. So financial was one reason, like the rent. A lot of work is international so proximity to the airport is certainly a factor. And you know, I have certainly factored in that there are two directors in the company. I am in Drumcondra so it appealed to me as well and also for our other staff.'

(Interview 11, Managing Director, Company 11)

'It was staff location...people tend to work quite long hours when things are busy but also we moved from fixed to variable costs and that was a factor because the business is unpredictable and you don't really know.'

(Interview 9, Managing Director, Company 9)

Because the nature of the industry is that it is deadline oriented, staff tend to work late at night coming close to deadlines. Therefore, in location terms, the perceived safety of the location was also an important consideration particularly for female employees as this made a central location more attractive for many companies in the sector:

'I like being in the city centre because its convenient...the vast majority of staff at production level is female, from what I have seen, so it had to be somewhere that was relatively safe along the main thoroughfare.'

(Interview 10, Senior Partner, Company 10)

Within this sector, 'soft' factors were a more prominent influence on location choice and also within the work environment itself than for business and management consultancy activities

(section 4.2). For one company in particular, the cultural attributes and leisure facilities of the area played a significant part in the location decision:

'...the area of Smithfield is a very up and coming area. The Lighthouse cinema is moving in behind us and an ad agency done the road and some great pubs and bars and stuff like that, and it's only getting better. So we just felt it had a cultural vibe to it. We just felt that this area here is very creative, the cobblestone square is beautiful and it's still central. You can still walk into town for meetings or hob on the Luas [light rail system], so it ticked a lot of boxes for us.'

(Interview 11, Managing Director, Company 11)

In particular, the quality of the office space and its environment played a significant part in the location and relocation decisions of the more established companies as exemplified by the following quotes:

'I like the fact that the offices have a lot of natural light as I had been working in a couple of places that had artificial light and I don't like putting employees into that situation; it makes them feel like they are in a battery chicken farm.'

(Interview 10, Director, Company 10)

'We were sick of the Enterprise Centre. I don't know if you have ever been there but it's very dull, so it's like being in school'

(Interview 9, Managing Director, Company 9)

There was an explicit recognition of the need to keep employees happy in the workplace mainly due to the fact they have become increasingly mobile and they can access other opportunities elsewhere and this also appears to influence location decisions indirectly:

'I felt that if we moved out to some industrial estate a lot of people would just be fed up going out there. So we factored that in even in terms of when we were doing our budget and salaries and stuff like that. We probably would have had to pay more money to attract people out to some God forsaken industrial estate. So we felt that if we paid more for rent here that it would cancel out.'

(Interview 11, Managing Director, Company 11)

'I could imagine the outpour if we decided to move to north Dublin. There would be absolute chaos. I would say there would be an all out strike.'

(Interview 12, Senior Manager, Company 12)

Asked whether or not the satisfaction of employees within the workplace itself was an important consideration one interviewee replied:

'Huge! I just want them happy, I just want them happy. I have worked for companies where, and some of the people here have worked for the same companies, and they do not provide proper facilities for their workers. I think it is important plus I think it is a major factor. I mean, I may not be a millionaire but I

insist that we have decent computers and I insist that we have nice desks and a nice place to work. I think it's very important for people to be happy. People will want to stay. It's a freelance business so people do move around.'

(Interview 9, Managing Director, Company 9)

This is an issue that is now also being recognised by the national broadcaster which traditionally would have lagged behind the private sector in this area. The implication here is that there is greater recognition in the sector generally of the need to keep staff satisfied in order to retain them into the future:

'I can't even list all the different types of communities there are to develop this that and the other. We have a crèche on site which is hugely important. We have a gym on site. We have a club. We have a deal with local tennis courts as well.'

(Interview 12, Senior Manager, Company 12)

The foregoing demonstrates that while 'hard' location factors are of primary importance for firms locating in this sector, 'soft' factors play an important role in overall location decision making. It is quite clear that 'soft' location factors are given much greater consideration for companies in this sector when compared with companies interviewed in the business and management consultancy services sector.

4.3.4 *The role of Dublin*

Managers in the motion picture and video business, who are generally located in the inner area of Dublin, are highly critical of the poor quality of transport and of congestion in Dublin. As seen in the following quote, one interviewee who is a freelance cameraman states that the city is heavily car-dependent and that the availability of car parking spaces is a problem for business.

'...if I am going to do a job, which I did the other day at the end of my own street, I still have to drive there. ...it [the city] is incredibly motor car dependent, incredibly. You have to load a pile of big, heavy stuff into a car, it's got to be secure, you have got to be able to park, parking is a huge amount of trouble, you have to got to be able to get on the right side of somebody who knows where the private parking is, who will let you in there with a key, the tag, everything else, make the barrier rise, and organise it so you don't get clamped or towed away and all of that kind of stuff.'

(Interview 6, Owner, Company 6)

The theme of poor transport and inadequate transportation infrastructure generally is repeated by many of the managers in this sector, as shown in the following quotation:

'It is funny, if you were in England or most other large cities, most people wouldn't think twice about travelling fifty, sixty miles to work and even for an hour and a half. But it's just because Ireland has such a poor infrastructure in terms of public

transport and that it is not really feasible. So it's due to our very poor public transport infrastructure that I feel we needed to stay in Dublin.'

(Interview 11, Managing Director, Company 11)

This is expressed in a different form in the following quotation where a manager explains the factors which determined a location decision. Concerned that moving to an industrial estate or business park would lead to problems in attracting staff, the decision was made to locate centrally even though rents are higher in central areas. The rationale here is twofold. First, staff in this business seem prefer central locations and second, they are deterred by the poor centre to periphery public transport connections.

'Yes, it is a concern and I felt that if we moved out to some industrial estate, a lot of people would just be fed up going out there, so we factored it in, even in terms of when we were doing our budget and salary and stuff like that, we probably would have had to pay more money to attract people out to some God forsaken industrial estate. So at least we felt that we would pay more rent for where we are here, that would cancel that out. We weighed it up.'

(Interview 11, Managing Director, Company 11)

Even short commutes in distance terms are often extremely time-consuming as the following quotation indicates:

'Yes it would be because you are working long hours, if you are living in the suburbs, you are miles out, life just becomes unbearable and that is really why I left Dublin in the first place, because I had spent a few years living in Inchicore (inner suburb) and I found just getting across town was a head wreck. You become a commuter and I don't see the value of spending three hours a day on the road and it's only three miles.'

(Interview 7, Owner, Company 7)

The high cost of living also emerges as a key issue for managers in this sector. The next quotation refers in particular to the cost of workers locating to Dublin from elsewhere in Ireland or from abroad. The cost of housing in particular is highlighted, once again supporting the results of the previous work package.

'Well the city itself apart from the traffic, yes, all the cultural, the main cultural sights are here, the theatres, music venues, the biggest problem really is the cost of housing, there is good schools, there is access to the airport, good enough public transport, in terms of trains and stuff when you have to get out. I would say that it is important, but I would say that the cost of re-locating to Dublin would be the problem.'

(Interview 12, Senior Manager, Company 12)

While the cost of property is high in Dublin, costs are seen as particularly prohibitive in the central area, which is precisely the area where many of these industries cluster.

'So unless you have a lot of capital and base yourself where you want to be but who can afford any kind of property within walking distance [of the city centre...]

(Interview 7, Owner, Company 7)

Motion picture, video and television are often seen as glamour activities and it might be expected that both interviewees and workers would rank the 'buzz' factor of a city more highly than those in other sectors. The interviews affirmed this, with the general feeling being that Dublin, although a small city by European standards, is culturally exciting and creative.

'And even though I started the animation with the idea of it being a tool to travel with, it's now all about setting up a company, I like Dublin, it is a nice small town, it has got great culture internationally speaking. I have been to, you go to some other cities, and you think this is way better than mine, but then you also go to other ones and think there is a lot going on in Dublin that is really good.'

(Interview 8, Owner, Company 8)

While the majority of interviewees were positive with regard to the cultural attractions of Dublin, there were some criticisms of particular areas. For example, the next quotation, which is critical, is about an area of the city where the government have attempted to generate a cluster of ICT companies – The Digital Hub.

'I think the Digital Hub might aspire to have a buzz, except it's full of junkies. I think they were doing training in self defence down there, as there is so many people getting mugged. I know a lot of them down there and I just hear all these stories.'

(Interview 11, Managing Director, Company 11)

More generally, although this was a distinctly minority view, some argued that Dublin was an exciting city for the young but too pressurised for an older demographic:

'I have been in Dublin a long time. It is just a pressure cooker. And it's a very toxic environment, maybe it's part of the natural thing of getting older, Dublin is great fun when you come to it very young and you have those years of discovery and meeting loads of people and having a great social life, but I think after a certain age I just go, I am chasing my tail, it's a rat race, and you see the values of being somewhere else that is a bit more chilled and a bit calmer.'

(Interview 7, Owner, Company 7)

4.3.5 Labour and labour processes

In terms of the current organisation of companies, it is clear that more formal vertical management structures exist in the larger companies while in smaller companies the approach is more collaborative and is characterised by horizontal relations between managers and employees. In fact, the smaller companies tended not to have any kind of a management structure in place at all. Perhaps this can be explained in part by the difficulty of monitoring staff and their productivity in larger companies and as such responsibility and accountability needs to be delegated to a greater degree in large companies. In the case of small firms, the roles and responsibilities of employees appeared to be much more flexible and diversified in the sense that many were expected to undertake a variety of different tasks.

In terms of the factors that attract workers to the industry, it appears that individuals have a perception of the industry as one that is 'glamorous' and this is considered to be a prime attraction. Other factors included the creative element as well as the fact many individuals appear to be passionate about the industry itself:

'I think for a lot of people it's probably the fact that it's regarded as quite glamorous or exciting or the fact that they have a creative personality.... But more and more though I find that a lot of people, particularly young women, want to be TV presenters. I keep seeing the archetypal Irish blond who is twenty one and just out of college and wants to be a TV presenter. Then you say what do you want to present and they go: 'I really like music'. So I have noticed that there seems to be more and more kids who want to be TV presenters.'

(Interview 10, Director, Company 10)

'It seems to me that people that want to get into it are very committed and desperate to get into it. You know, there might be a superficial glamour to it from the outside but that very quickly wears off. People realise that it's pretty much like any other job but a lot harder work and then once they get over that shock they seem to still be keen to do it. It must be ego driven because your name is on the telly and maybe if there were no credits maybe people wouldn't do it. They want to get on the telly. It's a deep drive because the pay is very low for people who kick off. They are usually runners on nothing. And then they just somehow claw their way in and get underpaid for years and then finally get to be a producer and even then it's not mad money.'

(Interview 9, Managing Director, Company 9)

The foregoing quote highlights the inequalities that exist within the creative economy where a low-paid underclass exists adjacent to creative knowledge workers.

In terms of labour recruitment, most of the companies interviewed used contemporary methods of recruitment such as newspaper and online advertising. However, it was interesting that they tended not to use recruitment agencies to attain staff. Additionally, word of mouth and informal networks were also used to acquire staff. However, a number of companies did

complain about the difficulty in attaining staff with the particular skill sets they were looking for. This trend was evident for companies across the sector but particularly for the animation and production companies analysed:

'We find it very hard, especially at the moment, to recruit the staff with the skill base that we are looking for.'

(Interview 11, Managing Director, Company 11)

'I would personally find it difficult to hire people; I would struggle with it.'

(Interview 9, Managing Director, Company 9)

Much of the difficulty in recruiting staff appears to be due to the fact that there are skill shortages in specific areas of the industry such as animation and editing. In the case of animation in particular, there appeared to be very specific skill shortages. This is mainly due to the fact that it is a much more specialised industry in Ireland and there are not many animation specific courses in universities or institutes of technology. Those that do exist do not appear to produce graduates with the specific skill set required by the industry:

'You have to remember that there are only really three courses that do animation in Ireland, or three colleges that do animation in Ireland. Of that, two of those colleges you could almost completely forget about because they require a level of training that we can't give them in-house...'

(Interview 8, Owner, Company 8)

And the foregoing trend was not confined to animation with evidence also existing of skills shortages in the production industry. When one interviewee was asked to comment on the skills level in the industry replied:

'It's basic, basic, basic. The skills are lacking but we have to tell them what we expect. One of the things that is missing is that nobody asks themselves what is the story that I am trying to tell, which is the only question in television, in any form of creative endeavour with sound and pictures. I would say it's close to being dysfunctional and that comes back to lack of training and the quality of training that is being given. You rarely have a conversation with someone who has been on a media course about a movie you have seen that reveals any sort of bitterness with the visual arts. And that kind of worries me that people spend three years of their lives and they can't even discuss the image system in a film or they can't even discuss how good the dialogue was or how well the characters were drawn or how well the story was told.'

(Interview 10, Director, Company 10)

One animation company interviewed sought to undertake their own training in-house and had a policy of up-skilling their workers on an ongoing basis:

'We do our own in-house training here every Tuesday, at six to nine every Tuesday. We bring in pizzas and then one of the members of staff we would pay them to make a presentation for two hours to the staff. Then on Wednesdays we have life drawing in here where a model comes in. So we believe training is hugely important.'

(Interview 11, Managing Director, Company 11)

Of the companies interviewed in this sector, the majority had relatively low levels of staff turnover. Perhaps this is due to the fact that most of them had a clear recognition of the need to keep employees stimulated in the workplace and most of the companies felt employee considerations were important for all major decisions being made. Indeed, this is likely to be related to the nature of the work in this sector and the high level of mobility between jobs, much more so than in the business and management and consultancy sector discussed previously (section 4.2).

Bearing in mind the description by Scott (2006) of labour organisation in the new economy in the previous section (section 4.4.5), the analysis of companies in this sector showed that there was a high degree of labour flexibility. While some of the companies had a mixture of individuals on permanent and fixed-term contracts, it was the case that most of the companies employed individuals on fixed-term rolling contracts. This is very much related to the nature of the industry itself and the fact that many companies cannot commit to offering employees contracts on a permanent basis. In addition, there was ample evidence of labour being organised on the basis of team based work with a lot of work being project-oriented and these trends were evident across companies regardless of their size. As one interviewee stated:

'Everything is based around a team...That is the key really; you have to work with a team. You might be working with a member of the technical team and you are a journalist or something like that; it all just works seamlessly.'

(Interview 12, Manager, Company 12)

A major issue to emerge within the sector was the impact that changes on technology is having on labour organisation and conduct and on the industry more generally. Advancements in digital technology, high definition television and the internet as a communication medium have had a profound impact on the manner in which the sector does business. As an example, the move towards digital television has rendered many of the existing buildings on the national broadcaster site redundant:

'I think that the building that the newsroom and studios are housed in has probably seen its day so there is a lot of patching, a lot of making technology fit into a totally unsuitable environment. So we do have an issue there.'

(Interview 12, Manager, Company 12)

Moreover, advancements in digital technology has also had a direct impact on the labour force with many of the more mature employees requiring training to use digital editing suites so that they can edit material remotely:

'There is a huge emphasis now on re-training the news room staff to digitally edit their own stuff when they are out which they wouldn't have done before. They would have needed someone with them. We have a new editing system in the news room and television room as well which needed a lot of training for staff.'

(Interview 12, Manager, Company 12)

Of course these are not just issues which affect the national broadcaster but appear to have had an impact on the sector as a whole. For example, one freelance cameraman talked about the arrival of new forms of television advertising and how they are impacting on the type of work that is being undertaken:

'You can't go onto a bus or a train now without looking at a picture, a moving image with sound in the carriage advertising something. Even on the top floor of buses in London there is a TV screen with advertising running on it continuously; advertising and/or services information. So there is now a large number of production companies setting up to do just that type of work.'

(Interview 6, Owner, Company 6)

Another area where which has impact on the nature of the industry is the arrival of the internet and of internet television more precisely. There is the distinct possibility in the future that independent production companies could shoot programmes direct to internet television and bypass traditional broadcasters altogether. Interviewees generally agreed that this was the future direction of the industry but that the industry was not yet at the stage where there was a direct threat to traditional broadcasters mainly because production companies have yet to figure out how to generate sufficient revenue from such a venture:

'Yeah, they probably will do. Absolutely! But that is something we are aware of that we have to plan for and we have a big focus on our website and developing a plan at the moment and making that place the station to tune in to online to watch stuff. You know the whole mobile phone technology as well. If you can watch stuff on your phone, download it from anywhere on the web...YouTube. They are all competitors of RTE and I suppose the ideal situation would be that we develop a partnership.'

(Interview 12, Manager, Company 12)

'I would very much like to be putting stuff out myself to put it up there and cut out somebody in the middle. But that appears to be quite difficult to do at the moment and we really do not have the time to do it. Everybody says you can put a comedy channel on the web but nobody has actually done it yet.'

(Interview 10, Director, Company 10)

'It is just a question of monetising it and being sufficiently broad. We aren't spending any money on it but as soon as someone comes in with a cheque we will start supplying content.'

(Interview 9, Managing Director, Company 9)

'It is definitely something that is of interest. It's how does anybody make money out of it? That is just a hard one; how people are going to utilise it.'

(Interview 9, Managing Director, Company 9)

This is very much related to what some producers see as the decline in the role and influence of television as a communication medium generally. This was highlighted succinctly by one interviewee:

'It [television] is a medium in itself that is dying. The water cooler moment is now arriving by YouTube. I haven't heard a water cooler moment in about eighteen months because the things that people talk about at the water cooler now is what they got sent in their emails that morning from their mates or what they got off all the various YouTube or sub-YouTube sites. So I think television has been bypassed...'

(Interview 10, Director, Company 10)

4.3.6 *The role of networks and networking*

The interviews highlighted a clear clustering of television and related activities in the general vicinity of the national broadcaster. Due to the dominance of the national broadcaster in the television market many related activities feel the need to be located close to the national broadcaster. Thus, there is a large cluster of television and related activities in the south inner city around the Baggot Street-Ballsbridge-Donnybrook area.

Many companies highlighted the importance of formal collaborate links within the sector. In a similar manner to formal collaboration within the business and management consultancy sector, formal collaboration within the motion picture and video and radio and television sector was seen as an important means of exchanging ideas as well as a means of improving products through the amalgamation of different specialisms within the industry. While in the business and management consultancy sector formal collaborations were generally within the Dublin region or nationally, collaborations within the motion picture and video and radio and television sector were broad ranging and very often international in scope, particularly among the larger companies:

'Well this company would have links within the group with the UK bodies and we meet every quarter and we do exchange ideas and take formats that colleagues in the UK have come up with and we take them in to RTE. There is a lot of format, ideas basically moving backwards and forwards.'

'...the series we did in Northern Ireland was a co-production with a Belfast based company because we didn't have a base there...we also have links with a German channel called Artay.'

(Interview 9, Managing Director, Company 9)

'We have very close links with the other animation companies in Ireland. We are very much a tight knit group. When we co-produce to raise money from Canada I would have to work with a Canadian company...so we absolutely know a lot of the animation studios in France and Germany and England and over in America...If you are going to work with somebody you definitely share your technology and talk about efficient ways of doing business with them.'

(Interview 11, Managing Director, Company 11)

However, formal collaborations were not just confined to the large more established companies; it also existed with smaller companies and even among the freelance individuals:

'We have just made connections with company X in town and we would be looking to get them to do work on editing. We have a partner who does all our sound...and he is based in Navan, not Dublin.'

(Interview 8, Owner, Company 8)

'Yeah, there would be collaborations between freelancers. Like I would have a cameraman that I will always use...there would be a fair amount of collaboration behind the scenes anyway...you know that if you are a director and if people respect your opinion you can actually get work for people you know.'

(Interview 7, Owner, Company 7)

Clearly, therefore, formal collaborate networks are an important part of doing business within the sector. However, informal links also exist between companies in the industry. While formal links are more geared toward improving the product and services that are offered by companies, informal networks form an important role in keeping individuals informed about the latest happenings within the sector as well as for establishing the basis for more formal collaborative links in the future. Informal networks appeared to be particularly important both as a means of attracting work in the future as a means of attaining information about new ideas and work practices, particularly in the case of freelance workers:

'It's quite important actually. The job that I have just taken has come from a girl that I worked with last year on a job with Loopline Films. Then she kind of independently got this job in Midas that we are both working on at the minute. Someone rang her to see would she work on something else and they were also looking at directors so she emailed me and as a result I have now got a job that is going to take me up to September. And it is a pretty cool job. It's important to make friends with people.'

(Interview 7, Owner, Company 7)

'It is quite amusing when you see something that is going off on TV that is shot by a friend of yours and you meet the same person some time afterwards and you say: 'How did you get that effect; do you remember that shot?', and there is always a good bit of bravado. But then you feed him another couple of pints and you usually get it out of him.'

(Interview 6, Owner, Company 6)

The larger companies also felt that the role of informal networking at conferences was an important means of establishing friendships within the sector. Very often friendships are established at an informal level and evolve into more formal collaborate work arrangements over time:

'It's very much a creative business so we are just back from a three day conference in New York and that is what I did over there; I met studios from Manchester and Bristol and studios from all over the world and we talked about stuff.'

(Interview 11, Managing Director, Company 11)

However, there is a certain element of guardedness within those relationships until a basis of trust is formed between the parties involved and this was pointed out by one freelance interviewee:

'You will if they are friends but you wouldn't really approach another company that you don't know and ask them for help creatively or otherwise.'

(Interview 7, Owner, Company 7)

The role of representative organisations is also important within the sector. Of particular importance are the Irish Film Board and the Broadcasting Commission of Ireland (BCI). The BCI is an independent statutory organisation responsible for a number of key areas of activity with regard to television and radio services in Ireland. Other representative organisations include Screen Producers Ireland and Create Ireland. A number of companies also had links with government training programmes such as FAS and facilitated internships for individuals working on Screen Training Ireland which is a division of FAS. Moreover, some of the interviewees had direct links with related university courses in the industry and often participated in guest lecturing on specific courses.

4.3.7 Future trajectories

All of the companies interviewed suggested that they will continue to locate in the Dublin region in the near future. Many of the companies, particularly the indigenous companies, had close family ties to either the region or the country and would not consider relocating their business on that basis. However, in terms of expansion many suggest that they may open office in other location within Ireland and in the UK. In particular, a number expressed the desire to open new offices in Belfast as well as in London. Belfast in particular was seen by many as an emerging market and a location hat many interviewees were keen to tap into. Despite this a number expressed reservation about the pace of any future expansion and suggested that it is likely to be slow within the Dublin region at least. Much of this was due to the role played by the national broadcaster in the expansion. In particular, many felt that unless the national broadcaster changes it policies towards independent production companies then expansion was likely to be slow. There is a view within the industry that the national broadcaster continues to adopt a managerial approach towards the industry and prefers, where possible, to work with smaller production companies in order to exercise some form of control over them:

'Unless RTE changes its policy we won't be able to expand. RTE quite like keeping their supply small; it's very short-sighted actually...They have got this policy that because they are a state agency they have to share money around and not enrich one big company. So as soon as they get a big supplier like Company X who do loads of stuff, they get nervous and start to think of ways of stopping it. It's totally ludicrous from commercial thinking and not good business.'

(Interview 9, Managing Director, Company 9)

For their part, RTE recognises the conflict that exists between independent production companies and the national broadcaster and also recognise the importance of the sector for them as a broadcaster:

'We have a huge relationship with the independent production sector obviously as RTE doesn't make everything in-house...its hugely important for us to develop working relationships...'

(Interview 12, Manager, Company 12)

It further conflict within the television sector also emerged between the national broadcaster and the Irish government. The issue of the national broadcaster being continually restricted by budgetary uncertainties, mainly concerned with whether or not there will be a licence fee increase from one year to the next, coming from government means that it is highly difficult for the broadcaster to implement any sort of a coherent strategy into the future. Essentially there is a huge element of short-termism in terms of expansion from the point of view of the national broadcaster. This conflict is highlighted in the following quotes:

'To make it [the licence fee increase] automatic...that would make a huge difference to our financial planning. We don't even know where we are going to be in five years, ten years down the line. That would make a big difference. Our five year corporate strategy which we submitted last year is, at the end of every chapter, all dependent on the licence fee.'

(Interview 12, Manager, Company 12)

Another issue which appeared to impact on the future of freelancers in the industry was related to the perceived gender imbalance within the industry. One interviewee suggested that it was extremely difficult for women to maintain a presence within the industry as they got older. Essentially, it was suggested that if the creative talent of women is to be maintained within the industry into the future that there need to be a greater emphasis on facilitating women who wish to have a family:

'If you are talking about a future in the industry, if you ask me how many I know over forty in the industry or if you ask me how many women in top roles, in managing directors roles, in this industry, how many camerawomen, the answer is one or two. I don't think any married women have come through those doors and there are certainly no women with children; it just doesn't happen. So you come to a certain point where I think am I going to have to choose between working in this

career, can I ever work in this career and have other things outside it! And those are all things to think about when you are thinking of your future in the industry and how future policy can facilitate this...you are not going to have crèches in a little independent production company, so I don't really know how policy makers are going to change those things.'

'I would have to accept that if I decided that I wanted to have a family that I would probably have to, well I think this goes for women in any industry, compromise my career in some way. And you see friends going into stable jobs because they know what it is they will have. They will get their maternity leave, they will get their pay, there might be a crèche or whatever. I bet the guys weren't talking about all those things.'

(Interview 7, Owner, Company 7)

4.3.8 Results summary

Box 4.2 Overview of key results within the motion picture and video; radio and television sector

Motion Picture and Video; Radio and Television

Summary of main issues

- ➔ Start-up assistance is extremely important for small companies within the sector.
- ➔ 'Hard' factors are important for location decision making within the sector. However, 'soft' factors associated with the location and the work environment extremely important for location choice and to a much greater degree than business and management consultancy sector.
- ➔ Transport is a major area of concern for companies in the sector and this affects the attractiveness of the city. Most companies felt that the city had exciting cultural attributes and had a distinct 'buzz' element.
- ➔ Formal and informal management structures in large and small companies respectively. Vertical and horizontal labour organisation in large and small companies respectively.
- ➔ Industry seen as 'glamorous', diverse and creative. Staff turnover very high with many workers on temporary or freelance contracts.
- ➔ Skills shortages evident in animation, production and editing.
- ➔ Clustering of companies in the south inner city area within close proximity to the national broadcaster.
- ➔ Formal and informal networks extremely important within the sector.

4.4 Computer games and electronic publishing

4.4.1 Company overview

Table 4.3 show a breakdown of the companies interviewed within the computer games and electronic publishing sector. It was decided that software would not be included in the analysis. As with the previous sectors we attempted to target companies in order to get a broad overview of activities within the sector as a whole as well as targeting companies within the geographic and size guidelines laid down in Chapter 3. To a large extent we achieved this. However, one large company in the outer city was targeted with more than 200 employees. This was due to the strategic importance of this company within the sector generally.

Table 4.3 - Breakdown of computer games and electronic publishing companies interviewed

	Inner City	Outer City
Freelance	Company 13	Company 14
2-5	Company 15 & 16	Company 17
6-200	Company 18	Company 19

4.4.2 Historical development pathway

Of the six companies interviewed within the sector two of them were branch plant companies with the parent company located in the United States. Unsurprising, the historical development of the indigenous companies are somewhat different from the multi-national companies. The development of the multi-national companies interviewed has been extremely rapid. The two companies interviewed were established in Dublin in 1985 and 2005 and both have grown rapidly since their arrival. The company that was established in 2005 began in the Digital Hub with ten employees and have recently moved to a larger facility where they now employ fifty people. The company that was established started from a relatively small manufacturing base and is primarily involved in sales, service provision and research and development and currently employs 1200 individuals in Dublin.

For the indigenous firms, there was a clear difference in the development paths of the freelance individuals and the formally established companies. The freelance individuals interviewed were very recent start ups. One individual interviewed was working with a company prior to starting up his own business. Effectively the individual was undertaking work as a stop gap prior to undertake a college course and because the individual received more work than expected, decided to continue with the business. The other freelance worker decided to establish a business out of a need to work at something more creative:

'I decided I wanted to get into the more creative end of advertising and business...I like to do both the creative and the business together so I thought I would set up my own business in web design.'

(Interview 13, Owner, Company 13)

The other more established small companies had rather different development trajectories. One of those companies initially started in Navan, county Meath and recently moved to Dublin in order to gain access to a larger market and the higher skills base offered within the city:

'...over time a lot of our client base ended up being in Dublin so I was up here a lot anyway. Also, the client we were aiming for meant that we needed maybe higher skilled people as time went by and they just weren't in Navan...'

(Interview 16, Owner, Company 16)

In terms of start up support, only a small minority of companies in this sector received any sort of start-up assistance through government agencies. However, many of the companies were well-established and not eligible for such support. This is in contrast to the previous sectors of business and management consultancy activities and motion picture, radio and television activities where many new business start-ups and freelance individuals actively sought to receive start-up assistance not only in terms of the provision of funding assistance but also business advice support.

For the foreign branch plant companies interviewed, the role of government agencies was particularly influential for companies establishing in the Dublin region. In particular, the role of the IDA Ireland which is a state agency charged with actively encouraging foreign investment into the country. In fact, one computer games company interviewed cited the IDA as being pivotal in terms of the decision of one computer gaming company to locate in the Dublin region:

'They were phenomenal. When the CEO and the founders came here the IDA were fantastic. They showed Company X around the city; they introduced them to accountants, lawyers, data centre owners, banks. They had everything lined up. They made it really easy for Company X to come in here and start. They were totally invaluable. We have hired a lot of people from outside the EU; they helped smooth the path with visas. They gave us all the contacts.'

(Interview 18, Senior Manager, Company 18)

4.4.3 Location factors: the role of 'hard' and 'soft' factors

As with the previous sectors, the role of 'hard' factors proved to be of primary importance in the location decision making of the companies interviewed. However, as with previous sections 'soft' factors did indeed play an important role in location decision making. All of the freelance workers interviewed in this section worked primarily from their place of residence and had no office attached to their employment so the role of 'hard' and 'soft' factors could only be related to their choice of residence. Bearing this in mind, it was generally the case that these individuals located in a specific part of the city due to its general accessibility to a range of facilities and in this sense both 'hard' and 'soft' factors were important considerations. In the words of one freelance interviewee:

'It is just really handy; it's really close to everything. I didn't plan on working here when I moved in here. This was just a choice for living.'

(Interview 14, Owner, Company 14)

On a broader level, it was clear that classic factors such as labour availability were important factors in the decision making process of a number of companies interviewed as well as the prestige of a city centre address. One web design company in particular who had moved location from outside the Dublin region to the centre of Dublin stressed these to be important factors:

'People are looking for a provider of a service, they look at a company and they are based in Navan and they go like, ok, they may or may not be good. Somebody based in the Digital Hub, right you are on! And a lot of students would want to be based here [in the Digital Hub] because they feel it is a centre of excellence or whatever you want to call it. We felt we had the ability to get better people and better access to people. And its proved that way...we started advertising for staff using this as an address long before we moved in here and the CV's were flying in and some of them were from people who were in other companies...'

(Interview 16, Owner, Company 16)

Indeed, the issue of labour availability was a particularly important issue for foreign companies. One company in particular considered alternative location outside the Dublin region. However, they felt that their ability to attract the skill labour required would be severely restricted in location outside the Dublin region:

'We also looked at Dundalk and we had very little interest in those areas purely because it would be hard to find staff. Our business here is very much global and European and Asian focussed and we need people with that knowledge. So half the office here are non-native Irish. We have a number of people from China for example...So it's kind of difficult to find them in Dundalk...It's still not that easy to find staff but it's easier to find them in Dublin than in those outer areas...there is a lot of international people here so it is easier for us to attract people.'

(Interview 18, Senior Manager, Company 18)

The foregoing quote also raises issues about the diversity of the labour market. In particular, it highlights the need for a diverse range of skilled labour from different nationalities in order to support the broad range of labour specialisations required in the Dublin region. Indeed, the issue of labour availability in the sector was also raised as a major concern by another foreign multi-national company within the sector. One issue raised in particular was not necessarily a lack of skilled labour in terms of graduates coming out of college but the fact that the skilled labour does not currently exist in Dublin in the volumes required to sustain the growth of the company. Therefore, recruitment strategies in some multi-nationals in Dublin are increasingly based on attracting talent from all over Europe and beyond to Dublin:

'If they [companies] are locating on the basis of talent then we are in deep shit...because we don't have sufficient volumes. We have very talented people here but we don't have sufficient volumes...there are a lot of IT or tech companies here. It [Ireland] has infrastructure; there is a programming environment; it has a good taxation regime, all those things. So the only things you need to do is get talent in. And for myself, it's all about talent. It is the biggest contributing factor to our success. If we don't get good people then we don't succeed. It is very simple.'

(Interview 19, Senior Manager, Company 19)

For the aforementioned company a city centre location was also important due to the fact that the majority of their staff were of a young demographic and lived within the vicinity of the city centre and they would risk making them unhappy by moving beyond the central area:

'...even within Dublin, we are in the centre of Dublin and that was a factor as well. We looked at moving from the Digital Hub and we were going to go to East Point but the feeling of working out at East Point; that's isolated. We are a games company and so our staff are very young...the majority live in the city centre, in apartments in the city centre. It was kind of looking like we weren't going to find an office that we wanted in city centre Dublin so we were talking about are we going to be out in East Point; I think we were even looking as far out as Blanchardstown at one stage. There was a bit of a revolt. At the end of the day that was what we were up against.'

(Interview 19, Senior Manager, Company 19)

For the more established indigenous firms the geographical location of the company, in terms of inner or outer city was certainly a consideration. Interestingly, for companies already located in the central area, the city centre appeared to play a significant role in their decision making whereas for companies located beyond the central area geography did not appear to play as important a role as other factors. In the areas of ICT services, there appears to be a cluster of small to medium sized business' that require those services in the central area and therefore proximity to clients appeared to be an important concern in this regard:

'...our clientele would be small business, you know, five years and plus. There is an awful lot of that around the city centre...I think we would be in the city centre because an awful lot of our business is very near to us.'

(Interview 15, Director, Company 15)

For one of the companies interviewed in the outer area, the physical location of the office was much less of an issue. A small web design company interviewed saw the physical location of the office as much less of an issue due to the fact that the emergence of virtual offices has meant that individuals can increasingly work from home and this seemed to be particularly useful for smaller companies. A virtual office is a process whereby a company pays for the addresses of an office space and for the receptionist charges associated with answering calls for that particular company and for receiving post at that address:

'...we are also reviewing whether we will actually go virtual or whether we will keep an office space in Dublin. Because with the nature of our business and the way communication has changed you don't need to be in an office. We have a virtual office anyway as a backup. Our phones are all handles there so even if we pulled out our postal goes there and our phone calls go through a service and if we are I the office or at home they will transfer the calls within thirty seconds. So the client doesn't necessarily know whether you are in the office or not...'

(Interview 17, Partner, Company 17)

Incidentally, the issue of a city centre address was also seen as a prestige factors by a number of the smaller firms and many of those interviewed felt that a city centre office address lends some degree of credibility to the company and particularly to the products and services offered by the company:

'XX Harcourt Street they [the customers] know as a business address and it is a good business address. So it lends a bit of credibility to the business that you are not only established a couple of years and people think well you are paying rent on Harcourt Street so you are going to be around.'

(Interview 15, Director, Company 15)

In location terms, the role of 'soft' factors because particular important when deciding on the office space itself. Issue such as the quality of the office space, the availability of natural light and the facilities within the workplace were all major considerations when deciding on location, particularly for the larger companies and particularly within the context of retaining employees. This implies that while location decisions are primarily based on 'hard' factors, 'soft' factors associated with the office space itself and the surrounding office environment are also important considerations. So choosing the correct space itself was a very important decision for companies. This is highlighted by the following quote:

'It was a real labour of love [choosing the correct office space]. It was nearly twelve months that we were looking. Twelve months to find the right place and I would say that it is one of the better office spaces in Dublin, I mean certainly within the city centre...'

(Interview 19, Senior Manager, Company 19)

As with the previous section, the interviews also suggested that creative knowledge companies go to great lengths in order to keep employees happy in the workplace. Due to the fact that skilled labour is rather scare in some sectors, keeping employees satisfied and

stimulated within the workplace is seen by companies as a way of retaining staff into the future. Indeed some companies go to extraordinary lengths to keep their employees happy:

'It is important to keep employees happy and there is a lot there that we would look at, more so than certain other companies I have worked for. We try to use the twenty percent rule where twenty percent of your time is to go off and do something and work later but to keep the morale. So we have a huge games room so a fifth of the premises is probably the games room. There is a huge balcony where we can have a barbeque; there are pool tables; flat screens where you can play all your games, board games. We do everything. There is also things like, our kitchen is well-stocked: breakfast, lunch and a small dinner. Everything from porridge, we bring in fruit and veg and yoghurts...and then there are practical considerations like the company pays for the employees travel to and from work. We are taking our time to find the right people and the last thing we want is for them to leave...'

(Interview 19, Senior Manager, Company 19)

While most companies did not go the lengths of the aforementioned company in terms of keeping employees happy, it was an important consideration across the board as evidenced by the following quotes:

'We have a number of groups that address a number of issues. So there is a group of staff that come from all the different sites that look at what people want, what menus are on to what type of coffee is in the machine, all that kind of stuff. Bus links between here and the DART [rail system] too; it's everything.'

(Interview 19, Senior Manager, Company 19)

'We would invest in having a HR [Human Resources] consultant which we do to have our staff reviews and to find out how our staff are getting on and what their issues are. And I think that by listening to staff and talking to them about where they want to be in terms of what they are doing on a day to day basis is the most important thing.'

(Interview 15, Director, Company 15)

'I think that this moment in time you are under a little bit of pressure as a company owner to deliver on to staff and that they are not just there to do what you tell them. There is a bit of a swing in power that way. So they do play a big part in the decision.'

(Interview 16, Owner, Company 16)

4.4.4 The role of Dublin

Like those managers in other sectors, managers in the computer games and electronic publishing sector also identified poor public transport in Dublin as a key negative feature. The following quotation encapsulates the views of many interviewees in this sector:

'The only big disadvantage is the traffic and the transport system. You know, you can get a Luas [light rail] to the Stephens Green and then you have to walk over to the other side of the city if you want to go to Tallaght, so the transport system is the disadvantage, the traffic is a disadvantage.'

(Interview 17, Doop).

'We still have a relatively well educated workforce, our competitiveness has fallen because our labour costs have gone up because our infrastructure sucks...'

(Interview 19, Senior Manager, Company 19)

The manager of a large ICT firm, which is dependent on a significant numbers of foreign workers, argued that the transport system is a major obstacle to success in Dublin.

'I think it is [transport] very negative,... So lets make the investments, lets fix the infrastructure, because the infrastructure is hopeless and it's probably the biggest thing, and obviously costs are rising here so we need to manage costs.'

(Interview 19, Senior Manager, Company 19)

One manager even referred to workers who have left jobs because of the problems with commuting and congestion:

'So I think people are looking for more of the lifestyle around not having to sit in traffic everyday, I mean I know people who have left very good jobs because their commute ..., so that is becoming a huge factor.'

(Interview 15, Owner, Company 15)

A manager of a large company referred to the problems of commuting to and from the airport. While Dublin airport is seen as being good with respect to connectivity to Europe and beyond, there are problems with the connectivity between the airport and the city area. High traffic volumes, congestion and the fact that there is no rail link to the city from Dublin airport is seen as a negative factor for business.

'But also infrastructure around transportation, planning, we get senior executives coming in here, you are putting them on the M50 from the airport and they arrive in here at half ten after a seven o'clock flight here, sending them out at four o'clock back down the M50, so not good!'

(Interview 19, Senior Manager, Company 19)

The need to attract a young labour force intent on working and living in the central area is illustrated in the next quotation. Proposals to locate in at the edge of the city met, in this case,

with a quite negative reaction from young workers who liked the accessibility of life in the central area.

'Well the reason we are in the city centre and not at the East Point or Sandyford or one of the other places outside Dublin is because of the young population, a young workforce and a lot of them cycle. We only have a couple of car parking spots and they are not really used that much. We have a pretty young demographic...I think we were even looking as far as Blanchardstown at one stage. There was a bit of a revolt. At the end of the day that was what we were up against.'

(Interview 18, Senior Manager, Company 18)

The cost of living also emerges as a negative factor among managers in this sector. The following quotation illustrates the difficulty of attracting skilled labour and skilled managers from outside Ireland when house prices are so high. Although house prices have fallen by about ten per cent in the past year, because of the astronomic increases in the past decade, this fall in prices still leaves Dublin house prices high in international terms.

'The cost of living is so expensive. If I was a young person coming to Dublin, and we are trying to attract people from the UK now, from the north of England and they are working for a games company in the north of England and they are coming to Dublin, and when they see house prices! And we are trying to attract a senior manager from the north of England and she is looking at house prices. If I was her I would be asking the question, how on earth could they afford five or six or seven hundred thousand euro for a house in Dublin. So the cost of living in Dublin is a drawback.'

(Interview 18, Senior Manager, Company 18)

The computer game sector of the ICT industry is quite a niche industry and often attracts young workers who like a city that is seen as exciting. As one interviewee stated:

'...Dublin is still a pretty attractive location for people from abroad, so a lot of people don't want to go to the US but would look at going to, not just Eastern Europe but all over Europe, but Dublin would be an acceptable location to go to.'

(Interview 19, Senior Manager, Company 19)

This long quotation, from the manager of a large company in which almost half of the labour force are from abroad, describes how Dublin is perceived from outside. Dublin is clearly still seen as being a predominantly young city (and demographically this is indeed the case) which is exciting to work and live in.

'Dublin is small, still perceived as a happening, cool, young place in Europe. So we find that people are pretty much very open to come to Dublin and they like the idea of Dublin. Ireland still has a very nice image as a nice place to live, whether it's true or not, I don't know. So we find people in the US with families are very happy to come here, so we have a lot of South Americans. Now they are not here for the weather, but they love it and their families love it. So it's not only the young

twenty year old engineers that we really need to attract but its actually also family people, who want to experience something else or who want to go, it's a nice location, they like the idea of coming here. I am quite cynical about Ireland in the post Celtic Tiger but the anecdotal stories that I hear is incredibly positive.'

(Interview 19, Senior Manager, Company 19)

In European terms Dublin is a medium sized city and this is reflected in comments from managers who refer to the small scale and sometimes intimate nature of the city.

'But there isn't millions and millions of companies so there is a thing there that would give it somewhat of a buzz because everyone knows everyone, I know in Ireland, everyone knows everyone and you can't go down the road with meeting someone, I would find that in Dublin...'

(Interview 17, Partner, Company 17)

However, while the majority of managers in the computing game and electronic publishing sector are positive about the city's vibe, some have made critical but pertinent counterarguments. The quotation below refers to the problems which can be generated by excessive drinking.

'But I think the drinking in Dublin, ... is going to become a negative thing, because the more money people have, the more we are drinking, and town, it's only since I stopped drinking at the start of January that I realised how intimidating town can be with so many drunk people. When you are drunk you are one of them bumping into everyone and whatever, you are oblivious and you don't notice things going on but when you are sober, you can tell when fights are going to start or you can tell if someone is going to walk straight in front of a car. You see people stumbling out of places and you think it would be so easy for anything to happen to them.'

(Interview 13, Owner, Company 13)

One manager makes the salient point that environmental conditions in Dublin differ significantly across the city and refers to the very different experiences of business visitors to different areas of Dublin.

'We were up at Dublin 8 and our visitors from Seattle would come over who had never been to Dublin before, maybe had been once or twice, they would walk to Dublin 8 and it's full of dog poop, dirty, and it leaves an impression of Dublin as a dirty city. I have read their blogs, I have spoken to them and their impression going back to Seattle is that Dublin is a dirty city. Dublin 8 is dirty, Dublin 2 [established office area] is not so when they come here again they leave thinking my God Dublin is fantastic, it's beautiful, it's gorgeous. So it's very important and they are not doing the job in Dublin 8 where you see syringes and excrement on the street.'

(Interview 18, Senior Manager, Company 18)

4.4.5 Labour and labour processes

As with the previous sectors a crucial factor which attracts workers to creative knowledge industries is the variety of work on offer within those industries. While this is unlikely to be the case in all of the sectors, the evidence gained over the course of this work package suggests that diversity is a key element of the working environment in practically all of the sectors under analysis. This was no exception in the case of the computer games and electronic publishing sector. A number of managers interviewed cited that diversity in the nature of the work being undertaken was an important factor for attracting workers to the industry as well as a degree of flexibility in the workplace:

'I think one of the biggest things I go back to is a bit of flexibility, give and take sort of thing. So I think they are looking for more of a lifestyle around not having to sit in traffic every day. I mean I know people who have left very good jobs because their commute is just such a burden so that is becoming a huge factor. So flexibility and variety in the role...you get exposure to everything and you know you will see the whole running of the business from end to end and today you could be doing one thing and tomorrow it could be completely different. I think in larger business' you would be probably become a specialist in an area which some people like but some people find that very limiting and potentially boring.'

(Interview 15, Director, Company 15)

'...we can be quite flexible in that if people want to start that bit later or whatever way they want to work it...some people are raring to go at seven o'clock and some people prefer to come in at eleven.'

(Interview 18, Senior Manager, Company 18)

'Well for me personally I have a programming background but I had an interest in marketing and I suppose there is a nice blend of the two in web and design...so you have a nice mix there...'

(Interview 16, Owner, Company 16)

The foregoing quote also highlights the perception among interviewees within other sectors that large companies are perhaps quite boring and monotonous places to work. While this may not be the case, it is certainly a perception that exists among the interviewees in this study.

In terms of recruiting staff, there is a similar trend for the smaller companies as with smaller companies in the previous two sectors discussed. Companies within the computer games and electronic publishing sector tend to use newspaper and web based advertising as well as recruitment agencies to find appropriate staff. However, it is noticeable that some of the larger companies interviewed recruit people Europe wide and beyond:

'We have a massive recruiting team. They are recruiting across everything from college graduates to business roles to technical roles. They do a lot here [in Ireland] but increasingly it is doing outreach around Europe...'

(Interview 19, Senior Manager, Company 19)

Most of the companies interviewed did not find a great difficulty in retaining staff despite the fact that a number of larger companies were experiencing difficulties in acquiring staff with the skill base required. This is likely to be related to the large degree of focus on staff workplace satisfaction in many companies and the fact that companies appear to be doing a lot more than in the past to keep their employees satisfied.

In terms of how work is organised, the analysis shows that as was the case with previous sectors, formal management structures exist in all of the larger firms whether they are indigenous or foreign companies. It is also the case that relatively loose management structures exist in smaller companies with some having no formal management structures at all. This is consistent with the results emerging from the previous two sectors analysed.

In contrast to the motion picture, radio and television sector discussed previously, there were only a small number of employees on short-term or flexible contracts in the computer and related activities sector. Predominantly, employees in the companies analysed were under permanent contracts. One interviewee stated that having employees on permanent contract helps facilitate the development of the business in the longer term by providing the business with an added degree of stability:

'I suppose I want to grow the company and the good people you have you want to hold on to...I prefer a company building up with permanent people there.'

(Interview 16, Director, Company 16)

In terms of how labour is organised within the workplace, the analysis shows that as with the previously discussed sectors it is very much project oriented and team based. However, depending on the size of individual contracts within the business labour may be organised into a number of smaller teams working on specific contracts or one large team if the contract is particularly large or if the contract is coming towards a deadline. And of course, the manner in which labour is organised is different depending on the size of the company and the number of people employed. So in larger companies for example there would be individual contributors or specialists with their own working remit as well as a team of managers each managing a team. Despite the fact that these structures are more complex than in smaller companies many of the same team based principles associated with creative knowledge industries still seem to apply. As one interviewee pointed out:

'...for example I am an individual contributor, then you would have a manager who would be someone who is involved in a team and would be managing a team or managing a manager who is managing a team. So it very much depends and again some things are projects, so if we were looking at re-engineering our supply chain there would be a project on that and there would be people who are skilled

up at doing those projects and bringing that to completion. There would be a lot of projects around how do we do a better job in managing and they would be doing a project based on that and then moving on to do another project.'

(Interview 19, Senior Manager, Company 19)

It is interesting to note that the larger companies that have projects designed specifically to determine how they can do a better job in managing and increasing the efficiency of the workplace. Ultimately however, the team based structure, however formed, is designed to increase collaborative creativity and enhanced performance in the workplace through increased productivity and/or some form of product or service innovation.

4.4.6 *The role of networks and networking*

The interview analysis reveals that there is a significant clustering of ICT (Information and Communication Technology) services and web design, digital media companies located in the central city area. The Digital Hub which was established as a state of the art digital facility for media companies has been influential in this regard. However, it is also the case that a large number of ICT services companies are located in the central area of the city facilitating a large number of small to medium sized companies from a wide range of industries that are also located in the central area.

Many of the companies interviewed have formal links with other companies either as partners or in terms of outsourcing some of their business activities. Outsourcing and sub-contracting is particularly important for small to medium sized companies because it enables them to offer a broader range of products beyond their own areas of specialisation. This means that they can offer customers a more complete product and ultimately gain some form of a competitive advantage in the marketplace. Thus, there is a huge partner eco-system in the sector and this is largely due also to the nature of the business where cutting edge technology is provided as a service. So for example web development companies have collaborative links with web hosting companies as well as broadband providers and phone companies while ICT services companies have links with partner links with internet security companies, hardware vendors as well as software companies such as Microsoft. There is a real element of interdependency within the sector generally which is not quite as prominent in the sectors discussed in the previous sections. These relationships are evinced in the following quotes:

'We would do that [have partners], we would work with people...For instance if a company is moving to a new office building they normally need cabling done, electrics, they need office movers, they need the IT to be sorted. So we don't do the office moving space and normally they can do that fairly handy but we will do everything else with partners.'

(Interview 15, Director, Company 15)

'...talking about the partner eco-system where we would be working with partners here...they are all industry partners from a business perspective. So there would be massive stuff around that. There is a huge [partner] eco-system of printers and logistic firms and outsource manufacturers.'

(Interview 19, Senior Manager, Company 19)

Some of the firms also had links with universities and one in particular wanted to see links between business and universities strengthened to a much greater degree than at present:

'We are looking at doing more but we do quite a bit already. There is an awful lot in DCU. We do some in UCD, Trinity, UCC, Limerick. We absolutely want to build closer links with the universities. That is something that we haven't been very good at previously so that is something we are putting a lot of effort into at the moment. That is the big focus here for us.'

(Interview 19, Senior Manager, Company 19)

Most of the companies also had links with some form of business organisation. As in previous sections, these organisations are viewed as important particularly in terms of keeping up to date with the latest developments in the industry and very often for meeting clients and acquiring future business and indeed often for future partner collaborations. As described by one interviewee:

'There would be networking with other people and because the Internet Association is not just for suppliers, it is for end users. So banks would be members of it so they can keep up to date with what technology they should be employing in terms of web technology. So you would meet potential clients but the events are really about networking with industry people even though they may be related suppliers. But the networking with suppliers is quite key even though is not going to be a way of getting core business.'

(Interview 17, Partner, Company 17)

Informal links also play an important role in the sector though not perhaps as greater a role as in the motion picture, radio and television sector. However, that is not to say they are unimportant. Some companies highlight the role of specialist internet blogging sites as a means of informal exchange of ideas and as forums of creativity. This was particular the case in the area of web design where the blogging community was particularly active and ideas were exchanged and problems and solutions shared across an international network in something of an open source community. As one interviewee states:

'...there would be websites like Delicious...so one of our main designers would have a bank of those and she would be part of that design community and she would have friends in other companies and they just bounce ideas around informally themselves. Like I need to do this kind of effect have you come across anything like that or would you be aware of that. So there would be a good but of that.'

(Interview 16, Owner, Company 16)

One of the companies interviewed suggested that business support network could be improved on for ICT services companies due to the fact that they were actually contributing to the infrastructure and thereby making business more productive:

'I think government support could be better...Service companies like ourselves find it extremely difficult to get any help because a lot of the money that is put down for investment purposes is for export. But the way I look at it is, support services like ourselves are also very important. Obviously I can understand why professional service companies don't necessarily get money so you are not going to give money to solicitors and accountants necessarily. But the likes of ourselves is slightly different. We are helping with the infrastructure...the work we are doing with businesses is helping those businesses become more productive.'

(Interview 15, Managing Director, Company 15)

4.4.7 Future trajectories

Mixed attitudes existed in relation to whether or not expansion or consolidation was the way forward on the near future. For many companies interviewed, there was a certain element of indecision in relation to expansion due to the existing turbulent global economic conditions. However, there was a clear variation in attitude towards expansion and this variation existed for companies located in the inner city and for those located on the outskirts as well as for companies at different stages in their development. The variation in prospects is highlighted by the following quotes:

'We have expanded very very rapidly for the last two years. It's a tough one to answer because we are a young company and we didn't think we would have expanded five times the size in two years. So right now we are fifty. We will probably get to sixty but I bet your bottom dollar we could go beyond that; we could go to seventy five or eighty people in this office here. But we are thinking sixty would be enough.'

(Interview 18, Senior Manager, Company 18)

'I think the focus for us is on value. The focus is not necessarily adding more jobs but maintaining the levels we have right now to add more value. Will we do more expansion? It's possible. If Dublin really does become a hub for talent that is a huge opportunity, that is a big one. So if it does become a hub for talent well then absolutely, if we can recruit really bright, smart engineers. But I would see it much more a roughly maintaining the number s we have but increasing the value.'

(Interview 19, Senior Manager, Company 19)

The uncertainty of the prevailing economic conditions on expansion plans as well as the fact that some companies simply do not want to expand beyond a certain size is highlighted by the following comments. Clearly, lifestyle choice and a work-life balance are particularly important for a number of those interviewed:

'We were always very organic and the guys set up the business because they all got fed up working for other people and they wanted a work-life balance. They wanted to work for themselves, they didn't necessarily want to have the responsibility of paying for ten designers working for them. So there was never a big plan to expand. But I don't think we can stay our size. It's a really funny time. Everyone is talking about an economic downturn and recession. So you never know; we could be gone in a year. But it's kind of hard; it's not a good time to decide you are going to expand either. I would say the future is very uncertain.'

(Interview 17, Partner, Company 17)

'We are definitely going to grow the existing business and make that stronger. That is obviously a goal we have. Do we want to become a thirty, forty staff business? In actual fact we don't. So there is a little bit of a lifestyle element for us...'

(Interview 15, Director, Company 15)

A number of companies also mentioned a number of policy improvements that could be made in order to improve the climate for doing business in the sector. Most of the suggestions were related to improving communication infrastructure such as the quality and availability of broadband. In addition, the role of the local authority in maintaining the attractiveness of the city was also considered to be an area of concern and particularly with respect to the transport infrastructure of the city

'...I think the city doesn't move; it's really congested. I think that is a down side and that is a government issue but the [local] authorities could do a bit as well; it [the city] is pretty dirty.'

(Interview 17, Partner, Company 17)

'...yeah, I think they [the Irish government] did it very badly on the broadband, really badly. Because I think it is still not really sorted...And you know, you would have [North] American companies saying we are very slow to reach this point. So why don't we just skip all these and bring in international speeds? Obviously it doesn't suit the ISPs [Internet Service Providers]; we are upgrading from the two to the four and you can pay extra and get the four meg connection speed.'

(Interview 16, Owner, Company 16)

4.4.8 Results summary

Box 4.3 Overview of key findings within the computer games and electronic publishing sector

Computer games and electronic publishing
<i>Summary of main issues</i>
<ul style="list-style-type: none"> ➔ Availability of labour and a diverse range of skills particularly important for companies in the sector. ➔ Central location important for companies with young demographic because of ‘soft’ factors associated with the city. ➔ ‘Soft’ factors associated with the work environment itself highly important for companies in the sector. ➔ Dublin is seen as having a good ‘vibe’ for young professional within the sector. ➔ Transport and generally poor accessibility is once again seen as a major issue affecting the attractiveness of the city. ➔ Diversity of the work being offered is a key factor in the attraction and retention of staff in the sector. ➔ Outsourcing is important for small and medium sized forms because it allows them to offer a broader range of products and services than would otherwise be the case. ➔ More formal collaborative arrangements exist in this sector than in the other sectors analysed. Informal links less important. ➔ Business support networks could be improved within the sector.

4.5 Key stakeholders in Dublin’s creative knowledge economy

Two expert stakeholders were interviewed - one from the IDA and one from Enterprise Ireland - in order to gain information in relation to the location preferences of foreign companies coming to Ireland (particularly creative companies) as well as attempting to identify the drivers for indigenous business start-ups in the creative knowledge sector. A further two expert interviews were conducted: one to ascertain information about the relative importance of ‘hard’ and ‘soft’ factors in relation to the competitiveness of the Dublin region while another was conducted to gain insights into policies being implemented in relation to creative cities in Dublin city.

Table 4.4 - Overview of stakeholders interviewed

	Position/Organisation
Interview 20	Senior Manager, IDA Ireland (IDA)
Interview 21	Senior Manager, Enterprise Ireland (EI)
Interview 22	Policy Advisor, National Competitiveness Council (NCC)
Interview 23	Senior Manager, Dublin City Council (DCC)

4.5.1 Location factors: the role of 'hard' and 'soft' factors

The interviews conducted with the stakeholders involved directly with the establishment of foreign and domestic enterprises in Ireland showed that 'soft' factors generally played a much greater role in the decision making of foreign multi-nationals than with domestic companies. While this is somewhat intuitive due to the fact that local start-ups will tend to congregate towards the nation's largest market, Dublin, it also suggests that firms with a large numbers of employees take greater consideration of 'soft' factors when deciding on a permanent company location.

Despite 'soft' factors playing an important role in company location, 'hard' such as infrastructure and labour availability were considered the building blocks upon which foreign companies made location decisions. This is in line with results from interviews conducted with creative knowledge companies in the previous sections. As stated by an official from the IDA:

'...the classic factors are still very important. But, you know it's all relative. You could say for example ten or twenty years ago when you couldn't get grants in Ireland that grants were very important. They are not anymore; grants are not really a deal maker, certainly not for the companies that I am dealing with. So it's not grants. Increasingly what we see is it is the availability of staff. Not even labour as labour is a generic term. It's the availability of staff that either have the skills for the company or have the potential to acquire them in the workplace setting. So that is absolutely crucial because especially when you are dealing with inverted commas, creative industries, I mean the real source of their competitive advantage, what they are selling is a service. And that is a contact intensive sport; it's very people based. So really the success of any company in that situation is rooted in its people...'

(Interview 20, Senior Manager, IDA)

'...you build on the core factors. So unless you have got the infrastructure, people don't want to live in a city that is completely congested...And human capital, infrastructure, competitiveness, cost and business performance would be the core factors and then everything else while they are not dependent on them they would happen in tandem with them; so social inclusion for example, that would be a huge part of building core competitiveness in cities.'

(Interview 22, Policy Advisor, NCC)

Within the context of labour availability it is often very specific labour skills that foreign companies are looking for and very often they will have completed their own research as to whether or not the company's labour requirements can be met within a particular city. Thus, by the time a foreign company comes in contact with an inward investment body they already have a lot of information about the city. Consider the following stakeholder comments:

'The companies now are so knowledgeable and what we recognise in the last few years is that they are doing their own due diligence on particular locations; before they ever touch down in Dublin, they know an awful lot about it.'

'...Google set up a European Headquarters here and run their business successfully out of Dublin. But they had done analysis which showed that Dublin would give them the language skills, because Dublin has become so metropolitan in the last few years, so that is why Google are here...something like seventy plus languages are delivered out of Google's operations here.'

(Interview 20, Senior Manager, IDA)

Despite 'hard' factor being dominant in location decisions-making, increasingly it appears that a combination of 'hard' and 'soft' factors ultimately determine the location choice of companies. 'Soft' factors appear to be particularly important if a company is satisfied that the 'hard' factors are adequate within a city and they are then considering relocating their senior executives from operations in other cities. Put another way, in a situation where 'hard' factors are adequate in more than one city, 'soft' factors then become more important in location decision making. In such a situation, companies are interested in selling the 'soft' factors of a city to their senior executives in order to entice them to relocate.

'...if they are satisfied that from a 'hard' infrastructure perspective Dublin is adequate, the issue for them is the 'soft' infrastructure. So they are asking us for more information on anything that will give them a sense of the quality of life in Dublin. So they want to know is there an international school. So who would have thought that when geographers were writing about the traditional location factors that the presence of an international school would be significant or not?...they are even asking us about proximity to leisure and recreation facilities, golfing, sailing etc because what is driving them to make this project work is that they are going to have to transfer key members of staff in an existing European operation. They are very senior, they are very experienced and they have the skill set that the company needs to actually bring the Irish operation here to begin with.'

(Interview 20, Senior Manager, IDA)

For domestic companies 'soft' factors played much less of a role in decision making. This was expected given that many existing and start-up indigenous enterprises do not have the option to relocate either to another European city or beyond Dublin because they need to be within close proximity to the marketplace and they need to consolidate and ultimately expand their business within the local market.

'...if you have a company that is offering creative services to a market in Ireland, it needs to be close to the market...so if someone wants to buy a million pencils they can look up the internet for pencils and press buttons and they can order as many pencils as they want, they don't need to meet the person. But when you are selling something a bit more advanced or more creative products and services, there is a more, I think there is a greater need for that personal touch in the market.'

(Interview 21, Senior Manager, Enterprise Ireland)

As far as drivers for start-ups in the creative knowledge sectors are concerned, one official pointed to the fact that start-ups enterprises can arise as a result of different circumstances. For example, the decision of one company to relocate outside of Ireland may result in a former employee establishing a business within that particular sector to serve the Irish market initially and then perhaps expand. Moreover, it is also often the case that senior managers within established companies decide to start a competing enterprise most often within a similar industry. The foregoing is exemplified by the following quote:

'My experience, having looked at hundreds of start-ups, is that industry begets industry...in so far as companies would be set up by an individual who has left his own industry, who has experience in either the technology or the market or the customers, and is starting up on his own.'

(Interview 21, Senior Manager, Enterprise Ireland)

4.5.2 The role of Dublin

The role of the city in attracting foreign investment and in providing an incubator space for domestic enterprise to flourish was considered to be crucial by officials from both the IDA and Enterprise Ireland. One official pointed to the poor transport system in Dublin and to how it can impact on labour recruitment for large companies as well as impacting on the attractiveness of the city for foreign enterprises:

'Transport is an issue for them [foreign companies] because they experience it every day so naturally companies are going to complain about that. ...because the public transportation structure isn't as well developed as other EU cities...that actually can create problems on the recruiting side because it means that it's harder to reach into the more distant pockets to source your skills or your staff. The staff couldn't realistically get to or from their place of employment in a timeframe that would make the job attractive for them. So I mean issues to do with intra-urban accessibility do impact on the labour market, unemployment, opportunity and skills needs...'

(Interview 20, Senior Manager, IDA)

However, despite a number of managers of creative and knowledge enterprises, and particularly the small to medium sized enterprises, feeling that broadband was a problem in Dublin this was an issue that was not considered to be significant for larger foreign companies:

'Broadband doesn't appear to be a problem, at least not for our clients. Our clients are going to have very high spec contracts with their broadband provider whether it's Eircom or BT. We know for example that our global connectivity is of a high quality and there is surplus capacity. It was an issue I actually raised with X in Google recently. He said there was no issue involved. So Google are just down on Barrow Street and trust me, if a company like Google had an issue with broadband, they would let us know. Now, whether most small and medium

enterprises in different parts of the city or in the suburbs have issues, I don't know...'

(Interview 20, Senior Manager, IDA)

Looking to the future, there was a generally positive view of Dublin as an attractive city despite the recent downturn in economic conditions in Ireland. There was also a view that Dublin has considerable potential to improve the attractiveness of the city further particularly with respect to enhancing its image as a liveable city:

'I am quite positive. See what is happening for example down on the IFSC [International Financial Services Centre]. It was just a collection of office buildings in 1987. But out of those small beginnings we have actually put Dublin on the map...But you can see what is happening along the docks between the IFSC and the Point Depot; there is a huge opportunity to create a new quarter. I find the fact that it's mixed development, commercial, retail and residential heartening because it means that people will be able to live closer their place of work...'

(Interview 20, Senior Manager, IDA)

4.5.3 Urban policy and economic competitiveness

One stakeholder was interviewed from Dublin City Council (DCC) local authority and one from the National Competitiveness Council (NCC) in order to identify emerging policy in relation to Dublin as a creative city and also to determine the merits and demerits of Dublin as a creative city.

In terms of urban policy, there appears to be clear steps within the city authorities to move towards creative city policies. These policies are currently in the developmental stage but generally involve a re-branding of the city as a 'creative city' including increased cooperation between city authorities and business in something of an 'entrepreneurial city' approach:

'...we have to stay ahead of the competitive race which is really in the field of high-end design and creative thinking, innovation and in particular the use of technology at the edge of thinking. So there is a vested interest in the city that business thrives because that is part of the revenue, it's part of the life of the city...'

(Interview 23, Senior Manager, DCC)

The move towards increased co-operation between the public and private sphere is something that was also highlighted by the official from the NCC:

'...we have met with Dublin City Council on that [growing specific sectors of the economy] and it was quite interesting to see people talk about urban entrepreneurialism which is basically local authorities being more business aware, taking more risks in order to make there are more competitive; working with businesses to create an environment where they can prosper. We are beginning to see this emergence in local authorities particularly in Cork and Dublin and it has been driven in fairness by the market rather than by the authorities themselves. So

for example, we know that Google went to Dublin City Council and said how can we work together? And Google would have taken a very broad approach. It wasn't specifically that they wanted a DART service [Dublin's electrified rail system] to Grand Canal Station. It was quite a 'how can we make Dublin better' approach, as Google needs it for staff.'

(Interview 22, Senior Manager, NCC)

Other creative city initiatives on the local authority agenda include the establishment of a Creative Dublin Alliance, a body in the process of being established to assist the city council in developing Dublin as a creative city:

'...the Creative Alliance is in it's early days and still hasn't figured out whether it's creative knowledge or creative alliance or what. But the idea is that there is a need, and I think there was a manifestation of this some years ago, there is a need to connect the university, the business sector and the city to look at how collectively they can actually pool their knowledge, their resources and their commitment to both making Dublin a more creative city and at the same time branding Dublin as a more creative city...'

(Interview 23, Senior Manager, DCC)

Indeed, more specific creative planning policies appear to be in the offing for the city with the establishment of creative quarters in the city in order to attract young talented workers and enhance the diversity of the city:

'...a mix of housing-development workspaces for creative people, interactive spaces, all this type of thing can lead to almost creating design districts in the city.'

(Interview 23, Senior Manager, DCC)

While these initiatives have the potential in terms of their innovative capacity, it is unclear how particular spaces in the city can be reserved and harnessed specifically for creative individuals, particularly in a free market economy. Moreover, the pursuit of policies aimed at attracting a specific type of person to a city could have serious social exclusion implications whereby individuals from more disadvantaged socio-economic backgrounds are in danger of being left behind.

'If you don't equip people to enter that [the labour market] then they will be left behind. So the reality is that if you don't address the skills deficit in the indigenous population you will find yourself with a new tier and a dangerous tier because it will be essentially an imported tier of people who are in well paid jobs contributing to the need of the creative economy.'

(Interview 23, Senior Manager, DCC)

In terms of city competitiveness, the stakeholders interviewed recognised that some problems existed with the quality of broadband in the city as well as with the city's transport infrastructure.

'If you come to the city and you have a background in creative ICT and research and you are pissed off that the broadband connection breaks down or you can't get it on the DART when you need to check your emails or any of that kind of stuff. You are eventually going to find another city, a more attractive location. If you are robbed or mugged you are going to find somewhere else more attractive. If you find transport frustrating, you are going to find a more attractive city. So the 'hard' factors need to be dealt with.'

(Interview 23, Senior Manager, DCC)

'The negative will always be traffic and I suppose from a social point of view the urban sprawl that has occurred over the last fifteen to twenty years which has meant that employees and staff have greater commuting distances and may not be enjoying the work-life balance. And maybe that is important in the creative industry, the fact that people won't be fresh in their thinking.'

(Interview 21, Senior Manager, Enterprise Ireland)

'...most companies if you ask them what the impeding factor is, they will tell you broadband. Now in fairness there have been huge advances even in the last twelve or eighteen months. But it's from such a low base and all the time we are still behind [other European cities]. So it's a difficult one.'

(Interview 22, Senior Manager, NCC)

The IDA official interviewed recognised that while Ireland's competitiveness was waning slightly on previous years, the country continued to be highly competitive on a European and international level and Dublin continues to be the core driving force of the countries competitiveness:

'...the City of London produce a report called the Global Financial Services Centre Index. And what it does is it measures or assesses a location using a range of criteria – 'hard' factors, 'soft' factors – that sort of thing, accessibility to skills. They have published three reports and Dublin started off in the top fifty; we started off ranked twenty two and two reports later we are at thirteen, ahead of Paris. So what those researchers and consultants are saying is that for those criteria, as I said 'hard' and 'soft' criteria, Dublin is now just outside the top ten. So if that is an indication of Dublin's strengths, particularly in a financial services context, then that is a sign that we are not doing too badly.'

(Interview 20, Senior Manager, IDA)

Indeed, the official interviewed from the NCC pointed out that on a general level productivity remains very high in Irish industry and particularly in the services sector albeit productivity growth is declining and this is having an impact on economic competitiveness:

'...while productivity remains very very high, the productivity growth hasn't been keeping up with where we [the NCC] like to see it.'

(Interview 22, Senior Manager, NCC)

Other issues that have the potential to impact on the development of the creative knowledge economy in Dublin are the high cost of childcare. It seems that female participation in the labour force drops off dramatically with the birth of a second child because in economic terms it makes more sense for a mother to stay at home with her children than to incur the cost of putting two children into childcare. There is little doubt that this is a deterrent for the participation of highly skilled females in the workforce.

'...the price of childcare is so high. I think both from the actual cost of childcare and when you measure the actual cost from disposable income that Ireland is the most expensive and the second most expensive in Europe. So that is a huge issue. The first child seem to be ok [i.e. females tend to come back to work after the birth of the first child]. But with the second child it plummets and you can understand that.'

(Interview 22, Senior Manager, NCC)

4.5.4 Results summary

Box 4.4 Overview of key findings from stakeholder interviews

Stakeholders in the Creative Knowledge Economy
<i>Summary of main issues</i>
<ul style="list-style-type: none"> ➔ A combination of 'hard' and 'soft' factors are taken into to consideration for foreign companies. 'Soft' factors become particularly important if 'hard' factors are adequate in more than one competing city. ➔ For domestic companies 'hard' factors are highly dominant in location decision-making. ➔ Overall, 'hard' factors are the building blocks upon which location decision are made for both companies and their employees. ➔ Transport is a key obstacle for companies within the region and impacts negatively on access to labour markets and skills pools. ➔ There is an mergence of creative city policies within the city administration. There is a move towards increased co-operation between city authorities and local enterprises. ➔ Current transport and broadband infrastructure are a hindrance to Dublin's competitiveness at the European level and need to be improved in the future. ➔ Dublin continues to rank highly at the European level with regard to both 'hard' and 'soft' factors associated with the city and continues to be highly competitive.

5 CONCLUSIONS

5.1 Overview

The primary objective of the current work package has been to determine the relative role of ‘hard’ and ‘soft’ factors in company location decision making. The analysis focussed on determining to what extent company location decision making is influenced by consumption related 'soft' factors (for example, attractive housing, amenities and leisure facilities; the atmosphere or 'buzz' of a city; the level of tolerance in the city) or by production related 'hard' factors (such as job availability, the quality of public services, local taxation policy and transport accessibility). The relative role of ‘hard’ and ‘soft’ factors in relation the nature of the work environment itself (see Murphy, Redmond and McKnight, 2008) were also investigated.

Another aim of the analysis was to investigate labour organisation and labour processes in the creative knowledge companies chosen in an attempt to determine whether they conform to the labour characteristics described by Scott (2006) for ‘new economy’ companies. Other objectives included investigating the role of formal and informal business networks for creative knowledge companies as well as investigating barriers and stimulants to the development of Dublin’s creative knowledge economy.

It is important to note at the outset that the results emerging from the current analysis are specific to the three sectors being analysed: business and management consultancy activities; motion picture and video, radio and television activities; computer games and electronic publishing activities. While many of the result regarding the role of ‘hard’ and ‘soft’ factors are complemented by results form the previous work package (Murphy, Redmond and McKnight, 2008), it is difficult to determine with any degree of certainty whether or not the results are representative of the creative knowledge industry as a whole.

5.2 General conclusions

5.2.1 *Location choice and the role of ‘hard’ and ‘soft’ factors*

One of the key results to emerge from the research is that the role of ‘hard’ and ‘soft’ factors varies in the location decisions of creative knowledge companies. In particular, the results demonstrate that role of ‘hard’ and ‘soft’ factors varies depending on the sectors under analysis. ‘Hard’ factors appeared to be dominant for the business and management consultancy sector while ‘soft’ factors played only a minor role in company location choice. On the other hand, ‘soft’ factors played a central element of the location decision making of companies within the motion picture and video, radio and television sector and also within the

computer games and electronic publishing sector. It is notable, however, that 'hard' location factors played the most important role in all of the sectors considered while 'soft' factors played an important secondary role. Thus, the results for company location are similar to those for workers analysed in the previous work package (Murphy, Redmond and McKnight, 2008). Taken together, the results suggest that 'hard' factors are the 'core' factors affecting the attractiveness of the city for both creative knowledge workers and companies. 'Soft' factors are largely secondary considerations.

While on a general level the results highlighted the variable role of 'hard' and 'soft' factors for different sectors in the creative knowledge economy, they also demonstrated that the relative role of 'hard' and 'soft' factors varies depending on whether the companies being analysed were indigenous or foreign companies or whether they were large or small (in terms of the number of permanent employees). Broadly speaking, the research evinced that 'soft' factors played a more important role in the location decisions of foreign companies. Indeed, most foreign companies felt 'soft' conditions were important for attracting 'key' personnel to the city where they are considering locating. For foreign companies, the role of 'soft' factors became particularly important when the 'hard' factors were deemed to be adequate in more than one competing city. In such a case, the evidence suggests that foreign companies look towards 'soft' conditions within cities when making a final decision on where to locate. By way of contrast, 'hard' factors were considerably more dominant in the location decisions of indigenous companies.

Geography also appears to be an important factor when deciding on the relative role of 'hard' and 'soft' factors for company location choice. Companies located in the central area appear to take greater consideration of 'soft' factors than companies located at the outskirts and this trend holds for companies both within the specific sectors and also between the sectors analysed. The reason for this is unclear but relates, to some extent at least, to the wider availability of social and cultural facilities which are provided by the enhanced accessibility of the central area.

The communications infrastructure is causing considerable concern for many of the companies analysed. In particular, there is a high degree of dissatisfaction with the quality of the transport system, and the public transport system in particular, within the Dublin region. The quality of the broadband system is a further source of concern for many of the companies interviewed. However, this was particularly the case for small and medium sized companies who do not have high-end broadband specifications with their internet services providers. Many of the companies interviewed felt that the lack of quality communications infrastructure impacted negatively on productivity.

The most attractive feature of Dublin for companies deciding to locate in the Dublin region was undoubtedly the availability of a highly qualified, highly diverse labour market and this trend was similar for both indigenous and foreign companies interviewed. In this sense, the results would appear to add some weight to the notion of Florida (2002) that companies are following the location patterns of talented labour. However, the availability of a talented labour pool has been a prominent decision making factor in company location theory for some time. This is nothing new.

What is new perhaps is the extent to which labour has become increasingly mobile and the extent to which mobile and talented individuals are influenced in their choice of city by ‘soft’ factors associated with a city’s living environment. Our interviews with company managers suggest that the ‘buzz’ or social atmosphere of Dublin as a city in which to live is highly important for many of their employees. Thus, the role of Dublin as a liveable city is likely to be a significant factor in attracting and retaining the specialised labour which in its turn is necessary for company success. In essence, there appears to be an inter-dependency between ‘hard’ and ‘soft’ conditions associated with Dublin as a city in which to live and as a city in which to do business: labour is attracted to the city on the basis of ‘hard’ factors (i.e. job availability) and is retained on the basis of ‘soft’ factors (i.e. the liveability of the city) while companies are attracted to the city on the basis of specialised labour availability (a ‘hard’ factor) which, in its turn, is retained in the city by ‘soft’ factors (i.e. the liveability of the city).

5.2.2 Labour organisation

Within the sectors analysed, the research shows that formal management structures exist primarily in larger sized companies while most small companies have relatively loose management structures. In the larger companies analysed, hierarchical management structures exist together with vertical labour arrangements. By way of contrast, loose management structures existed in many of the smaller companies analysed together with horizontal labour arrangements. The analysis shows that one of the key attractions for workers within creative knowledge industries is the diversity of the work tasks being undertaken. It seems that there is considerably more diversity in the work tasks being undertaken in smaller companies than in the larger companies. Much of this is due to the fact that more rigid management structures exist in larger companies and the more strict delegation of tasks that is associated with such structures can very often reduce the range of the work tasks being undertaken. On a broader level, this suggests that creative knowledge workers are more attracted to smaller companies with diverse and less rigid labour arrangements.

Another key feature to emerge during the course of the analysis was the manner in which work tasks were organised. The research shows that labour was generally organised in team based structures and this trend was evident in the analysis of both large and small companies. This conforms to Scott’s (2006) assertion that labour is organised in team based structures in ‘new economy’ industry in order to harness the collaborative creative abilities of individuals and ultimately to increase productivity and product innovation. However, Scott has also suggested that the creative economy is characterised increasingly by workers on short term and fixed employment contracts. Our study found little evidence of this phenomenon in the business and management consultancy sector or in the computer games and electronic publishing sector. While there was considerable evidence of employees on short-term and fixed employment contracts in the motion picture and video and radio and television sector, this due in the most part to the cyclical nature of employment in that particular sector.

5.2.3 *The role of networks*

The results emerging from this study show that start-up assistance is extremely important as drivers for the establishment of creative companies. Enterprise Ireland and related government support organisations were deemed invaluable as an incubator of new creative knowledge enterprises. A number of company managers expressed the opinion that it was extremely difficult to establish a creative knowledge enterprise without the support of government backed business support and enterprise organisations. Looking to the future, it would appear to be crucial that the role of these organisations remains prominent in the development of creative knowledge industry in the Dublin region.

Networks play a very important part in doing business within the creative knowledge companies analysed. It is notable that within the three sectors analysed, formal and informal networks held variable degrees of importance. For the business and management consultancy sector formal networks were more important than informal networks while the opposite was the case for the motion picture and video and radio and television sector. In broad terms however, formal networks were deemed important in establishing partnerships between companies in order to broaden the range of products and services that could be offered and as a result gain some degree of competitive advantage in the marketplace. On the other hand, informal networks were generally used as a means of exchanging information and ideas as well as keeping up-to-date with the latest technical and business developments occurring within a particular sector.

5.3 Implications for urban policy

There is little doubt that a potential conflict exists between the economic dynamism of a city and its living environment. Quite clearly, the most satisfactory outcome for any city is for a balance to exist between the regional economy and overall quality of life. However, a recent OECD report on competitive cities (Organisation for Economic Co-operation and Development, 2006) has pointed towards the difficulty of achieving such a balance for urban policy makers. Very often, negative externalities associated with a city's living environment are associated with high levels of economic growth within city regions. It is crucial for sustainable economic development into the future that urban policy makers do not concentrate only on the productive elements of cities and that sufficient attention is given to the human aspect of cities as places in which to live.

In Dublin it is clear that there have been a number of negative externalities associated with the regions rapid economic growth in recent years. The real dilemma for city and regional administrators centres on how to sustain economic growth into the future and, in particular, where to direct increasingly scarce resources. If resources are directed solely at the productive elements of the city and the liveable elements of the city are ignored, then the city risks losing a large amount of its human capital which is a vitally important aspect for attracting investment in the region. The opposite is also the case: resources cannot be directed solely at the city's liveable elements or the productive capacity of the city will be threatened. Some form of balance is required.

The results emerging from this study show that companies are attracted to Dublin primarily on the basis of the productive elements of the city, particularly the availability of an adequate labour pool with a wide range of specialisms. Thus, ‘hard’ factors are an extremely important part of Dublin’s attractiveness. However, it is clear also that the role of Dublin as a city in which to live is important for company location and this was particularly the case when the productive factors (‘hard’ factors) were deemed to be adequate in more than one competing city. This implies that while ‘hard’ factors are the core building blocks around which Dublin’s creative knowledge economy is likely to be based into the future, ‘soft’ factors associated with the city’s living environment can also be a determining factor in the location choice of companies. Looking to the future, while the results suggest that the bulk of resources should to be invested in the core infrastructure of the city, investment also needs to be directed towards the city’s living infrastructure.

There are significant movements within local authorities in Dublin and elsewhere in Ireland towards the implementation of creative cities policies many of which are overwhelmingly concerned with improving ‘soft’ conditions within cities. While improving ‘soft’ conditions associated with cities is welcomed, the results from this study suggest that such policies should be only be implemented in tandem with the core infrastructure of the city. The core infrastructure of the city represents the building blocks upon which the living and productive capacity of the city is based. In addition, there is a real danger that directing investment towards a particular class of people (i.e. the creative class) will lead to the exclusion of other members of society and may indeed create an urban environment that is exclusionary in its attractiveness. This was summed up succinctly by one interviewee from the IDA:

‘I don’t think you can build or create a suitable policy around the concept of the creative class and the creative city partly because there is a kind of exclusivity to what Richard [Florida] is talking about. And when you look at the cities that Richard actually identifies as being typical of the creative class, they are quite unique in their own right; the San Francisco’s of the world and the Toronto’s of the world etc. You know, part of the attractiveness of those cities is their own distinctiveness and I am not entirely sure every city in the world can be like that.’

(Interview 20, Senior Manager, IDA)

The foregoing is something which must be borne firmly in mind when adopting ‘creative’ urban policies and ‘creative cities’ policies in urban areas in the future.

6 REFERENCES

- Crossa, V., D. Redmond, B. Williams and N. Moore (2007) *Target group importance: A preparatory analysis for surveying the creative and knowledge economy*, ACRE report 4.13, Amsterdam: Amsterdam institute for Metropolitan and International Development Studies (AMIDSt).
- Fahey, T., B. Nolan and B. Maître (2004) *Housing, poverty and wealth in Ireland*. Dublin: Institute for Public Administration and Combat Poverty Agency.
- Florida, R. (2002) *The rise of the creative class*. New York: Basic Books.
- Grabher, G. (2004) Temporary architectures of learning: Knowledge governance in project ecologies. *Organisation Studies*, 25: 1491-1514.
- Mac Éinrí, P. (2005) Our shelter and ark: Immigrants and the republic. In: A. Finlay (ed.) *Identity under erasure? Irish perspectives on citizenship and the politics of identification*. Berlin and London: LIT Verlag.
- MacLaran, A. (1993) *Dublin: The shaping of a capital*. London: Belhaven Press.
- Murphy, E., D. Redmond and D. McKnight (2008) *The creative knowledge economy in Dublin: Understanding the attractiveness of the metropolitan region for creative knowledge workers*, ACRE report 5.13, Amsterdam: Amsterdam institute for Metropolitan and International Development Studies (AMIDSt).
- National Economic and Social Council (2004) *Housing in Ireland: Performance and policy*. Dublin: National Economic and Social Council, Report no. 112.
- Organisation for Economic Co-operation and Development (2006) *Competitive Cities in the Global Economy*. Paris: OECD.
- Prunty, J. (1998) *Dublin slums 1800-1925: A study in urban geography*. Dublin: Irish Academic Press.
- Redmond, D., V. Crossa, N. Moore and B. Williams (2007) *Dublin as an emergent global gateway: Pathways to creative and knowledge-based regions*, ACRE Report 2.13, Amsterdam: Amsterdam institute for Metropolitan and International Development Studies (AMIDSt).
- Scott, A.J. (2006) Creative cities: conceptual issues and policy questions. *Journal of Urban Affairs*, 28 (1): 1-17.

7.1 List of company participants

Name: Microsoft Ireland
Web: www.microsoft.com/en/ie

Name: Studio Rua
Web: www.studiorua.ie

Name: Brown Bag Films
Web: www.brownbagfilms.com

Name: Openmind Networks
Web: www.openmindnetworks.com

Name: Kevin Cannon – independent
webdesign consultant
Web: www.kevin.ie

Name: PopCap Games
Web: www.popcap.com

Name: Prospectus Strategy Consultants
Web: www.prospectus.ie

Name: Doop - Digital Media Consultants
Web: www.doop.ie

Name: Astron Consulting
Web: www.astron.ie

Name: Fairview Analytics
Web: www.fairview-analytics.com

Name: Rosie Ni Cionnaith – independent film
maker

Name: Century Management
Web: www.centurymanagement.ie

Name: Clickstream
Web: www.clickstream.ie

Name: Ava Television and Film Services
Web: www.avatvandfilm.com

Name: Itomic IT Services
Web: www.itomic.ie

Name: Radio Telefis Eireann
Web: www.rte.ie

Name: Happy Endings Productions
Web: www.happyendings.ie

Name: Motive Television
Web: www.motive.ie

Name: CMC Creative
Web: www.cmccreative.ie

7.2 Interview guidelines

1. Short introduction of the interviewer and ACRE (2 minutes)

2. Warm-up question to start the interview

- Position / description of daily work and tasks in the firm

3. Possible opening questions:

- What does your company produce? / What services does your company provide?
- What is special about your company?
- How does your company organize the production process? How does your company organize the performance?
- Can you explain this to me? (come to various focus areas which are mentioned in the guidelines: see below)

Or start with any other focus area if you think this is more suited to your local situation

4. Networks

- Where are your customers? (rough estimate of the *relative share* of origin of customers: inner city, region, state/country, abroad)
- Subcontractors / suppliers: Collaboration with other companies (same sector other sector) in the region of Munich
- Describe the relationship: collaboration / competition
- Collaboration with other actors in the region
 - o Universities / research institutions
 - o Member of business organisations?
 - o Administration / organisations of public authorities
- Quality of the relationships (satisfied with it?)

5. Location Factors (soft and hard)

- Why did the company settle in the city of...?
- Why not in another city in ...(country)?
- Role of factors like
 - o Infrastructure (transport, IT infrastructure)
 - o Labour market
 - o City administration
 - o Costs (rent/living/personnel) ...
 - o Policies / support by the city/region government
 - o Tax climate
 - o

- quality of life
- leisure activities
- region
- sub cultural scene
- tolerance – acceptance of diversity
- Why did the company settle in this neighbourhood/quarter/part of the city?
(Depending on where the company is located: why in the inner city / urban fringe / suburbia? Why not in inner city / urban fringe / suburbia?)

6. Sector at the location

- Can you describe the role of (city) for your sector? Is the city an important location for your sector in the national / international context?
- What advantages or disadvantages does the city offer in comparison to other cities for your sector?
- Image of the city for this sector

7. Recruitment of highly qualified personnel

- How do you recruit your employees?
- Where do you recruit them?
 - Universities / Fairs
 - Regional /national / international scale
 - Problems

8. Prospects

- prospects of the company at the location
- prospects of the sector at the locations
- What could be done better by the public authorities? Wishes? What conditions can be improved?