Does Media Management Matter?
Establishing the Scope, Rationale, and Future Research Agenda for the Discipline

Lucy Küng
Jönköping International Business School

ABSTRACT The field of media management has grown frenetically. Over the past ten years a rash of courses have sprung up all over the world, two journals have been established, as well as two professional associations for academics working in the field. Yet despite—or perhaps because of—this fast growth it remains a confused field, particularly concerning its scope, purpose and methods. This paper addresses these issues in three ways. First, it analyses the current state of play in the field, with specific reference to the theoretical orientations of key players in the field and the implications these have had for scholarship output to date. Second, it adopts the perspective of the media organization and identifies which aspects characterise, or even differentiate, the management task in this context. Finally, by synthesising these contextual insights with research emphases to date, it makes recommendations for future work in the field, both in terms of theoretical perspectives and methodological orientations.

KEY WORDS: management, scholarship, philosophy

The cable news channel CNN has always attributed a large part of its early success to simply being in the right place at the right time. In part "the right place" meant being where stories were breaking, but in part it also meant being in at the beginning of cable television, acquiring "must carry" status from the start, and therefore simply growing on the back of the cable industry as it expanded and established itself.

The establishment and growth of the field media management has many parallels. It emerged in response to growing interest from researchers and scholars in the profound developments underway in the

media, communications and technology fields and then enjoyed vibrant growth over the last decade as these industries have grown in influence and size. Postgraduate courses have been launched all over the world, new academic journals have been established, and academic associations created to further discussion between the growing number of academics active in the field.

Now however, over a decade after the field's inception, the field of media management is out of its infancy, and it is an appropriate time to take stock. This paper attempts to do this by asking three questions: (1) what is the current state of play? Where does media management stand now; (2) because media management is an applied discipline, what is happening in the empirical context? What are the critical management issues for from the industry perspective? And, (3) how should academia respond to these? How should we shape and approach our research and methodological priorities for the next decades?

THE SCOPE OF THE FIELD

In contrast to the closely allied field of media economics which emerged in the 1970s media management is a young discipline. Its primary academic journals are both recent: *The International Journal of Media Management* was founded at St Gallen in 1998 and the *Journal of Media Business Studies* in Jönköping 2004. It has two key academic associations, one founded in 2004, the European Media Management Association (EMMA), and one in 2005, the International Media Management Academics Association (IMMAA).[1] Teaching activity has been around longer. UCLA Anderson School of Management launched the first course in 1980, but the real growth in the sector took off around the turn of the millennium, when a flurry of new media management courses appeared all over the world. While a small group of initiatives have come from business schools, the majority have come from non-management institutions or departments. This has a number of ramifications.

While the field is acquiring critical mass in terms of students and scholars, it has yet to establish an accepted set of theoretical foundations. Its literature is fragmented and diverse—a loose agglomeration of work by researchers approaching the topic from different academic backgrounds. Within this broad terrain a number of clear strands can be discerned:

> **Media Economics** Much of the analysis of the media from a business perspective has been conducted by media economists. They tend to

---

[1] Two significant organizations, the Association for Education in Journalism and Mass Communication and the Broadcast Education Association, have subgroups on media management but the associations themselves are not focused on management.

work at an aggregate level—sector or market—and study the structure of sectors and markets, and the deployment of resources, particularly financial ones, to meet the needs of audiences, advertisers, and society (Picard, 2002). A number of media economists have moved into strategy, employing in the main rationalist models to provide insights into diversification strategies, environmental alignment, and competitive positioning.

Political Economy Political economists are interested in the structure of the media industries from the perspective of regulatory and policy issues. Applying a combination of economics, politics, and sociology, they focus on economic determinants, ownership structures, and political allegiances in the media industry.

Media Studies This is a relatively new cross-disciplinary field that applies concepts from sociology, cultural studies, anthropology, psychology, art theory, information theory, and economics to analyse the output of media organizations as a means of understanding society, its value system, and the cultural discourses at play (Cottle, 2003).

Mass Communication and Journalism The nature of media content and how it is processed and delivered to audiences is the focus of this discipline. It encompasses why the mass media have come to be organised in the way they are, how they function—how content is produced and delivered—and the effect such content has on audiences, individually and collectively.

The net result is that while the field displays deep specialist knowledge of the sector, and a rich and broad spectrum of theoretical knowledge, application of management theory is surprisingly weak. Media firms are in the main addressed as businesses rather than organizations, at a macro rather than micro level, and the majority of attention is focused on exogenous changes (technology, regulation and consumption for example), and relatively little on internal firm dynamics and how these impinge on performance outcomes.

There has, of course, been a large stream of work on media firms' strategy but this tends to apply a narrow set of concepts, namely rationalist models from the industrial organization school. These studies add fine detail to our understanding of how the industry is changing, but those of us who have spent time in media firms—or inside academic institutions for that matter—know life can be more complicated than these models assume. Organizations are complex systems which include a host of intangible and irrational factors that make outcomes uncertain and often preclude generalization.

RATIONALE—WHY STUDY MEDIA MANAGEMENT

The goal of studying media management must be to build a bridge between the general discipline of management and the specificities of the media industry and media organizations. This sounds relatively straightforward, but is actually complex, with both management theory and the nature of the media industry presenting significant challenges.

To take management theory, three factors cause complications. First, there is the problem of breadth. The body of scholarship relating to matters of management is quite simply enormous. Which of these concepts are the most relevant? Second there is the problem of fragmentation or pluralism. Management is not a coherent science. In the 1960s, when business schools started to gain ground, it once rested on a widely accepted set of premises, assumptions, instruments and techniques. But successive waves of research and critical reflection have generated a profusion of different concepts, approaches and schools. This has left the field richer and more subtle, but also differentiated and complex. Further, as we shall see, media firms are not thoroughbred commercial entities, but must also comply with public interest and artistic and creative imperatives. This means it cannot be assumed that the theories most relevant to general management will be those most appropriate for the media. The third problem concerns compartmentalism or incommensurability as it is expressed in scholarly literature. The various concepts and theories contained within the field of management are not only diverse, but in many cases inconsistent if not contradictory.

The task of defining a teaching or research agenda is further complicated by the diversity of the sector. Although the collective term "the media industry" is commonplace, in reality the sector is far from monolithic. Its comprises a broad range of subsectors, ranging from trade journals to Hollywood movies, that have little in common except perhaps the activities of content generation and the presence of regulation. Each of these subsectors has different histories, markets, technologies and regulatory influences. The industry is also inhabited by a unique array of organization-types that cut a swathe through different branches of management theory, ranging from small regional newspapers and startup book publishers, to public service broadcasting entities, to complex global conglomerates. Family businesses are surprisingly common, even at the top of the industry—News Corporation and Viacom are two obvious examples.

How, then, can we begin to decide which of this plethora of available management theories are most relevant? Management, unlike "purer" scientific fields is an applied discipline, as Mintzberg once observed, an art rather than a science. A way forward therefore is to adopt a constructivist perspective, that of the manager in the media firm. What, if any, are the elements that characterise or even distinguish this management task from that in other sectors? What insights do they

provide in terms of identifying research imperatives or methodological orientations?

FACTORS SHAPING THE TASK OF MEDIA MANAGEMENT

Management is always situational, and the appropriateness of any given approach will depend on the industry context (Hambrick, 1983). Figure 1 shows a model developed at the Media Management and Transformation Centre at Jönköping International Business School to introduce coherence into our research initiatives. In the centre we have the media organization, engaged in transforming various types of creative, intellectual and cultural inputs into products and services to be consumed by audiences/markets. The organization exists in a broader environment, comprising many elements, but particularly significant for the media are audiences/markets, technological advances, and regulation/policy influences.

Figure 1. Model of Management Research at MMTC
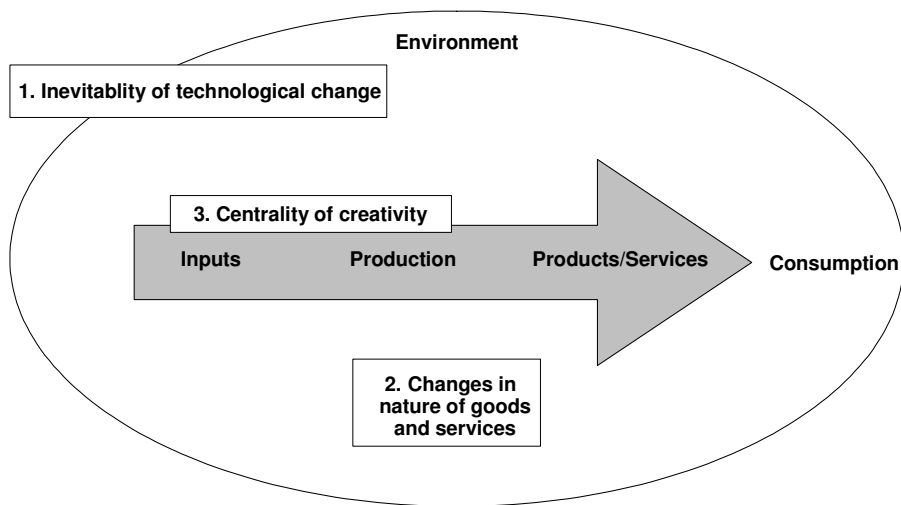
A decade spent in academic research in the media field, a further prior decade spent managing and creating content within it, and a current project interviewing industry leaders on their strategic priorities, pinpoint three factors which currently play a disproportionate role in shaping the task of management in the media industry, and these are shown in Figure 1. To gather insights for future research orientation and we need to explore these.

The Inevitability of Technological Change

Despite the focus that tends to be placed on content, the media industry is symbiotically linked with technology and technological developments and viewed longitudinally, technological change has been a consistent and longstanding management challenge. Each of the three core dimensions that constitute the sector, content, distribution systems, and devices that display content, came into existence because of technological invention (for example, photography, printing, sound recording, broadcasting) and technology, inevitably, continues to evolve.

The erosion of markets and business models as a result of technological advance is inevitable: the emergence of television in the 1940s contributed to the demise of Hollywood's studio system in the US and ultimately caused newspapers' share of total advertising revenues to fall from 90% in the 1940s to 20% by the 1960s. The emergence of the CD Rom undermined many segments of the reference book industry, particularly the print encyclopaedia. Desktop publishing systems rendered craft newspaper printing skills redundant. The Internet and peer-to-peer file sharing systems contributed to the near collapse of the music industry over the past few years.

However, while technological change is always present in the media field, it can be argued that the volume and velocity of the changes now underway—broadband, the Internet, mobile telephony, social networking sites, MP3 players and so on—have created a peculiarly challenging environment for the media, where existing business models are clearly expiring, but the volume and velocity of change makes outcomes non-linear and unpredictable. What was widely predicted for the first dotcom revolution and never transpired has finally come to pass with the second one. The industry is confronted with the significant changes threatened a decade ago.

Centrality of Creativity

Creativity is central to all organizations—a good new idea is uncircumventable first stage in all new organizational initiatives—whether involving products, processes or procedures (Amabile, 1988; Staw, 1990). These new products, processes and procedures are the cornerstone of an organization's ability to adapt, grow, and compete (Kanter, 1983, 1988; Van de Ven, 1986, Porter, 1985).

Creativity is arguably even more important for media firms—they don't need the odd great idea, but rather an ongoing supply (Towse, 2000; Caves, 2000; Hesmondhalgh, 2000). Media organizations live ultimately by the content they create, with "create" being the operative word. The act of content generation is the sector's fundamental activity and *raison d'être*, and their requirement for creativity is constant. In economic terms this derives from the fact that cultural goods can rarely be standardised on a long-term basis. This, combined with the fickle nature of customer demand, means there is an incessant need for novelty. The higher the

levels of creativity, the greater the potential for competitive advantage, and thus the primacy of creativity as an organizational resource: "without their employees coming up with ideas that can be turned into commercial, saleable commodities [media firms] are dead" (Scase, 2002:8).

Inside the sector, creativity is so much part of the DNA of everyday activities that it is often hard to find. Researchers without empirical exposure to the sector are often surprised by the absence of elements overtly tasked with "innovation" or "research and development". They conclude that the industry places little emphasis on such an important resource. What they miss is that creativity is deeply embedded in many routine activities and that new project development is a consistent task.

The need for creativity—in all firms not just media ones—is exacerbated when environments become more turbulent (Bartlett and Ghoshal, 1993; Dutton et al, 1997; Bettis & Hitt, 1995; Hitt et al, 1998; Schumpeter, 1942; Eisenhardt & Martin, 2000), and especially when that turbulence involves emerging technologies (Yoffie, 1997), as is currently the case with the media sector. Thus while creativity has always been critical to the media industry, the current spate of technological changes underway have enlarged that need to include activities concerned with the organization's systems, process and strategy. In a recent study of media majors' convergence strategies, Dennis, Wharley and Sheridan (2006: 39) commented that

> once associated with writers, producers and designers, creativity is now mentioned as an essential quality for managers and executives as well. Partly because some content producers are medium centric and have little experience across platforms, business executives are increasingly asked to think creatively about integrating content, marketing strategies and audience data beyond decades old distribution channels as they seek new formats and communicative styles. Given the need for business models that exploit convergence, creativity is a critical skill set

Research has shown that creativity in an organizational setting arises from relatively prosaic aspects of the work environment and it is in this area that day to day management within the media firm can influence levels of creativity and therefore performance outcomes. The critical issue is intrinsic motivation. High levels of creativity require high levels of intrinsic motivation. Intrinsic motivation is also known as "flow", and can be best described wanting to do something for its own sake, because the task is pleasurable and rewarding, rather than because it provides a means to meet an extrinsic goal. Under such conditions we are more likely to take risks, explore new solutions and be playful with ideas and materials. Intrinsic motivation explains why so many talented and highly educated individuals work in the media industry (and creative arts) despite frustration with management and relatively low salaries:

the experience of flow is so gratifying that people will tolerate financial losses, and even discomfort or pain to achieve this state, something that the media industry wittingly or unwittingly has long exploited.[2]

Five aspects of the work environment affect levels of intrinsic motivation: encouragement, autonomy concerning goal solving processes, adequate resources (neither too generous which would create "resource slack" not to parsimonious, which would limit the creative options considered), clearly defined and feasible overall project goals, and a team that represents a diversity of perspective and backgrounds. These elements need to be present in the organizational context, in the social environment of the media firm, and we as academics need to understand their origins and interplay.

Changes in the Nature of Content

In the current context, content is changing fast. Three developments stand out, all of which are contributing to undermine the mass model that has underpinned the media sector for nearly a century.

Acceleration of the Hit Model A constant strategic challenge in the media industry is that content is supremely unpredictable. Despite decades of research and increasingly sophisticated marketing techniques, it is impossible to predict reliably which products will succeed, or to manufacture a guaranteed hit. However hard analysts try to extrapolate formulae from past successes, at base it is a game of chance. As screenwriter William Goldman axiomatically put it, "nobody knows anything". Content involves alchemy—informational, creative and entertaining elements are combined in a way that may or may not strike a chord with public taste. Thus the music industry expects that 80 percent of its new CDs will fail to cover their costs (the industry's stiff ratio), and during Katzenberg's decade at Disney, of the thousand plus projects he oversaw, just ten percent accounted for 91 percent of the studio's operating income.

In response to these existential uncertainties the media industry developed two responses. The first which was employed for decades as is still employed in sectors of the industry that do not have the resources or infrastructure to play the blockbuster game described below is known as the "mud against the wall" formula. This seeks to increase the odds of success by increasing the number of attempts ("throw enough different products at the market and sooner or later something will stick"). In product terms it means generate high volumes of unique products in the hope that some will spark random interest. The underlying assumption is that "cream rises to the top": the market, prompted by critical acclaim,

---

[2] This text draws primarily on Amabile's work on the social psychology and creativity in organizational settings (Amabile, 1983, 1993, 1996; Amabile et al., 1994, 1996).

decides which products are best and sales will follow as positive word of mouth spreads.

An alternative approach is the hit or blockbuster model is a risk reduction strategy. This is becoming both more entrenched and more extreme in the broadcasting and entertainment fields, where blockbusters increasingly dominate the revenues of the largest media firms (Aris & Bughin, 2005).

A blockbuster strategy involves identifying in advance a handful of products that offer the greatest market potential and then devoting to them the lion's share of investment and attention. The primary content-origination impulse is economic rather than artistic, and the creative and marketing strategies are closely intertwined. It is based on two assumptions. First, that larger budgets—for talent, production and marketing—mean larger audiences, and, second, that those audiences choose products according to how heavily they are marketed, that audiences can be "herded to the cinema" (De Vany & David Walls, 1999).

For example blockbuster movies conform to tight specifications and little is left to chance. First, the concept must have the potential to be reincarnated in different media forms and become a franchise. This dictates the creative components: narratives and characters are simple, plots explore broad themes with universal appeal, but special effects are extremely sophisticated (cynics have suggested blockbusters are designed to work for subliterate audiences with short attention spans). There must be soundtrack strong enough to support linked CD and music videos. The term "blockbuster" is inextricably linked with the "high concept", a term attributed to Steven Spielberg, High concept movies can be condensed into a simple sentence that is easily understood and exerts strong public appeal.

The film that marked the arrival of the blockbuster model is *Jaws,* which "recalibrated the profit potential of the Hollywood hit, and redefined its status as a marketable commodity and cultural phenomenon as well" (Schatz, 1993: 17). It revolutionised standard movie industry practice in a number of ways. First, a multiplatform strategy was designed to create a virtuous circle. The film was based on a best-selling novel. The paperback version of the book re-issued to coincide with the film's release using artwork from film on cover (Wyatt, 1998). The print advertisement used the same image as the book cover (and the same strap line "Just when you thought it was safe to go back into the water"). The score, which was central to the emotional appeal of the film was used in broadcast adverts and sold as a CD.

Jaws also marked the arrival of a new role for agents: the deal was packaged by ICM who represented both the book author and filmmakers, and publicity from the deal spurred sales of the book and interest in the movie. From a marketing perspective it was the first film to "front load" the audience, that is, use saturation national television advertising in conjunction with nationwide release (building on the new phenomenon of multiplex cinemas in suburban areas) to achieve the best possible

performance in the opening weekend and establish hit status from the start. Thus *Jaws* opened in 465 cinemas and in just 78 days had broken box office records. It also ignored received wisdom that summer was an off-season for movies.

Blockbuster strategies have become more prevalent in recent years for a number of reasons:

Technological Advances Improvements and innovations in recording, processing and transmission have increased the possible number of reincarnations that can be created from a single concept, and also the number of revenue streams. Successful content can be reproduced and distributed on a massive scale. An animated film can show in cinemas, on network television, on cable TV, on DVD, and be the basis of a video game, not to mention the merchandising opportunities—toys, clothes, fast food meals etc.

Globalization Globalization, coupled with the new global distribution architectures, means that products can be multi-market as well as multi-media. As the possible number of product incarnations or brand extensions has increased, so too has the number of markets in which products can be sold. The "winnings" that accrue from successful content have grown, and as a result the amount media organizations are prepared to blockbuster content has grown correspondingly.

Consolidation Consolidation in the sector means media organizations have more to spend on content, although that consolidation is also a response to the hit model: media organizations need substantial resources to play the hit game, both to finance the content and its marketing, but also to control access to the media platforms that will allow content investments to be multiply leveraged and to reach global markets. This was a prime driver behind the 1990s merger and acquisition wave (Chan-Olmsted, 2006).

Audience Changes Audiences have become more fickle as the range of entertainment and leisure options has increased. Proliferating outlets mean a battle for attention (or "eyeballs" as the industry terms it), and an oversupply of product. Against this backdrop, the value of content or talent that can guarantee audience attention is grows dramatically.

"Killer Content" This must-see content has proved to be one of the most powerful means of persuading consumers to abandon existing patterns of consumption and adopt new technologies and products. Again, this has inflated the cost of particular content categories.

The acceleration of the blockbuster model has implications for the management of media organizations. First, it has inflated talent costs and marketing budgets. For example by 2000 the average major studio film cost $55 million to produce and $27 million to advertise and market (http://mpaa.org/anti-piracy). This in turn has increased the gap between the handful of individuals who have become global celebrities and the pool of creative talent who have not is becoming wider (Hesmondhalgh, 2002). The more money that goes to the handful of global starts, the less that is available to everybody (Rosen, 1981). Such "winner takes all markets" have long existed in the performing arts and professional sports (Frank & Cook, 1995), and have now taken firm hold in the media.[3] Third, agents and lawyers have acquired a larger role in the media firmament. This development runs parallel to the growth of the blockbuster. Senior managers in the media need to be able to deal with this disproportionately influential stakeholder group (Schatz, 1993). Lastly, the scale of investments and extent of internal coordination required for implementing the blockbuster strategy mean that the media become less of a cultural field and more of a business, and the management task becomes more complex and challenging.

Demassification and the Emergence of the Niche The second change in the content realm concerns the rise of niche products. While the largest entertainment organizations continue to seek to perfect "one-size-fits-all products", the blockbusters that will appeal to the largest audience possible, some of the most energetic growth in the sector comes from a contradictory trend, the emergence of the niche.

Mass media products are designed to reach large cross sectional audiences and are based on technologies that allow massive duplication at low cost for huge audiences (newspaper or printing presses, radio or television networks, for example). However technological advances have reduced the barriers to entry in content creation, made professional-level production tools widely available, and provided global distribution and promotion architectures. The result is that across all segments the mass media product—the television channel, the daily national newspaper, the general interest magazine, which owed their success to catering to many different groups of consumers simultaneously, are declining in favour of specialised products aimed at specific segments. Technology now allows specialised content to be matched with specialist audience niches, and audiences have embraced this possibility. It appears that in many fields they prefer targeted products over generalised ones.

This may not, however, result in the contraction of the mass media system that some observers predict (see, for example, Meyer, 2004).

---

[3] They can however be traced back to the 1940s when the Hollywood studio system began to crumble. As control over actors and distribution fell, pressure increased on studios to produce hits, and they started to invest disproportionate amounts in specific products to ensure this happened (Croyteau and Hoynes, 2001).

First, customers can now consume media in more ways and more places, which has expanded the market. For example many listen to Internet radio while at work. Plus when niche products are combined with global distribution architecture then global niches markets can emerge.

Personal and Participatory Content If the media are "demassifying", the question is what type of media products are replacing the mass ones the industry has long specialised in. Two parallel trends can be observed. The first concerns the niche products described above. The second concerns user-created social-network-spawned media content—participatory media or peer content.

A vast amount of information is now being created, stored and shared by users often in social networking sites that combine personalised content with a participatory context. The content spans a broad spectrum from restaurant and film reviews to more complex products such as blogs, wikis (server programmes that allow users to collaborate in forming the content of a website—the best known is probably the Wikipedia), discussion forums, photo blogs and podcasts. Audiences for participatory content models are often very small, but mass market products exist, ones such as YouTube.com, where members can post homemade video clips, and MySpace.com, a social-networking and blogging service bought in 2005 by News Corporation for nearly half a billion dollars.

These products are hybrids and hard to categorise. They are communications products as much as media ones. They are designed to look amateur, and be extremely easy to use: anyone who can send a email attachment can upload a video to YouTube.

Not surprisingly, they have also led to a surge in consumer content. For some this development represents a loosening the big media's stranglehold. Certainly their popularity poses a challenge for the established media industry which depends on the aggregation of mass audiences, especially as major consumer brands are beginning to advertise on the most popular sites. But they are not unproblematic for users either. This type of content is certainly fresher and more spontaneous than professional content, but these sites and products do not subscribe to the public interest strictures of the traditional media. The content is unedited they provide a personal voice—indeed that is part of their appeal. But the filtering, editing and quality control systems employed by the established media (and demanded by the market and regulators) are often absent except in the largest sites.

A RESEARCH AGENDA FOR THE FUTURE

To conclude, and to reverse the standard order, we need to explore what insights this practitioner perspective provides for theoreticians seeking to strengthen the field of media management. The industry develop-

ments discussed here create two common organizational imperatives: an increased pressure for adaptive change, particularly in terms of responses to new technologies, and a broadened requirement for creativity and experimentation that extends beyond the need for novel content ideas into new concepts for processes, strategy and business models.

We have seen that media management researchers to date have focused primarily on the external environment, structural characteristics, industry output, and consumers. In addition there is a substantial body of work applying rationalist strategy models, looking particularly at the content of media firms' strategies.

The inevitable result is that understanding of the media industry is uneven, and that a number of important dimensions and developments in the field are under addressed. To correct this researchers need to focus on the media as organizations as well as businesses, which means exploring their internal organizational aspects and strategy processes, and recognise the heterogeneity of the sector. Taken together, these two sets of conclusions provide a basis for insights into future research directions, both in terms of theoretical perspectives and methodological orientations.

Shift from Rationalist Approaches towards Adaptive and Interpretative Ones

Concretely, this will involve applying a broader span of management theories. Strategy is characterised by a profusion of divergent models and theories—Starbuck once observed that everything every written about an organization can be counted as referring to strategy. As a way of imposing order on this chaos we can turn to a model proposed variously by Johnson (1987) and Chaffee (1985) that places strategic theory on a continuum moving from rationalist approaches on the left to symbolic interpretative ones on the right.

So far, rationalist approaches have dominated media management research. They concentrate on issues of analysis, choice and implementation, and their relevance is clear: positioning, diversification, resource base and competitive dynamics play an important role in performance. However they also carry intrinsic shortcomings. First, the insights provided are one dimensional, and if we are to truly increase our understanding of the media, and generate findings that are relevant to it, we need to broaden our scope to encompass more industry and organizational phenomena, in practice this means applying also adaptive and interpretative concepts.

As its name suggests, the adaptive school is concerned with strategic change, with how change unfolds and why. Shifts in strategy require shifts in the organization—in structure, people and processes. If models in the rational school seek to find the right unique strategic position to guarantee sustainable advantage, the concepts in this school of strategy

seeks to find the systems and processes that enable dynamic strategic positioning, and resolve the tensions that can arise. An underlying assumption is that in dynamic and uncertain situations, rational approaches can slow adaptation and blind an organization to important but perhaps hard to classify environmental developments (Mintzberg, 1990). The focus in the adaptive school is particularly on the internal steps, such as the design and redesign of structures and processes in their widest sense, by which an organization can respond to changes in the environment. Concepts particularly relevant to the media sector are those concerning responses to technological advance. For example, the BBC faced an enormous dilemma concerning how to absorb its highly successful online operation into the parent in a way that both preserved the sub-culture of the new venture but also ensured learning concerning new content forms and business practices was transferred to the rest of the organization (Küng, 2005). Similarly, *The Guardian* newspaper in the United Kingdom has been a leader at absorbing technological developments and is now a market leader in online, blogs and podcasts. However it also recognises that these are just early stages in the long term transformation of what was a relatively simple industry, and the aspects of its operation that were once barriers to entry—printing and distribution—are set to become liabilities as more and more content is transmitted electronically, and at the same time free newspapers are likely to move upmarket into their market[4]. Adaptive models are capable of analysing and interpreting complex environmental developments, delineating the scope and fine texture of the challenges they present, and providing insights into organizational responses.

Adaptive approaches can also accommodate the dualities or dilemmas that a changed environment can provoke. This is not another reference to the conflict between "managers" and "creatives", or between commercial and editorial interests. Yes, there are tensions between creative and managerial imperatives, but there are also other more significant trade-offs that need to be resolved, and which research into media management should address.

For example, media organizations face a central tension between the need to optimise *and* to innovate. This has a number of sub-dilemmas. First is the diversity versus coordination. Because audiences are fragmenting, demand is fickle and attention spans are shrinking, media firms need to produce a wide range of different products. However at the same time mechanisms must be in place to ensure maximum returns from large investments in content and the opportunities for multi-platform use to be exploited.

This brings us to a second dilemma—autonomy versus centralization. Optimization in the media industry, especially in an era of "bet the farm" content investments, requires critical mass and tight coordination. This

---

[4] Interview with Simon Waldman, Director Digital Developments, 2006.

is to ensure that potential synergies are exploited, that cross platform leverage is achieved, and that cross promotion can take place. However as we have seen, creativity requires small organizational units and autonomy—as evidenced by the fact that innovation in the sector traditionally comes from smaller players (Davis & Scase, 2000).

Rationalist approaches in particular have been criticised for failing to accommodate the diversity and disorder of organizational life—Mintzberg once famously claimed that 90 percent of rational strategies are never implemented successfully—and also for failing to address the habits of mind that so often prevent strong players from bridging from one type of environment to another. The interpretative school of strategy focuses on exactly those elements that often prevent strategic plans being implemented, namely the deeper "hidden" aspects of the organization such as mindset and belief systems, values, motivation, emotions, purpose, power and politics. These elements are often sidelined by researchers because they concern subjective and unconscious phenomena that are difficult to access and interpret. However symbolic, cognitive and cultural elements are particularly important in media organizations, partly because the individuals who choose to work in the sector are often motivated to do so because of their own "higher order" needs, and partly because of the tremendous influence that the media industries exert over our lives and societies.

There is ample evidence of the strategic relevance of concepts from this school. Culture is an important factor in established firms' ability to respond to new technology. Meyer (2004) describes how the high levels of cash traditionally generated by the newspaper industry led to a complacent culture that slowed their ability to respond to the threat of new technology. The new content forms that seize the potential of the same technologies are being created by non-journalists who have developed outside the journalism culture. Staying with the entertainment sector we have seen how mental models impede organizations' ability to respond to new technologies—for example the music majors' responses to the Internet, or indeed to a raft of earlier advances including compact cassettes, VCRs, CDs, and so on. The blockbuster strategy is a good example of the impact of cognitive assumptions on investment decisions: although the movie industry steadfastly clings to the beliefs that big budgets mean big audiences and that consumers respond to saturation advertising, there is quite strong evidence to the contrary. Ravid (1999) found there is no statistical correlation between stars and success in the film industry. Rather De Vany and Walls (1997) showed that top stars actually increase risk because if they "are paid their expected contribution to profit, their movies almost certainly will lose money" (the "superstar's curse").

A Broader Research Orientation

In addition to broadening the range of theories applied, we also need to adopt new research methodologies, ones that allow us to simultaneously increase and reduce the level of resolution. Specifically, we need to adopt a research orientation that combines contextualist, constructivst, processual and pluralist perspectives.

A contextualist orientation will mean that research must be placed within a broad frame that includes the organization's internal and external environments in the widest sense, and particularly social and historical influences (regulatory and technological ones are well-covered). A constructivist perspective is necessary because organizational realities do not exist independently of their observers. Environments, organizations, and strategies are constructed rather than natural objects. Objectivity is never absolute, processes of strategic evaluation are strongly affected by nonrational elements, and our research must recognise this fact. Processual approaches explore how change takes place. They do not assume a linear relationship between formulation and implement-tation, but rather seek to understand strategic processes, including the multiplicity of non-rational elements that can affect them. They provide a vehicle that can accommodate the intangible covert organizational elements that are so important to the performance of media firms. Finally, pluralism is necessary because both the industry and the changes taking place in it are complex phenomena. Multi-lens analysis can accommodate the untidy, idiosyncratic and dynamic inter-relatedness of organizations and their strategic activities. Indeed they do not simply accommodate, but build on the diversity and disorder of the organizational experience, and use these factors to increase understanding. All these are necessary if media management is to move forward.

CONCLUSIONS

The title of this paper asks "does media management matter?" The second, unasked question is, of course, "to whom?" Currently it appears that the discipline of media management matters a great deal to a growing number of researchers and students, but less so to the industry, and further, that those researchers and students active in the field do not share a consensus concerning what the discipline entails and how it should approach research.

To move forward the field of media management needs simply to do what its name suggests. As is implied by the term media management, it needs to adopt an applied approach and deepen its knowledge of management in the media through a focus on organizations and exposure to them, and it must conduct research that reflects industry's concerns and produces findings that explain developments. Tangibly, this means that more of our researchers need to be out in the field. More of our

students need to be exposed to practitioners. Second, if it is entitled media "management", then it should concentrate on management issues. In practice this means greater application of theories from management rather than other media-related fields, and the application of a broader and more representative set of management theories and concepts. In this way, can be move the field forward, and demonstrate that media management does matter.

REFERENCES

Amabile, T. M. (1983). *The Social Psychology of Creativity*. New York: Springer.

Amabile, T. M. (1988). A Model of Creativity and Innovation in Organizations. *Research in Organizational Behaviour.* In B. M. Shaw & L. L. Cummings (Eds.), Research in organizational behaviour. Vol. 10: 123-167. Greenwich, CT: JAI Press.

Amabile, T. M. (1993). Motivational Synergy: Toward New Conceptualizations of Intrinsic and Extrinsic Motivation in the Workplace. *Human Resource Management Review.* 3 (3): 185-201.

Amabile T M. (1996). *Creativity in Context*. Bolder, Colorado: Westview Press.

Amabile T M. (1998). How to kill creativity. *Harvard Business Review.* September: 77-87.

Amabile, T. M., Hill, K. G., Hennessey, B. A., and Tighe, E. (1994). The Work Preference Inventory: Assessing intrinsic and extrinsic motivational orientations. *Journal of Personality and Social Psychology*, 66: 950-967.

Amabile, T. M., Conti, R., Coon, H., Lazenby, J. and Herron, M. (1996). Assessing the work environment for creativity. *Academy of Management Journal.* 39 (5):1154-1184.

Aris, A. & Bughin, J. (2005). *Managing Media Companies: Harnessing Creative Value.* Chichester: John Wiley and Sons.

Bartlett, C. A. & Ghoshal, S. (1993). Beyond the M-form: toward a managerial theory of the firm. *Strategic Management Journal*, Winter Special Issue 4: 23-46.

Bettis, R. A. & Hitt, M., A. (1995). The New Competitive Landscape. *Strategic Management Journal.* 16: 7-19.

Caves, R. E. (2000). *Creative Industries: Contracts between Art and Commerce.* Cambridge MA: Harvard.

Chaffee, E. E. (1985). Three Models of Strategy. *Academy of Management Review.* 10(1): 89-98.

Chan-Olmsted, S. M. (2006). *Competitive Strategy for Media Firms: Strategic and Brand Management in Changing Media Markets*. New Jersey: Lawrence Erlbaum Associates.

Cottle, S., ed. (2003). *Media Organization and Production.* London: Sage.

Croteau, D. & Hoynes, W. (2001) *The Business of Media: Corporate Media and the Public Interest*. Thousand Oaks: Pine Forge Press.

Davis, H. & Scase, R. (2000). *Managing Creativity: The Dynamics of Work and Organization*. Buckingham: Open University Press.

Davis, H. & Scase, R. (2000). *Managing Creativity: The Dynamics of Work and Organization*. Buckingham: Open University Press.

De Vany, A., S. & Walls, W. D. (1999). 'Uncertainty in the Movie Industry: Does Star Power Reduce the Terror of the Box Office?' *Journal of Cultural Economics*, 23 (4): 285-318.

Dennis, E. D., Wharley, S. & Sheridan, J. (2006). "Doing Digital": An Assessment of the Top 25 US Media Companies and their Digital Strategies. *Journal of Media Business Studies*. 3 (1): 33-51.

Dutton, J. E. Ashford, S. J. O'Neill, R., M. Hayes, E., & Wierba, E.E. (1997). Reading the Wind: How Middle Managers Assess the Contest for Selling Issues to Top Managers. *Strategic Management Journal* 18 (5): 407-425.

Eisenhardt, K. M. & Martin, J. A. (2000) Dynamic Capabilities: What are They? *Strategic Management Journal*, Special Issue, 21 (10/11): 1105-1121.

Frank, R. H. & Cook, P. J., (1995). *The Winner-Takes-All Society*. New York: The Free Press.

Hambrick, D. C. (1983). Some Tests of the Effectiveness and Functional Attributes of Miles and Snow's Strategic Types. *Academy of Management Journal*, 1983, 26: 5-25.

Hesmondhalgh, D. (2002). *The Cultural Industries*. London: Sage.

Johnson, G. (1987). *Strategic Change and the Management Process*. Oxford: Basil Blackwell.

Kanter, R. M. (1983). *The Change Masters: Corporate Entrepreneurs at Work*. New York: Simon & Schuster.

Kanter, R. M. (1988). When a Thousand Flowers Bloom: Structural, Collective, and Social Conditions for Innovation in Organization. *Research in Organizational Behavior*. 10: 169-211. Greenwich, CT: JAI Press.

Küng, L. (2005). 'When Innovation Fails to Disrupt: Successful Incumbent Change in Response to Disruptive Technology'. Habilitationsschrift University of St Gallen.

Meyer, P. (2004). *The Vanishing Newspaper: Saving Journalism in the Information Age*. Missouri: University of Missouri Press.

Picard, R. G., (ed. (2002). *Media Firms: Structure, Operations, and Performance*. New Jersey: Lawrence Erlbaum Associates.

Picard, R. G. (2006). Journalism, Value Creation and the Future of News Organizations. Working Paper Series, 2006-4. Shorenstein Center on the Press, Politics and Public Policy, John F. Kennedy School of Government, Harvard University.

Porter, M. E. (1985). *Competitive Advantage*. New York: Free Press.

Rosen, S. (1981). The Economics of Superstars, *American Economic Review*, Vol. 71, No. 5 (December): 845-858.

Scase, R. (2002). Create Harmony, not Harnesses, *The Observer*, 4 August 2002:8.

Schatz, T. (1983). *Old Hollywood/ New Hollywood: Ritual Art and Industry*. Michigan: UMI Research Press.

Schumpeter, J. A. (1942). *Capitalism, Socialism, and Democracy*. Harper: New York.

Staw, B. M. (1990). An Evolutionary Approach to Creativity and Onnovation. In M. A. West & J. L. Farr, eds. *Innovation and Creativity at Work*: 287-308. Chichester, UK:Wiley.

Towse, R. (2000). *Creativity, Incentive and Reward: An Economic Analysis of Copyright and Culture in the Information Age.* PhD Thesis. Erasmus University Rotterdam.

Van de Ven, A. H. (1986). Central Problems in the Management of Innovation. *Management Science*, 32: 590-607.

Woodman R W, Sawyer J E, & Griffin R W. (1993). Toward a Theory of Oganizational Ceativity. *Academy of Management Review* 18 (2): 293-321.

Yoffie, D. B., ed. (1997).*Competing in the Age of Digital Convergence.* Boston, Massachusetts: Harvard Business School Press.