

# From Bonds to Bridges: Creative Labor, Social Networks and Self- Employment in a Post-Socialist Society

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## ABSTRACT

Empirical research on the relationship between self-employment and networking practices in cultural and creative industries is of great relevance to understanding the social consequences of individualized and precarious work. To explore the effect of self-employment on social networks in a society that has passed post-socialist transition, this paper is focused on the comparison between self-employed workers in the cultural and creative sector and those with permanent employment. The empirical research has been undertaken using egocentric network analysis and the data was collected in the form of structured interviews with cultural and creative workers from Zadar, a medium-sized regional center in Croatia. The results demonstrate that self-employed workers have smaller networks with a larger proportion of strong ties. However, when the network structure is considered, self-employed individuals have less dense networks with more structural holes. The results are interpreted and discussed with reference to the literature on creative economy and social networks.

**Keywords:** Creative labor, Network analysis, Self-employment, Social capital, Post-transitional society

## 1. INTRODUCTION

The creative economy is commonly associated with self-employment and flexibility. According to the available statistical data on creative workforce in the European Union, cultural and creative workers are more likely than the general population to change jobs and work on multiple projects (EUROSTAT, 2011). Moreover, the proportion of self-employed people in cultural and creative industries is twice as high as in the overall economy (28.8% to 14.1%). Creative workers are also more likely to be temporarily employed (17% to 13.3%), to be employed on part-time contract (25% to 17.6%) or to have more than one job (6.6% to 3.7%) (KEA, 2006, p. 73-99).

In the growing body of literature on the creative economy, one of the most important questions concerns how creative workers create and maintain their social networks (Banks, Lovatt, O'Connor, & Raffo, 2000; Daskalaki, 2010; Felton, Collis, & Graham, 2010; Grabher, 2001, 2004; Kong, 2005; Mould & Joel, 2010; Lee, 2011; Nachum & Keeble 2003; Neff, Wissinger, & Zukin, 2005; Scott, 2000; Wittel, 2001). Social relationships and networks in the dynamic field of cultural production are important since they enable access to new information and professional contacts. Moreover, they provide creative professionals with different sources of informal social support, which may be of special importance for self-employed individuals who have to rely on their own sources of social capital. However, the majority of research has been conducted in large centers of creative economy and in highly developed societies while little is known about networking practices in European societies that have undergone the post-socialist transition. With empirical findings from Croatia, this paper adds to the literature on the relationship between self-employment in cultural and creative sector and network patterns.

Reflecting the opportunities of the creative economy in the post-socialist societies of Southeast Europe, Tomić-Koludrović and Petrić (2005) conclude that only fragmentary development may be expected in the future. Recent statistical data seem to confirm their prediction. Specifically, while the cultural and creative sector contributes approximately 4.4% of the European Union's GDP (TERA, 2014), its contribution to Croatian GDP is 2.3% (Rašić Bakarić, Bačić, & Božić, 2015). The creative economy remains less developed because of the turbulent economic and social conditions in Croatia during the post-socialist transition, which had serious consequences not only for the development of cultural and creative industries but also for value orientations and lifestyle patterns. In particular, according to Tomić-Koludrović and Petrić (2005), the post-socialist societies of Southeast Europe, including Croatia, can be described as 'mixed societies' in which modernization processes typical for both 'first' and 'second' modernity (Beck, 1992) are occurring simultaneously. For social values and lifestyles, this implies the dominance of 'survival values' as opposed to 'self-expression values' (Inglehart & Welzel, 2005) that are important characteristics of post-industrial societies and advanced economies in which cultural and creative industries are given a prominent role. In the case of Croatia, traditional social forms are reflected most clearly in gender roles and the lack of tolerance (Tomić-Koludrović & Petrić, 2005). Further, Croatian society is characterized by the importance of family-based networks and low levels of social capital which is especially visible in the lack of generalized trust (Črpić & Zrinščak, 2005).

Primorac (2008) concluded that cultural workers in Croatia are usually exposed to a 'double uncertainty', which arises partly from precarious working conditions in the creative economy in general, and partly from the specific difficulties of a transition economy. While some industries,

such as the publishing and film industry, are still mostly in the domain of public financing, creative entrepreneurship in general is trying to survive in a limited market with small-scale production (Primorac, 2008). In addition, Croatia was severely hit by the global financial crisis which lasted longer than in other EU countries and put pressure on the private sector and small entrepreneurs, including those in the creative industries. According to the recent mapping of the cultural and creative industries in Croatia (Rašić Bakarić, Bačić & Božić, 2015), the sector at the end of 2014 employed 42,212 people (3.0% of total employment). That study also demonstrated that the cultural and creative sector in Croatia is deeply fragmented, with many small and micro businesses. When the work and employment arrangements are considered, the share of self-employment in this sector is 9.6%, while the self-employed make up 5.8% of total employment in the national economy (Rašić Bakarić, Bačić & Božić, 2015). In addition, part-time work, underemployment, and voluntary work are also widespread (Primorac, 2008).

In order to explore the effect of individualized and flexible work on social networks in post-transitional social conditions, this paper compares two types of workers in the creative sector – those with full-time, permanent arrangements and self-employed individuals. Based on previous studies, it is assumed that labor conditions in the creative sector are intertwined with patterns of social networks. Employing quantitative network analysis (Wasserman & Faust, 2009), this study explores the compositional and structural properties of personal networks in a sample of 168 creative professionals from the city of Zadar (Croatia). The focus of the analysis are the compositional and structural properties of personal networks. This article poses two research questions:

(1) What are the compositional and structural properties of personal networks of creative workers?

(2) What are the differences in the network properties between self-employed creative workers and employees?

## 2. FLEXIBLE WORK IN THE CREATIVE SECTOR

Over the last 30 years, the changing labor market conditions have influenced all economic sectors. Long-term employment has been replaced by atypical forms of work and employment, ranging from self-employment and part-time work to multiple job-holding and project-based work. According to German sociologist Ulrich Beck (1992), these trends towards greater employment insecurity, with all the associated opportunities and risks, have tremendous effects on people's attitudes towards life. At the core of social transformation is the process of individualization, which means that the 'free wage laborer' (Beck, 1992, p. 87) is expected to be self-reliant and personally responsible for the negative consequences of his or her individual choices.

According to available statistics (EUROSTAT, 2011), nonstandard employment is especially visible in the creative economy, in which an increasing number of creative workers are self-employed, freelancers, or employed temporarily for a specific project. This situation has been the subject of a considerable amount of literature (Arvidsson, Malossi, & Naro, 2010; Banks et al., 2000; McRobbie, 1998, 2002a, 2002b; Neff et al., 2005; Pratt & Gill, 2008; Scott, 2004; Throsby & Zednik, 2011; Ursell, 2000). Following the seminal study of McRobbie (1998), the actual labor conditions in the creative sector have been the subject of scholarly interest. A common observation in the literature is that the creative industries in general are high-risk industries (Banks et al., 2000; McRobbie, 2002b; O'Connor, 2000). The risk of creating new products and their placement in the volatile market is an unavoidable and distinctive feature of creative work (Hesmondhalgh, 2007). Accordingly, job insecurity and 'precariousness'

(Pratt & Gill, 2008) are not only consequences of flexible employment conditions, but also an integral part of the production process in the creative sector (O'Connor, 2000).

More recently, Arvidsson et al. (2010) coined the term 'creative precariat' to capture the underpaid, repetitive, and precarious labor in the creative industries. Their findings also suggest that the labor processes in the creative sector are becoming similar to other underpaid service industries, especially for lower-level workers who often experience various forms of exploitation and lack access to the higher-level social networks. Moreover, the majority of creative workers are either underemployed or underpaid, while only a small number of highly successful 'superstars' can count on high profit (Hesmondhalgh, 2007). Because the creative labor market is limited, many creative workers are forced to take non-creative jobs in order to receive an income (Throsby & Zednik, 2011).<sup>1</sup> In addition, independent creative workers, artists, and freelancers risk of being out of work from time to time (Neff et al., 2005). Because of turbulent conditions within the creative labor market, independent workers are forced to plan their careers strategically and take entrepreneurial risks (Neff et al., 2005; Scott, 2004).

Project-based work is another particular feature of creative work in general. As demonstrated by Grabher (2004, 2001), many creative industries share a similar organizational logic, in which production processes are performed in project cycles. In addition to the organizational challenges of project-based production, this type of work has a direct impact on careers of creative workers, who are forced to move from one project to another in order to find new jobs and to acquire new skills (Neff et al., 2005). As a consequence, a gradual progression within a company is replaced by 'horizontal hypermobility' (Florida, 2002) in which individual workers have to constantly engage in the development of their own

portfolios in order to obtain new assignments (Throsby & Zednik, 2011).

These trends in labor and employment conditions not only affect individual expectations of work and self-identity, but also networking practices, which can be described as 'compulsory' (Neff et al., 2005), 'frantic' (McGuigan, 2010) or 'active' (Coulson, 2012). The links between creative work and social networking are explored below.

### 3. FLEXIBILITY AND NETWORKING

The nature of networking in the creative sector has been the subject of a number of studies (Banks et al., 2000; Daskalaki, 2010; Felton et al., 2010; Kong, 2009, 2005; Lee, 2011; Grabher, 2001, 2004; Nachum & Keeble 2003; Neff et al., 2005; Mould & Joel, 2010; Scott, 2000; Wittel, 2001). The majority of these studies have been ethnographic and qualitative, often with a focus on a particular industry such as the new media industry (Wittel, 2001; Neff et al., 2005), advertising industry (Grabher, 2001; Mould & Joel, 2010), independent television industry (Lee, 2011), fashion and modelling (Arvidsson et al., 2010, Neff et al., 2005), or film industry (Daskalaki, 2010; Kong, 2005). While recognizing the value of qualitative research, the present study employs quantitative network analysis in order to examine the compositional and structural properties of creative professionals' personal networks. Therefore, the literature review will focus on the discussion of network size, type, and strength of relations ('weak' and 'strong' ties) and social capital.

Network size is a key finding of previous research. According to Wittel (2001), having a large social network is one of the main characteristics of the 'network sociality' in the creative industries. Based on qualitative research results, Wittel reported that creative professionals in the field of new media industry maintain their social networks, exploiting the new information and

<sup>1</sup> For example, Australian artists allocate 20% of their working hours, on average, to non-creative work (Throsby & Zednik, 2011, p. 11)

communication technologies in order to maintain a large number of professional contacts. Other studies appear to confirm these findings. For instance, drawing from the study of networking practices in the British independent television industry, Lee (2011) has noted that success of cultural producers might be impossible without possession of a large network of contacts.

A second important finding concerns the strength of ties. According to Granovetter (1973), ties between individuals and their network members may be defined as either 'strong' or 'weak'. Strong ties are those close and emotionally intense relationships which usually have higher frequency of contact. They are typical of friendly and family relationships in the most intimate layers of personal networks. On the other hand, weak ties are more distant and superficial relationships which are important in providing individuals with opportunities to access a greater variety of resources. When it comes to social networks in the creative sector, many studies have emphasized the importance of weak ties. For instance, Wittel (2001) described a new configuration of the 'address book' sociality, in which personal networks are typically characterized by a great proportion of weak ties. Basing his arguments on the ground of the qualitative research of the 'creative class' members, Richard Florida (2002) claims that individuals in creative occupations prefer weak ties and quasi-anonymous social circles to strongly connected communities. As the work becomes more flexible and individualized, loose connections and superficial contacts replace traditional forms of social connectedness (Florida, 2002). Similarly, according to Spencer (2015), creative professionals are more likely to have larger and more dynamic social networks with a great number of local weak-tie relationships.

A third key finding from previous studies is about the social capital created through relationships in the creative sector. Putnam (2000) contends that

social capital may be seen from two different but related aspects: bonding and bridging. Bonding social capital occurs in support networks that are based on strong ties, mutual trust, and shared similarities. Bridging social capital develops among weakly connected individuals from different social backgrounds. One of first and most detailed accounts of bonding social capital in the creative sector is provided by Banks et al. (2001). They found that the extensive use of informal social relations, friendships and collaborative networks, together with a blurring of work and leisure, becomes a strategy for handling economic risks in creative businesses. Their research indicates that professionals in the creative sector rely not only on their weak ties, but also on 'thick' relations of trust and bonding social capital. More recently, Lee (2011) indicates that strong ties, especially family-related ties, can be of particular importance for freelancers at the start of their careers. Networking in the creative sector requires different types of ties and social support. Daskalaki (2010) suggests that networks in creative industries are characterized by the need to balance bonding and bridging social practices. While bonding ties foster collaboration and create a sense of community, bridging relations are needed to ensure the network heterogeneity and thus to encourage creativity (Daskalaki, 2010).

Furthermore, in addition to differences between bonding and bridging social capital, network studies indicate that social capital may be a function of network structure and of the position an individual occupies within it. Burt (1992, 2004) demonstrated that weak connections between individuals or groups represent structural holes in the network which provide the individual with the opportunity to access more differentiated resources and control the flow of information between groups. Thus, networks with many structural holes represent social capital in certain competitive settings such as knowledge-based industries.

#### 4. RESEARCH OBJECTIVES, METHODS AND ANALYSIS

This research has been motivated by the need to explore social networks of creative professionals in a society that has passed the post-socialist transition period. Although the networking in the cultural and creative industries has been the subject of a number of studies, almost nothing is known about networks in the post-transitional social and cultural context. It is possible to hypothesize that social ties and networks that emerge in cultural and creative sector will partly resemble the prevalent type of sociality in a given social context. Empirical research into personal networks and social capital in European post-socialist countries has demonstrated that small, homogeneous, dense and clan-like networks of strong ties were common in the years preceding the transition and during the transition period (Badescu & Uslaner, 2003). However, under the impact of globalization and modernization of the post-transitional societies, the social networks are also undergoing transformation.

In order to explore network properties and to determine the differences in the network properties between self-employed creative workers and employees an exploratory research design was used. Following network perspective on social capital Burt (1992, 2004), this study focuses on the compositional and structural properties of personal networks of creative professionals.

##### 4.1 Research Site

The quantitative study presented here is based on egocentric network data, collected in the form of structured interviews with creative workers who live and work in Zadar, a medium-sized regional center in Croatia. With a population of 75, 000, Zadar is a regional center and fifth largest city in the country. Prior to transition Zadar was an important industrial city. After economic restructuring and deindustrialization Zadar today is a

center of high education, retail, and tourism focused on natural and cultural resources. For that reason, it is representative of post-socialist and post-industrial urban development in which new technologies and knowledge-based industries play an important role. With 22.9% of the population holding tertiary qualifications, Zadar is similar to the national average of urban population. When it comes to cultural and creative sector, media industry, architecture, and industries related to cultural heritage and tourism are considered major drivers of the local economy. However, no previous research illuminates the structure of the creative sector in the city nor are there any similar studies in other Croatian cities. Therefore, this study used an exploratory design.

##### 4.2 Questionnaire

A social network questionnaire with eight name generators was developed for this study. Respondents were selected from the population lists which covered three subsectors: (1) cultural and creative industries, (2) public-funded cultural institutions, (3) independent artists and freelancers.<sup>2</sup> The questions for name generators were partly adapted from previous studies of personal networks (Burt, 1992; Fischer, 1982; Lazega & Pattison, 2001) and covered several different situations, mostly work-related. For each name generator, respondents could name as many people as he or she wanted. To enable further measurement of the composition and structure of personal networks, respondents were also asked to record information about each network member (gender, occupation, place of residence) and to estimate the strength of relationships with alters. In order to assess tie strength, three indicators were used: type of relationship (family, work-related, friend, acquaintance etc.), frequency of contact (daily, weekly, at least once a month, several times a year, less than once a year) and emotional closeness (know each other superficially, not close; know each other well, not so close; very close). Furthermore, all respondents

<sup>2</sup> A total of 80 cultural and creative industries in Zadar were surveyed for this study. These industries encompass several fields of production (architecture, design, advertising, cultural events management, publishing etc.) and in 2011 employed about 330 people in total. This sector is dominated by micro and small enterprises: 28.8% of creative industries are owned by self-employed persons, while over 30% of the surveyed companies have up to two full-time employees.

were asked to indicate which of the network members had been in mutual contact and about the strength of that relationship.

#### 4.3 Measures and Data Analysis

The structural network properties used in this study were network density, fragmentation, inclusiveness, effective network size and efficiency. Network density represents the extent to which the alters in an egocentric network are connected among themselves (not counting the ego). To examine the connectedness of networks, two measures were used: the network fragmentation and inclusiveness. The fragmentation measure expresses the proportion of pairs of alters that cannot reach each other (Borgatti, Everett, & Freeman, 2002), while the inclusiveness measure refers to the number of connected network members expressed as a proportion of the total network members, including the isolates (Scott, 2009). The quantity of structural holes in personal networks was measured by the Burt's measure of network efficiency, which represents the effective network size divided by the actual network size (Burt, 2005).<sup>3</sup>

The data was collected from June 2010 to March 2011. A total of 168 completed questionnaires was submitted for statistical analysis. All the variables were checked for normality using a Kolmogorow-Smirnov test. Only the network size, the proportion of relationships with friends and the measure of inclusiveness were not normally distributed ( $p < 0.01$ ). The structural properties of networks were analyzed using UCINET (Borgatti, Everett, & Freeman, 2002). Visualizations of representative cases were created by the NetDraw Network Visualization (Borgatti, 2002).

#### 4.4 Sample

Following the existing cultural statistics, respondents were divided into two basic categories according to the employment status: self-employed and employees.<sup>4</sup> Self-employed individuals make

up 54.8% of the respondents ( $n=86$ ), while permanent employees are represented by 45.2% ( $n=71$ ). More than half of self-employed respondents are small business owners (52%), followed by liberal professionals, especially architects (20%), independent artists and freelancers (14%) and individuals with project-related contracts or with some other flexible form of employment (14%). Creative work is the main source of income for 86.6% of respondents, and for 89.5% of self-employed respondents.

## 5. RESULTS

### 5.1 Network Size and Composition

In the analysis of the scope and composition of personal networks the following variables were used: network size (the total number of network members not including the ego); the proportion of alters with each level of emotional closeness, frequency of contact and the type of relationship.

The results show that the average size of personal networks is 20 nodes ( $M=20.6$ ,  $SD=6.8$ ), with a range of 7 – 47 alters. The results of statistical analysis show that the self-employed respondents have, on average, smaller personal networks ( $M=18.5$ ,  $SD=5.81$ ), compared to the group of employees ( $M=23.4$ ,  $SD=7.03$ ; Mann-Whitney U test:  $U_{157}=1660.5$ ,  $p < .001$ ). These results are interesting because they indicate that, contrary to what might be expected based on previous studies, self-employed creative workers do not have large support networks. As shown below, their personal and professional networks often encompass only a relatively small circle of the most important business contacts, friends, and family members.

When the network composition is considered, the results, presented in Table 1, show that the personal networks of respondents in a large part consist of strong ties: friends and family members (52.4%), including those with whom one

<sup>3</sup> Effective size is the size of network minus redundancy in network. This measure shows how many non-redundant relationships an ego has, indicating his or her ability to span structural holes.

<sup>4</sup> Because only small number of entrepreneurs employ at least one other person ('employers', Eurostat, 2011), they are combined with self-employed creative professionals, who employ no other persons.

**Table 1. Composition of personal networks (in per cent)**

Attributes		Total	Self-employed	Employees
Emotional closeness	Very close	39.0	42.6	34.8
	Good, but not so close	35.7	31.1	40.1
	Not close	25.3	26.3	25.1
Type of relationships	Exclusively work-related	27.7	28.2	27.6
	Friends	24.1	26.2	20.2
	Family	6.8	6.8	6.9
	Family and friends*	52.4	56.5	47.6
Frequency of contact	Daily and weekly	52.0	52.3	52.8
	Less often	48.0	47.7	47.2

\* Including multiple relationships (work and friendship, work and family)

has business connections; people with whom one is closely related (39%); people with whom one interacts at least once a week (52%). At the same time, the average proportion of weak ties ('know each other superficially, not close') is 25.3%. The average number of weak ties is 5.3 (SD =4.03), while 10% of respondents did not name any superficial relationship.

## 5.2 Network Structure

The average density of networks was 0.42 which means that, on average, 42% of pairs of alters know each other. The level of network density ranges from 10% to 91% (SD=0.16). When the connectedness of networks is considered, the highest proportion of networks (55.6%) are comprised of one component, followed by networks that contain two components (26.3%), and three components (18.1%). These disconnected networks are usually comprised of one main component and one or two isolated nodes. Mean fragmentation of networks is 0.37 (SD=0.16), and the mean value of the inclusiveness measure is 0.97 (SD=0.07).

The quantity of structural holes was calculated with the measure of the network efficiency (Burt, 1992). This measure has a range between 0 and 1, and the higher value of efficiency indicates more non-redundant contacts, and thus more struc-

tural holes. The measure of network efficiency for the respondents in this study ranges from an observed minimum value of 0.14 to a maximum of 0.91, with a mean of 0.60 (SD=0.15).

The data presented in Table 2 show that the two groups according to their employment status differ systematically with respect to the structural network properties. Significant differences were found in the following variables: network density ( $t_{155}=2.065$ ,  $p=.041$ ), network inclusiveness (Mann-Whitney U test:  $U_{157}=2244$ ,  $p=.019$ ), network fragmentation ( $t_{155}=2.225$ ,  $p=.025$ ) and efficiency ( $t_{155}=2.496$ ,  $p=.014$ ).

**Table 2. Means for network structure variables**

	Total	Self-employed	Employees
Network density	0.42	0.39	0.45
Fragmentation	0.37	0.39	0.33
Inclusiveness	0.97	0.95	0.98
Effective size	12.3	11.9	13.3
Efficiency	0.60	0.63	0.57

Compared with creative workers in full-time employment ( $M=0.45$ ,  $SD=0.16$ ), self-employed respondents tend to have less dense networks ( $M=0.39$ ,  $SD=0.15$ ). This finding is interesting because self-employed respondents have smaller networks with a larger proportion of strong ties (Table 1), which should have higher density

(Granovetter, 1973; Scott, 2009). This means that the observed difference in the network density cannot be explained by the differences in the network size and composition. However, this finding can be explained if the network inclusiveness and fragmentation are taken into account. As Scott (2009, p. 70) demonstrates, density also depends upon the inclusiveness of the network, meaning that less inclusive networks display lower density values.<sup>5</sup> Table 2 shows self-employed respondents tend to have less inclusive ( $M=0.95$ ,  $SD=0.08$ ) and more fragmented networks ( $M=0.39$ ,  $SD=0.17$ ), than the group of employees (inclusiveness:  $M=0.98$ ,  $SD=0.05$ ; fragmentation:  $M=0.33$ ,  $SD=0.14$ ), which explains why their networks are less dense, regardless of their smaller size and greater proportion of strong ties. Likewise, when network efficiency is considered, the networks of self-employed respondents show a higher level of efficiency ( $M=0.63$ ,  $SD=0.14$ ) than the group of employees ( $M=0.57$ ,  $SD=0.15$ ). This finding means that self-employed respondents tend to have more non-redundant, bridging contacts, and thus, more structural holes in their networks.

Differences in the composition and structure of personal networks are illustrated by two examples of personal networks (Figures 1 and 2). Figure 1 shows the fragmented network of a self-employed visual communication designer. His network includes 18 persons and contains a large proportion of very close relationships (44.4%). Interestingly, these strong ties include not only best friends and family members, but also important professional ties. By the same token, superficial relationships and weak ties, which make up 22% of the network, also have an important role in his designer job: the majority of these weak ties were established during the realization of the last project he worked on. However, this group of superficial ties is not so tightly connected to the core part of his network (Figure 1). The network graph shows that his network contains two alters (alter 7 and alter 11) which represent business acquaintances who are directly connected only to him. Consequently, his network density is low (26.3%) while the network efficiency is high (75%), which indicates that his network is rich with structural holes.

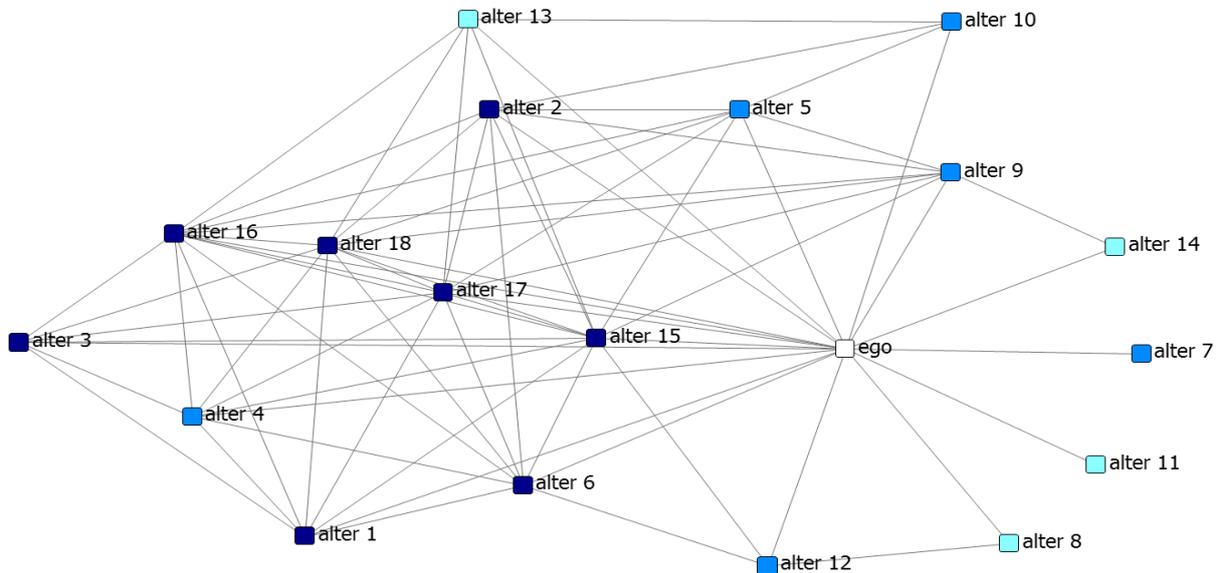


Figure 1. Example of a personal network of a self-employed individual (n58, coded as 'ego'). The darker the color of the node, the closer its relationship to ego.

<sup>5</sup> As it could be expected, there is a highly significant and negative correlation between the network fragmentation and density (Pearson  $r = -0.85$ ,  $p < 0.01$ ), while the correlation between the network inclusiveness and density is significant but positive (Spearman  $r = 0.35$ ,  $p < 0.01$ ).

Figure 2 gives a different example of network composition and structure. It shows the personal network of an actor who is employed in a public theatre. His network contains 24 alters who mostly know each other (density is 56.9%). Given the network composition, very close relationships constitute 33.3% of the relationships. They are mostly family members or friends who provide companionship or emotional support. With his colleagues and professionals from other institutions he largely has good, but not so close relationships (41.7%), while with some professional acquaintances (e.g. independent artists, theatre directors, designers) he is only weakly connected. The proportion of weak ties is 25%. However, even these weak ties are well-connected to others in his professional and personal network. For this reason, his network is dense and of low efficiency (45.5%).

## 6. DISCUSSIONS

The findings of this study show that social networks vary significantly in size, composition, and structure between creative workers who are

self-employed and those with permanent employment. Workers in self-employment tend to have smaller networks involving a greater proportion of strong ties. At the same time, their networks display lower density values and more structural holes in comparison with a group with regular employment. While the causes of these differences can only be hypothesized, these findings shed a possible new light on previous literature on the nature of networks in cultural and creative sector. Therefore, it is important to contextualize them and to propose possible directions for policy making and future research.

First contribution of this study is that it highlights the network outcomes of different work and employment arrangements in the cultural and creative sector. Based on the observed differences in network properties it may be said that workers in this sector develop their networking styles and strategies in order to cope with challenges of labor market and work arrangements. Permanent employees working in the cultural sector tend to have larger social networks with fewer very close ties such as family and friends.

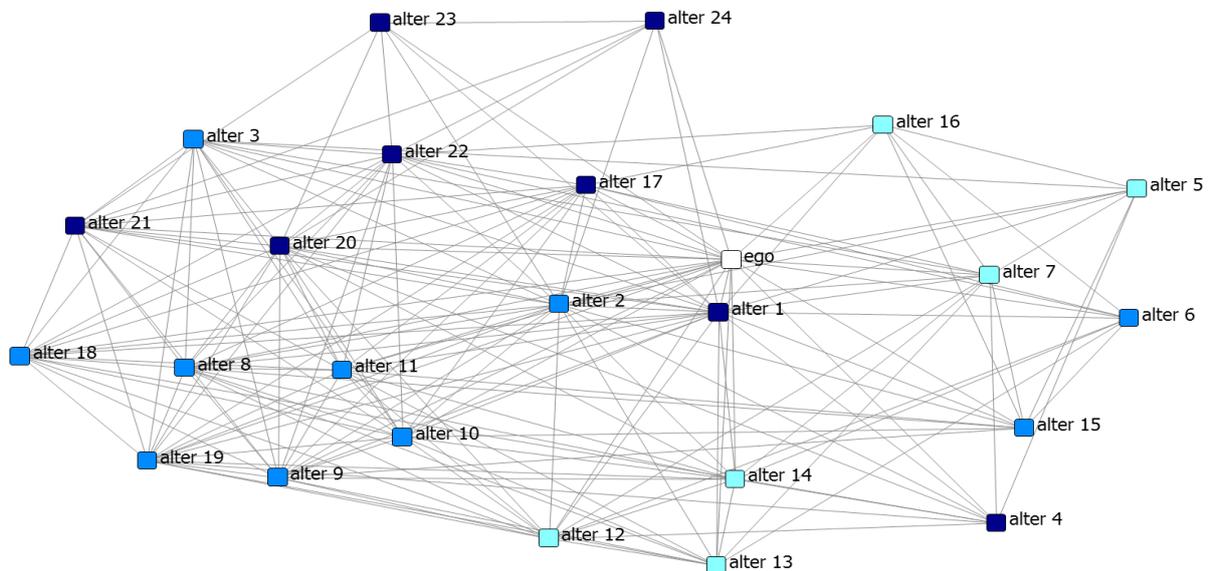


Figure 2. Example of a personal network of an employed individual (n99, coded as 'ego').  
The darker the color of the node, the closer its relationship to ego.

Hence, the large part of their networks consists of their co-workers, colleagues, and other professionals. Because the majority of their professional and associational contacts usually know each other, it is understandable that their networks are denser and, consequently, span fewer structural holes. In contrast, according to these findings, it seems that self-employed individuals tend to create small support networks, with many strong ties, family and friendly relationships. However, at the same time, they have to establish new connections with clients or temporary partners on projects, who are rarely introduced to the other members of the network. Thus, these new contacts tend to remain disconnected from the core part of their networks. As a result, workers in self-employment tend to have fragmented network structure, with two or more completely separated or only weakly connected components. Consequently, their networks embrace 'bridges' in the network structure which are essential to ensure network diversity and heterogeneity. Although the underlying motivation for creating networks with both bonding and bridging effects remains unknown, it may be suggested that self-employed creative workers develop this kind of social environment in order to balance the contradictory expectations of creative labor that simultaneously require cooperation and competition. Hence, their networking creates both bonding and bridging social capital. This observation is consistent with Daskalaki (2010), who reported that creative network members need both 'affective bonding' and 'anti-conformist bridging' social ties in an attempt to secure trust and to maintain creativity.

A second important implication is that network structures reflect the broader social and cultural context in which they are embedded. Unlike self-employed creative professionals in developed societies, whose networks are typically large and based on weak ties, self-employed creative workers in Croatia seem to be more oriented to close relationships and traditional, family-based

networks. Because of the precarious working conditions and the 'double uncertainty' in post-transitional creative economy (Primorac, 2008), it can be assumed that self-employed individuals prefer strong ties because they represent more reliable sources of support. These findings also provide valuable insights for the discussion of the social consequences of precarious working conditions and the process of individualization in post-transitional societies. The results of this study clearly show that the notion of 'network sociality' (Wittel, 2001), characterized by large weak-ties networks and considered typical for freelancers and self-employed, is not really applicable to networks in a post-transitional social context. This means that the ways in which creative workers cope with the uncertainty of work and employment depend on the wider cultural and social context. In particular, at least within the Croatian context, it seems that insecure employment conditions may enhance traditional types of networks and social solidarity. These findings further suggest that, in a post-transitional society, the absence of specific loan programmes and other forms of assistance to entrepreneurs and freelancers in the creative sector elevates the importance of informal support networks, especially family networks.

Furthermore, the local urban environment in which the creative sector is embedded is also of great importance. Many empirical studies have demonstrated the dynamics of cultural production in large urban centers in which the creative economy is concentrated (Grabher, 2001; Scott, 2008; Scott, 2000). The findings of this study suggest that creative professionals living in small and medium-sized cities, unlike those living in large urban areas, may develop specific types of network styles and strategies in order to overcome their marginal position and to cope with limited opportunities in the local market. These findings have important policy implications. First, this research suggests that policy makers in small and medium-sized

cities seeking to encourage the development of creative industries should consider that the social environment has to ensure both security and diversity or bonding and bridging ties. This can be realized through different measures, from providing essential infrastructure for startups or co-working spaces and projects which foster cooperation to public subsidies for entrepreneurs in creative occupations. Second, the observed differences between self-employed creative professionals and those with permanent employment brings into question the idea of 'cultural and creative sector' as a homogenous. Therefore, it would be advisable to develop more policies and strategies specifically aimed at different subsectors of cultural and creative industries, taking into account specific needs of particular fields as well as the consequences of work and employment arrangements.

Finally, there are several limitations to this study. First, the sample is relatively small in size and scope. Therefore, a similar study on a larger sample should be conducted in order to further explore the effects of different types of work and employment on network composition and structure. Second, the data was limited to creative professionals who live and work in one medium-sized city in a post-transitional country. Given the importance of the overall sociocultural context in the formation of social networks, the findings are not fully generalizable. Future studies could examine different social contexts and other factors that may influence the interaction and networking practices of creative professionals. Furthermore, future research should explore the consequences of different types of network structure and attributes on career performance in the creative sector.

## 7. CONCLUSION

The role of networks in the cultural and creative sector has been the subject of many studies. For self-employed creative workers networking is

considered important not only for providing access to information about job opportunities but also for gaining social support. To examine the effect of self-employment on social networks, this study was focused on the comparison of compositional and structural network properties between self-employed creative workers and those with permanent employment. This paper has drawn on the study of social networks that was undertaken in a medium-sized regional center in Croatia. Considering that a relatively small body of research has been conducted outside the large cities and most important hubs of global creative economy, this paper provides an insight into the nature of networking in a post-transitional social context.

The findings of this study show that workers in self-employment have smaller networks with a larger proportion of strong ties. This implies that strong ties and long-term relationships of mutual trust and reciprocity are of great importance for workers in insecure environment of post-transitional economy and society. This study has also shown that personal networks of self-employed creative workers are more fragmented and contain more structural holes indicating the essential role of bridging contacts in the network structure. It is suggested that the observed differences in network patterns reflect the broader sociocultural context in which cultural and creative sector is embedded. Future research could use a comparative design to examine the influence of social context on different network properties and their consequences on individual careers in the creative economy.

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