



**Bournemouth
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Creative Industries: taking a look at labour productivity

What you might already know

- ❖ The Creative Industries have been one of the UK's major economic successes with Gross Value Added (GVA) increasing from 3.96% (£31,205m) to 5.04% (£76,909m) of the total UK economy between 1997-2013.
- ❖ The number of employees working in the Creative Industries has also increased by 83%, from 931,000 in 1997 to 1,708,000 in 2013.

What you might 'not' know

- ❖ Recent discussions on the UK economy from a number of political and economic sources have centred on the issue of relatively high levels of employment, but relatively low levels of productivity.
- ❖ This issue is equally relevant to the Creative Industries, where GVA per Employee has yet to recover from the peak of £53,542 in 2008.
- ❖ A strong recovery in Total GVA and the Number of Employees, between 2009-13, at 33% and 19% respectively, is **not** matched by an equally strong GVA per Employee, which has only increased by 12% over the same period (see Diagram 1 below).

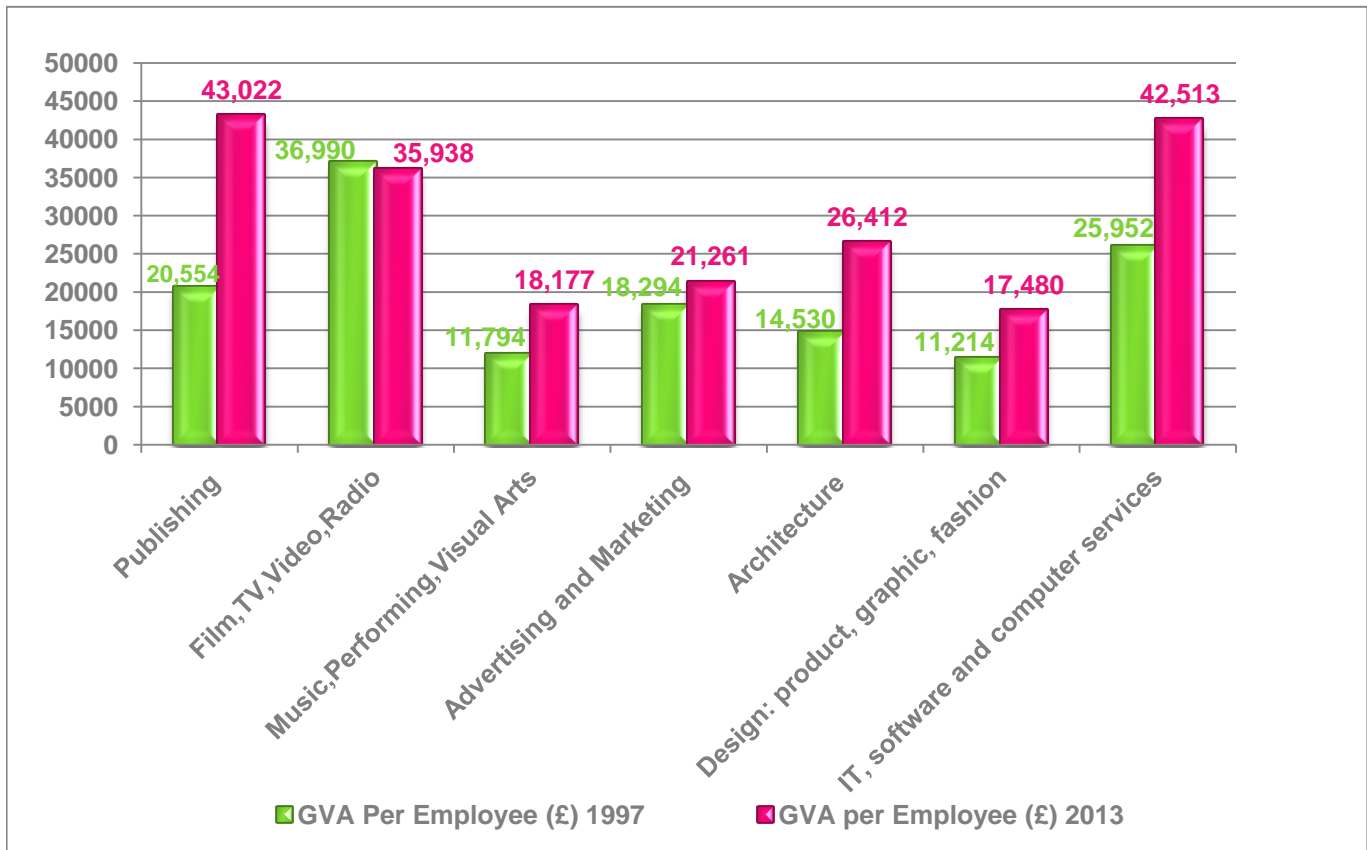
- ❖ In essence, this trend equates to a **productivity gap** within the Creative Industries.
- ❖ Lower levels of GVA per Employee and productivity are likely to be the result of harsh macro-economic conditions and a lack of investment in capital expenditure, research & development and skills training.

Diagram 1: Creative Industries: GVA and GVA Per Employee



- ❖ Inter-industry GVA per Employee performance shows that the Publishing Industry has by far outperformed any other industry, by increasing the GVA per Employee from £20,554 to £43,022 between 1997 and 2013.
- ❖ The worst performing industry was Film, TV, Video and Radio where GVA increased by 56%, from £5,985m to £9,308m and the number of employees increased 60%, from 161,800 to 259,000. The result was a net reduction in GVA per Employee of -3% from £36,990 to £35,938.

Diagram 2: Inter-Industry GVA per Employee Performance (1997 and 2013)



About...



...the Author

Dr John Oliver is an Associate Professor of Media Management and an experienced academic who has published in international media and business journals. He is also the Programme Director for Bournemouth University's 'Professional Doctorate for the Creative Industries' research degree programme.

As an executive trainer, he has delivered programmes in Media Strategy to directors, managers and producers from across the European audiovisual sectors. In the UK, he has delivered executive education to clients like the BBC, ITV, Virgin Media, Sky, UKTV, Channel 4, FremantleMedia and Bell Pottinger.

A former Deputy President and current Executive Board Member of the European Media Management Association, he is also a Visiting Fellow at University of Oxford (Reuter's Institute for the Study of Journalism).



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The faculty is one of the largest of its kind in the world and has a global reputation for combining research and teaching expertise. We work with the top names in industry such as the BBC, Creative Skillset and Sony to ensure that we stay at the forefront of today's digital media revolution. The faculty is also home to the National Centre for Computer Animation and is the only Centre of Excellence for Media Practice in the UK.



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