The Impact of Trust on the Approach to Management—A Case Study of Creative Industries

Joanna Radomska 1,*, Przemysław Wołczek 1, Letycja Sołoducho-Pelc 1, and Susana Silva 1,2

1 Wrocław University of Economics, ul. Komandorska 118/120, 53-345 Wrocław, Poland; przemyslaw.wolczek@ue.wroc.pl (P.W.); letycja.soloducho@gmail.com (L.S.-P.); ssilva@porto.ucp.pt (S.S.)
2 Católica Porto Business School, Rua de Diogo Botelho, 1327, 4169-005 Porto, Portugal
* Correspondence: joanna.radomska@ue.wroc.pl

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Abstract: Companies operating in the creative industries are struggling with the simultaneous pressure to be innovative and creative, which requires access to unique resources (such as knowledge and creative potential), but also means they must be effective in actions taken. To find a balance between those tensions, they are using the networking approach. Therefore, it seems that networking is becoming a high priority and that being involved in networks is a crucial part of such companies’ business models. Nevertheless, their competitive advantage is based on creative potential, which means that they are rooted in building and maintaining internal relations. As a result, in creative industries, relationships with internal and external stakeholders are crucial, but are strongly based on trust. Thus, the main aim of this paper is to investigate whether trust is the main factor influencing the approach to management. Moreover, we tried to understand the impact of trust on the managerial actions taken. We used the multiple case study research method to examine the role of trust in cooperation, as well as in shaping internal relations in companies operating in the creative industries. To achieve that goal, 10 companies from Poland and Portugal (5 from each country) were investigated in order to find any regularities. By analyzing the research results, it was possible to identify consistencies among the sample and present the main findings. Therefore, four approaches distinguished by the degree of trust were identified. When the level of trust is low, companies are operating within their network based on close relationships, as well as using collective participation where the team is perceived as a key success factor. On the other hand, when the level of trust is higher, companies move towards cooperative management (where the role of competitors is crucial) as well as individual participation (where an employee is engaged in the creative, as well as the decision-making, process). As a result, a theoretical model is proposed that includes the level of trust and the external and internal stakeholders’ perspective. Based on our research, trust can also be added as a fourth ‘T’ to the ‘3T’ (talent, tolerance and technology) concept proposed by Florida (2003).

Keywords: trust; creative industry; networking; stakeholders

1. Introduction

Although we can find different definitions of the creative industries [1], in most research that sector has been investigated mainly based on specific characteristics: high pressure to achieve creativity, high need for permanent adjustment, and high importance of a networking approach [2]. On the other hand, the sector seems to have an impact on the growth of the economy in various countries.

As stated by Chaston and Sadler-Smith [3] (p. 415):

The inception and growth of creative industries is a matter of theoretical concern for business venturing and entrepreneurship researchers (Henry, 2007) and of practical concern for nascent entrepreneurs and...
the managers of small businesses in the creative sector (Foord, 2008); it is also important in the debates regarding social policy and economic development (Oakley, 2006).

The importance of this sector within the field of entrepreneurship and management thus seems to be unquestionable for both academics and managers. Also, from the policy maker’s point of view, this subject appears to be relevant [4]. Therefore, investigating managerial practices seems to of high importance.

Moreover, in literature describing the creative industries many studies have used the macro perspective—that is, analyzing the activities of the whole creative industry—while relatively few have considered the micro perspective—referring to strategic or operational measures taken by the companies within that sector [5]. This reinforces the idea that more research is necessary to unveil the management profile of small and medium-sized enterprises (SMEs) operating in the creative industry, considering that most researchers so far have focused mainly on frameworks that consider how creativity influences social systems or the economy [6]. Furthermore, many studies have considered the phenomenon of creativity, while few have aimed to develop theory in creative industry management [7]. This also represents a research gap that we want to address. Therefore, we can say that even though larger firms in this sector have been the focus of more research compared to SMEs, it would be interesting to identify the approaches to management in SMEs, bearing in mind that trust seems to be considered a means of support for creativity. For this reason, we believe that it is worth investigating managerial practices, especially the level of trust in management held by external and internal stakeholders, from the perspective of small companies in the creative industries—an area that is gaining relevance in Poland and Portugal, as well as in Europe overall.

Based on the above, this paper investigates the managerial practices and approaches to management represented by companies operating in creative industries. We focus on the perspectives of Poland and Portugal, mainly because of their comparable level of revenues reported in the creative industry, but different data on gross domestic product (GDP) and employment. The figures are briefly presented in Table 1.

<table>
<thead>
<tr>
<th>Table 1. Creative industries—comparison between Poland and Portugal</th>
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<tr>
<td></td>
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<tr>
<td>Level of revenues</td>
</tr>
<tr>
<td>% of GDP</td>
</tr>
<tr>
<td>% of employment</td>
</tr>
<tr>
<td>Source: [8] (p. 2).</td>
</tr>
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</table>

Only in some European countries can we find contributions above 3%. As we can see from Table 2, only a few display higher contributions for value added than for jobs. Overall, and according to Tera Consultants [9], the sector accounts for 6.8% of European GDP (approximately €860 billion) and 6.5% of European employment (approximately €14 million); however, the consultants’ study, conducted in 2011, foresaw job destruction in the sector in the coming years.

| Table 2. Economic weight of the creative industries in the main European markets (2011) |
|---------------------------------------|----------|----------|----------|----------|----------|----------|
|                                      | UK       | FRANCE   | GERMANY  | ITALY    | SPAIN    |
| Creative industries                  | VA (%)   | Jobs (%) | VA (%)   | Jobs (%) | VA (%)   | Jobs (%) |
| Core                                 | 5.8      | 5.4      | 5.1      | 3.7      | 3.9      | 4.1      |
| Interdependent & support             | 3.2      | 3.6      | 2.7      | 2.6      | 2.1      | 2.9      |
| Total creative industries            | 9.0      | 9.0      | 7.9      | 6.3      | 6.1      | 7.0      |
| Creative GDP (billion €)             | 159      | 152      | 159      | 95       | 53       |
| Creative employment (million)        | 2.6      | 1.6      | 2.8      | 1.4      | 1.0      |

Note: VA = value added. Source: [9] (p. 6.).
According to the report "Creative Economy Employment in the EU and the UK, a Comparative Analysis", from a British organization [10], the creative industries are responsible for around 11 million jobs in Europe, which accounts for 5.21% of all jobs in the continent. These figures surpass those presented in 2006 by KEA, which estimated 3.1% of jobs in this sector in Europe; that is, 5.8 million (UE25). From 2011 to 2013, the forecasts of Tera Consultants have not yet been verified; indeed, there was a small increase of around 393,000 jobs created from 2011 to 2013, as we can see in Table 3.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>% of Total Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>11,005,000</td>
<td>5.10</td>
</tr>
<tr>
<td>2012</td>
<td>11,252,000</td>
<td>5.23</td>
</tr>
<tr>
<td>2013</td>
<td>11,398,000</td>
<td>5.31</td>
</tr>
<tr>
<td>Average 2011–13</td>
<td>11,218,000</td>
<td>5.21</td>
</tr>
</tbody>
</table>

Source: [11].

The comparison between Poland and Portugal is based on the growing potential for job creation and the impact on the labor market [12], as well as the support for professionals possessing distinctive abilities [13]. In both economies, the sector is perceived as strategic and influencing regional development, as well as sustainable economic growth [14], and providing some spillover effects [15].

It is hoped that our findings will provide deeper understanding of the impact of trust on companies’ relationships with their external, as well as internal, stakeholders, and on the involvement of stakeholders in managerial decisions. To obtain this goal, first, we discuss the impact of trust on the approach to management, as well as the degree of participation and the importance of networking in the creative industries. Subsequently, we present the data collection process and the results of our case research. Finally, we discuss our findings and contributions.

2. Theoretical Background

Theory recognizes that, in areas where an entrepreneurial approach is more evident—as is the case for the creative industries—managerial cognition is at play. This means that managers seem to be more able to recognize complex constellations of cues that comprise potential business venture opportunities, while others fail to recognize them or overlook them [16–18]. However, even though this characteristic can be seen as promising for entrepreneurial activities, the concentration on opportunities that may emerge limits the managerial capacity to focus on planning, as creativity is ‘blocked’ in a variety of ways, including deep-seated beliefs about the world [19]. This may mean that the ‘alertness’—invoked by Kirzner [20] as a positive characteristic of entrepreneurs—is hindered by the obligation to plan according to certain guidelines. Managers are forced to find a balance between creation and rationality, defined as the pressure to accomplish economic and financial indicators. It also reveals a need for more creativity in the formulation of strategy [21]. These guidelines cover the networking perspective, which involves a high level of trust as well as internal interactions and relations that affect the final outcome of the strategy executed.

2.1. Trust as a Factor Influencing the Approach to Management

Starting from 1980, we may observe a growing number of papers that analyzed the issue of trust [22–28], as confirmed in research included in the Web of Science database. Between 1998 and 2018, 15,142 articles containing the word ‘trust’ in the title were published (see Figure 1).
Based on the literature, it can be stated that trust is a subject of research in various disciplines, such as sociology, psychology, anthropology, philosophy, history, medicine, economics and management. As a result of this wide research spectrum, the concept of trust has different interpretations in the psychological, social, economic and cultural sense [29]. Furthermore, studies show that trust is not limited only to human beings, but may also be applied to social or organizational systems. It can therefore be concluded that trust concerns various entities: individuals, groups, social entities, and relations between people, as well as relations between groups [30].

Scientists who deal with the issue of trust have proposed many definitions that were developed in response to the requirements of individual scientific disciplines. Furthermore, the subjective nature of the perception of trust reduces the possibility of introducing a universal explanation of this problem [26,31,32]. The complexity of the concept of trust in the organizational dimension can be illustrated by the following statement: “Trust ( . . . ) tends to be somewhat like a combination of the weather and motherhood; it is widely talked about, and it is widely assumed to be good for organizations. When it comes to specifying just what it means in an organizational context, however vagueness creeps in” [33] (p. 497). Based on our analysis of the literature, we can state that the term ‘trust’ has not been precisely defined and there is no universal definition accepted by all researchers. In addition, it is difficult to find unanimity about the nature, features, types and models of trust [34–40]. As indicated by Dietz and Den Hartog [36], we may distinguish three perspectives from which trust has been analyzed: trust within the organization (an intra-organizational perspective where the relation between employees and board, supervisors and co-workers is important), trust between organizations, and finally trust between organizations and clients.

However, in the last few decades there has been growing interest from researchers in the role of trust in organizational management, and in its impact on the approach to management [41–50]. The research has indicated various factors that influence, as well as positive consequences of introducing such an approach [51]. According to Möllering, Bachmann and Hee Lee [52], trust is used as a mechanism that allows increasing organizational openness, thereby reducing uncertainty and increasing competitiveness.

It can be assumed that the growing importance of trust in management results from the increased risk assumed by organizational management, especially in terms of collaboration between people and organizations [53–60]. Trust is considered an alternative mechanism for controlling collective organizational activities, especially in environments with a growing level of uncertainty and complexity.
A control mechanism based on trust is more effective than governance resulting from the hierarchy and the use of standard monitoring and control methods [50,61,62].

Studies have shown that trust has a positive effect on the operations of organizations [63,64], as well as maintaining a strategic competitive advantage by reducing costs, increasing profits and accelerating the achievement of goals. Arguments for incorporating trust in managerial practice include higher flexibility manifested by openness towards changes [65]. Therefore, we may formulate the thesis that trust has become a tool used to change organizations’ management approach [66,67].

2.2. Impact of Networking in Creative Industries

For companies in the creative industries operating within networks is very important, because these companies are facing specific types of tensions. On the one hand, there is a need to build, maintain and expand their creative potential [68], while at the same time we may observe a growing pressure on cost efficiency [69]. Therefore, finding a balance between those two pressures is highly recommended [70] and may be achieved by networking and operating within networks.

In fact, as reported by Starkey et al. [2], networking is a common managerial practice observed in creative organizations. This is mainly because businesses in the creative industries are exposed to more complex, changing and unpredictable conditions [71], which require, above all, that businesses function—and continuously build relationships—based on operating within networks [2]. This is extremely important in small companies, where external networks help to introduce new or varied design perspectives but also to identify creative potential [72]. Being part of a network may require some adjustments in the decision-making process, but also more complex changes in managerial approach, which could even result in changing the business model [73]. As a consequence, while building a competitive advantage strongly focused on relationships, managers in creative industries must find a balance between competition and cooperation, which can be manifested by a coopetition strategy wherein an advanced form of inter-organizational cooperation is necessary [74]. As indicated by Reiersen [75], a cooperation strategy is easier to implement when there is mutual trust. The opposite behaviors, based on distrust and control, are costly, time-consuming, and less effective. This is the reason for changes in existing business models applied to the creative industries, where, in addition to internal factors, it is necessary to include external interactions with other entities as a basic development priority [76].

The networking perspective should also include relations with internal stakeholders, mainly because creative potential is based on the flow of knowledge rooted in the relationships between employees [77], where constant social interaction and trust are essential [78] because knowledge transfer and absorption are influenced [79]. As observed by O'Reilly and Tushman [80], building internal networking structures would require combining the independence of employees with the knowledge-sharing process and organizational learning. All these factors require the building of a culture based on trust [25], which is also perceived as a factor reducing risk [81]. Lack of trust between subordinates and supervisors is a significant barrier to open communication and reduces employee willingness to participate in the decision-making process [82]. In addition, the quality of relations between clients and employees is strongly based on trust [83].

2.3. Trust as a Factor Influencing the Approach to Participation

Research on employee participation has covered various dimensions: theoretical, empirical, and ideological. According to the “100 Best Companies to Work For” ranking published by Fortune magazine [84], the success of these companies is built on a favorable environment where employees are empowered and managerial practice is focused on supporting and trusting employees. Nowadays, employees should have access to the company’s knowledge and experience, because they have to make the majority of decisions themselves; hence, trust becomes a critical factor. Internal relations within the organization seem to be significant, because they are based on the knowledge and potential of employees. This should be reflected in actions taken to support
employee involvement and to build a culture of trust and support. For this reason, it is important to have interpersonal contacts, internal relations, and informal communication, the usefulness of which has been confirmed by the results of many studies [85]. Such social proximity has been identified as a notable tendency for informality in managerial actions [86].

Building commitment based on trust requires a culture of openness, along with strengthening employees’ sense of value and their responsibility for the final result achieved [87]. Such commitment is important, especially when employees have a significant influence on strategy [88] and contribute to achieving the company’s goals [89], which stimulates creativity and builds learning potential. Therefore, the management style implemented is an important factor in successful empowerment [90]. According to Park [88], organizations should combine two types of participation: involvement in the decision-making process and financial participation. As a result of such a combination, the engagement of employees is clearly increasing.

Although in the majority of empirical studies trust is treated as a collective issue, in particular relations there is a specific type and level of trust involved [91]. That is mainly because competencies, relations, and cooperation are related to interpersonal trust [92]. Therefore, trust is considered a prerequisite for participation, although the economic perspective is also considered. As a result, trust determines different levels of participation [93]. According to Grimmelikhuijsen and Meijer [94], participation affects trust; however, as stated by Scherer and Wimmer [95], this impact is not automatic.

3. Materials and Methods

3.1. Data Collection

To describe and explore the research problem, a descriptive approach is used. Exploratory research tends to follow this approach, as the objective is to select a sample with a particular purpose in mind, rather than to produce statistical generalizations of findings [96]. The appropriateness of this research method for the present work is supported by Yin [97]. We will present a case study using semi-structured interviewing and document analysis and provide details about the context and specific factors that are considered in the decision-making process. The effectiveness of such a case study approach was confirmed by Parry et al. [98]. We have chosen the creative industries mainly because of their characteristics and the importance of networking and relations in the process of building a long-lasting and sustainable competitive advantage based on creativity and knowledge. As the research aims to investigate managerial practice, the study of particular companies is appropriate. As pointed out by Yin [99], there is no one definition of a ‘sufficient’ number of cases; however, it is assumed that there should be between 6 to 10 cases in a multiple-case study. We used the snowball sampling method [100], which is often used in quantitative research in which interviews are conducted [101]. The empirical basis for this investigation comprises case studies of five Portuguese and five Polish firms that operate in the creative industries. The companies were located in Porto and Wroclaw, respectively, and were selected based on the following conditions: (1) the firms should be registered in Portugal or Poland and owned by Portuguese- or Polish-based interests; and (2) the firms should belong to different sectors in the creative industries and be of different sizes. The case study firms’ characteristics are summarized in Tables 4 and 5.

Table 4. Portuguese case firms’ characteristics.

<table>
<thead>
<tr>
<th>PT1</th>
<th>PT2</th>
<th>PT3</th>
<th>PT4</th>
<th>PT5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector</td>
<td>Sector</td>
<td>Sector</td>
<td>Sector</td>
<td>Sector</td>
</tr>
<tr>
<td>Advertising,</td>
<td>Cinema and</td>
<td>Online</td>
<td>Audio-visual</td>
<td>Architecture</td>
</tr>
<tr>
<td>communication and</td>
<td>audio-visual</td>
<td>communication</td>
<td>production</td>
<td>and consulting</td>
</tr>
<tr>
<td>consulting</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of employees</td>
<td>8 (+13 interns)</td>
<td>1 (+freelancers)</td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Authors’ elaboration.
Table 5. Polish case firms’ characteristics.

<table>
<thead>
<tr>
<th>Sector</th>
<th>PL1</th>
<th>PL2</th>
<th>PL3</th>
<th>PL4</th>
<th>PL5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Movie industry, film production (advertising and promotional films)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Artistic and entertainment, production of artistic performances in theater and television</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising industry, digital printing of banners and flags</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3D printing and design services</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Design and fashion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of employees</td>
<td>15</td>
<td>11 (+ freelancers)</td>
<td>25</td>
<td>55</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: Authors’ elaboration.

3.2. Research Design

As our intention was to present the dominant “replication logic” [102], we used the multiple case study method, which is an appropriate approach in social science and management studies, as pointed out by Chetty [103], because it applies exploratory research and provides descriptions, and is increasingly used in such research [99]. The multiple case study method provides a good basis for formulating theory and makes it possible to derive a complete theoretical description of the phenomenon. It also allows for the replication of cases, which gives the possibility of “pattern” recognition [104–106]. In each company, we traced the decision-making process using extensive structured interviews with the executives of each firm. In all cases, the interviewee was one of the founders, and currently a chairperson, of the firm. The questions concentrated on facts and events, but in some cases the respondent’s interpretation was also important. For that reason, we used open questions that covered topics pertaining to the formal and informal aspects of management (i.e., collecting information about the market; tracking competitors’ activity, including competitors in the planning process; capturing feedback from employees; implementing policies to foster creativity; and the importance of external relations and their contribution to strategy and empowerment). The full interview protocol is available from the authors. Each interview lasted an hour on average. The interviews were recorded and later transcribed for content analysis. We followed several rules for within-case analysis [102]. For example, we used the ‘24-hour rule’ so that detailed notes and our personal impressions were recorded within one day of the interview. We also separated our interpretations from the respondents’ stories but tried to get a deeper insight into the data collected. The interview transcription ensured consistency of analysis. Reliability was ensured concerning the constructs extracted, as all respondents had the same sequence of entry and exit procedures, as well as the same questions. The validity was enhanced by using the multiple case research design, which entailed cases from the same industry that were relatively similar in size. We also used the ‘pattern matching’ data analysis method recommended by Yin [102]. One of our main goals was to investigate managerial practices, and for that reason no quantitative data was analyzed. We believe that this research perspective enabled us to investigate several foundations of the approach to management. As a result, we were able to draw some inferences regarding managerial decisions of companies in this environment [107]. Another research goal was to present propositions that summarize the observed uniformities between the variables described (the internal and external stakeholders, as well as the level of trust). Therefore, we wanted to answer the research question: How does trust influence companies’ relationships with internal and external stakeholders, and the management approach?

4. Results

4.1. Relations with External Stakeholders

As reported by the research results, in the creative industries external networking is extremely important, as confirmed by one of our respondents (PL1): “We are not able to produce the whole project, having external partners is the main element determining our success.” In many cases, relations are the basis of marketing activities and having close relationships is the main goal. This is mainly
because partner companies collaborate, generating leads and recommendations for each other. This is connected with the specific character of the creative industries, where companies are project oriented and thus joined within a network, and being able to win clients depends on connections with other partners. Besides being another source of leads and referrals, the partner network and the relations with external companies are seen as creating a pool of skills that can be reached out to and that therefore contribute to the growth of the company. The importance of maintaining and evaluating the level of relationships was confirmed and clearly stated (respondent PT1) as follows: “External relations are crucial. We’re always seeking good partners. We value partnerships that bring us innovation and quality to our projects. We establish measures to maintain the level of our partnerships.” Those relationships are often treated as an investment, as confirmed by one of our respondents (PT3): “For a company to survive, especially with the recent economic crisis, it was important to invest in relationships. That investment was important for us to be able to include ourselves in networks capable of generating businesses in the short term.” Close relationships with clients and suppliers were also mentioned as one of the pillars of our companies’ identity, also because a cyclical connection between partnerships and the number of customers was revealed, as can be seen in the following statement (respondent PT1): “We need to establish good relationships, not only with our clients but also with our partners. We try to deal with them equally because they are equally important. Without clients we don’t build partner relationships, and without partnerships, we don’t have clients so it’s a virtuous circle.”

The approach towards competitors was also investigated. We identified some cases where the level of trust was high and therefore the relation with the competitor was close. This is confirmed in two statements from respondents PL4: “There is no strict competition, rather coopetition. We know informally about their actions”; and PL5: “In many cases we cooperate within one project so I get the information about their actions directly.” Moreover, we were able to identify examples of coopetition, where close cooperation with a competitor was revealed (respondent PL4): “In my industry we know each other, we meet very often with competitors. There is a whispered marketing so we recommend each other when there is a need (from the client) that we can’t fulfil.” Such an approach is reflected even in strategic decisions: “We consider the possibility to cooperate while creating every budget.”

4.2. Relations with Internal Stakeholders

Regarding the creative process, and strategic decisions concerning a project, the majority of companies involve the team in creative development. Such involvement can take various forms, starting from gathering information, ideas and suggestions from team members in order to build the final idea. Various different tools are used, as mentioned by respondent PT1: “We are in a digital transformation phase, so our strategy is to focus more on digital businesses. For that reason, we’ve been developing numerous brainstorming sessions about how to approach the client, what projects do we want to develop and what areas do we want to go in.” Some respondents called such a practice co-creation, and they believe that in the context of the creative process this is very important. We also identified some examples of collective empowerment, where employees participate in the decision-making process. This was confirmed in the following statement (respondent PT5): “I involve them in the decision-making process: they are co-responsible for the project. I keep them informed at all times.” In order to make this work, respondents declared that they have a ‘meeting culture’, where a huge part of their time is spent in meetings. As we tried to find the roots of that culture, the attitude towards employees was investigated. Our respondents reported a high level of either trust in employees, or trust of employees in the company, flexibility and positive feedback between managers and employees. This is manifested in the following opinions, starting with respondent PT1: “I always try to assess, informally, the feelings and the relationship between my colleagues and our organization. But we’re a small company so it’s easy.” Respondent PT5 stated: “I don’t like people that agree with everything I say or do: I like them to give suggestions and I like when they surprise me. I also learn with my employees. For example, I learn a lot with experts in other areas of knowledge.”
Regarding the attitude towards employees, the following comment from respondent PT5 is a prime example: “I show them my appreciation. I love when they present me solutions that go well beyond little lights on the ceiling. I like that they surprise me with good solutions and I express it.”

As was already mentioned, flexibility and informality are crucial in relations, especially with young employees, which was confirmed by respondent PL4: “Our industry is very dynamic and rapidly changing. We have to change our approach very quickly and that’s why we are trying to have more formalized decisions. But as our employees are mainly millennials, they are allergic to plans.” Although flexibility was observed, our respondent outlined that in order to maintain the business, a clear definition of individual and collective goals is very important.

Our research revealed that in some cases (especially in the case of the cinema, audio-visual, and film industries) the interviewees mentioned that the creativity policy is very much centred on the figure of the creative director and the process itself. Therefore, in order to foster creativity and innovation, but also to achieve strategic goals, the empowerment of an inspiring director was used as a way to simultaneously support creativity and keep the level of operational effectiveness high. However, as outlined by our respondents, such participation required a high level of trust.

5. Discussion

From the data analysis presented, we can conclude that both external and internal relationships are influenced by the level of trust, which changes the approach to management. Based on this, our research contribution lies in our finding that internal relationships with employees are important in the decision-making process and strategy: in smaller companies it is usual for everyone to contribute with an opinion; in larger companies, it is normal to gather a set of only a few people who contribute. Whether by capturing feedback or getting employees involved in creative, as well as strategic, decisions, in general there is a feeling that empowering employees is a good practice that contributes to the quality of projects and the long-term success of the company. All of the interviewees mentioned some form of feedback capturing, either in formal project meetings or informally. These meetings occur when planning a project or at the end of it. Regarding the creative process and strategic decisions concerning a project, the majority of companies also involve all of the team, or at least part of it, in creative development. When companies are smaller, all members are involved in the process. However, when companies are larger, there is a chosen group who contribute. When the level of trust is higher, the participation of one person (a director) was observed. Concerning informal policies to foster creativity, there is also a clear distinction in the approaches of the cinema, audio-visual, and film industries. The interviewed companies mentioned that creativity is mainly nurtured by the creative director and by the creative process itself. The creative director is also responsible for formulating, as well as achieving, strategic goals, which requires access to sensitive information. In that case the level of trust is important, as it is strongly connected with the source of competitive advantage (which is knowledge and creative potential) and the fear of that resource being used by other companies. Regarding internal relations, it is apparent that the majority of companies try to establish a good working atmosphere, providing perks such as flexible working times and having regular meetings to maintain communication among co-workers, as well as, in some cases, organizing team building and other activities to foster close relationships. Moreover, the involvement of employees in project planning and decision making is another way to nurture internal relationships and networking.

In the case of external relationships, we confirmed the importance of networking and close relationships within a network, which influences strategy or marketing, but also the number of clients and projects realized. Therefore, we may conclude that being a part of network with external stakeholders is perceived as part of the business model in creative industries. Moreover, we were able to identify certain cases where a close relationship with competitors was revealed. This was manifested by practices such as coopetition and joint strategy, or even included cooperation with a competitor while creating the budget.
Our findings enable us to propose a framework to explain the influence of trust on the approach to management; this is presented in Figure 2.

![Theoretical framework explaining the influence of trust on the approach to management. Source: Authors’ elaboration.](image)

The basic assumption derived from the literature and confirmed by our study is that the approach to management is highly influenced by the level of trust. In the case of relations with internal stakeholders, trust influences the approach towards participative management. When the level of trust is lower, we may observe collective participation, which evolves towards individual empowerment where, besides the team, one employee (not the owner, but the director) is either involved in the creative process or responsible for decision-making areas. This requires access to sensitive data, as well as taking responsibility for the final outcome. In the case of external stakeholders, the level of trust changes the attitude towards the competitive posture. When the level is lower, although we may observe close relationships within the network, there is still some space for unique resources that are not shared with other partners. However, when the level of trust grows, we may observe coopetition, where a close relation with competitors is crucial. Our research shows that trust is an extremely important factor for building and maintaining a competitive advantage in the creative industries. The theoretical framework represents an avenue for future research, in that it should be further investigated to verify whether it effectively explains the main impact of trust on changes in managerial practice, as reflected in the approach to management.

6. Conclusions

This research aimed to understand the managerial practices that enable us to identify how the level of trust influences the approach to management. We found that the impact of trust differs depending on the external and internal stakeholders’ perspective. In order to achieve the research goal, we used evidence from Portuguese and Polish companies operating in the creative industries, and as a result identified level of trust as a factor that influences the managerial actions taken. To address the research problem, 10 case studies were analyzed and several approaches applied. The practices identified enable us to formulate the conclusion that the level of trust has an impact on the approach
to management in the area of relations with external stakeholders. Even though different types of relations are revealed in the creative industries, focusing simultaneously on different partners seems to be crucial. That is manifested in the business model of coopetition. Such a perspective was confirmed by Fernández-Pérez et al. [108], who outlined the desired outcome of external networking, which concerns the development of new organizational capabilities and is even perceived as ambidextrous [109]. In the case of relationships with internal stakeholders, we confirmed the research results found by Chang and Lin [110] that internal relations are strongly based on knowledge sharing and aimed at supporting the learning process [111], which is strongly based on trust. For that reason, managerial practices vary and are rooted in specific internal environments, as confirmed in our study. Nevertheless, our study also confirmed the results presented by Tyler [112], who considered trust as a crucial factor for enhancing cooperation within and outside of the organization. Moreover, our results support arguments by Greenwood and Van Buren [113] that trust is a fundamental aspect of the moral treatment of stakeholders, and in shaping the relationship between the organization and its stakeholders, as well as being endemic to top management orientation and values.

The approach to management did not vary across the Portuguese and Polish companies in our sample. This may be due to the specific characteristics of the creative industries, where skills, talents, and creativity from individual and collective perspectives, as well as intellectual property, are the core competencies. Florida [114] referred to the “creative class”, which is people working in the creative sector who are characterized by three core values: talent, tolerance, and technology (‘3Ts’). Based on our research, we can also add trust as a fourth ‘T’. This represents our main contribution.

As noted above, because of the specific characteristics of the creative industries, where a free and unlimited flow of new ideas is essential, the basic approaches to management are quite similar (more trust, fewer restrictions) across our sample, and do not differ between countries. Our additional contribution is the theoretical approach proposed, which entails an influence of trust on the approach to management. We assume that the growth of trust enhances the willingness to implement cooperative management, where close relationships with competitors are crucial and enable introduction of a culture of participative management, in which individual employees are involved.

The major limitation of this research is the small number of case studies, which should be increased in future studies to guarantee reliability (a rather difficult process considering the sensitive information needed). In addition, more detailed data could be collected in order to facilitate the use of quantitative research methods, which might yield additional insights and practical implications.

It would also be useful to observe, from a financial point of view, the performance results in companies utilizing the approaches described to compare the results achieved. It would be interesting, moreover, to take a more focused research perspective, where only a particular type of activity is analyzed.

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