



# MARIBOR SOLUTION STORY: MAPPING CCI TO MEASURE PERFORMANCE

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<b>Subject</b>	The story of how Maribor used CCI mapping to overcome the implementation challenge of measuring performance
<b>Network</b>	Creative Spirits, Implementation Network
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In recent months, Maribor has started to map its cultural and creative industries (CCI) sector. Such an exercise is key to tackling the challenge of measuring performance during implementation, but it is notoriously difficult when it comes to the CCI sector. The Slovenian city still has a long way to go before it completes the exercise, however, its experience suggests that momentum can be gained by commissioning relatively short reports that offer quick wins and build support for further investigations.

Maribor is the second largest city in Slovenia and a centre in the region of Podravje. During industrialisation it established itself as a production power house, with its key sectors being textiles, chemicals, and mechanical engineering. By the 20<sup>th</sup> century, it was one of the largest industrial centres in former Yugoslavia. However, with the collapse of Yugoslavia the city faced economic crisis, forcing its economy to undertake a dramatic restructuring as its traditional industries declined. The period immediately following this was one of socio-economic stagnation, with no growth in population size and a high unemployment rate. However, in a process that began with the 1995 Slovenian municipal reforms, recently Maribor has begun to transform itself into a dynamic touristic-cultural centre. Today, the prevailing activities are services, mostly retail, construction, and personal.

Maribor is relatively strong when it comes to culture and creativity. At the European level, it punches above its weight when compared to cities with similar population sizes and levels of GDP per capita, receiving a C3 index score of 25, putting it in the same class as Gothenburg (25.4) and Turin (24.3), both of which are wealthier and more populous.<sup>1</sup> At the national level, it is the most important cultural centre in Eastern Slovenia, hosting as it does prestigious institutions such as the Slovene National Theatre and the internationally significant Maribor Puppet Theatre, as well as the Lent festival, one of the biggest music and cultural festivals in the southern Central Europe. Furthermore, in 2012 it was European Capital of Culture.

The city went into Creative Spirits with limited experience of tackling the challenge of setting up efficient indicators and monitoring systems to measure performance. And when it came to the CCI sector, like many other cities, it didn't even have a set of indicators. Rectifying this situation was therefore one of their key priorities.

This challenge is a core challenge for all the URBACT Implementation Networks because it is relevant to just about any project implementation scenario. Why? In short, what doesn't get measured doesn't get done. If cities want to improve their performance, they must first measure and understand the level they are currently operating at. As Yael Grushka-Cockayne, Associate Professor of Business Administration at the University of Virginia, says, "you should track your performance, because if you just start with that, let alone anything more sophisticated, you would raise the profile of the issue as a performance issue within the organisation, and you will improve".<sup>2</sup>

For any city, the first step in doing this is the development of a results framework, i.e. a framework that the strategy or action plan can be measured against once implemented. A results framework does this by defining what is to be achieved by the project, by which dates, and by how this will be measured. A key aspect of this is the use of result indicators. Result indicators are indicators that describe a specific aspect of a result that can be measured. For example, if the action plan concerned urban trams, a result indicator could capture the change in average travel time, or the change in CO2 emissions.

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<sup>1</sup> See the Maribor entry in the Cultural and Creative Cities Monitor, available [here](#).

<sup>2</sup> This quote comes from an interview for the Freakonomics podcast. You can read the transcript [here](#).

This might sound relatively simple, but when it comes to culture and creativity things get complicated. It is relatively easy to measure the success of an urban tram strategy, but how do you measure intangibles qualities such as creativity and cultural significance? The problem is further complicated by the fact that the cultural and creative sector was only recognised as one worthy of detailed statistical analysis relatively recently. Perhaps this is why the first European framework for cultural statistics was only drawn up in 2004,<sup>1</sup> and the first economic overview of the cultural and creative industries within the EU was only completed in 2014.<sup>2</sup> Because of this context, several cities in the Creative Spirits network lacked data from which they could draw on to inform the development of their results frameworks, and this meant they had to start from scratch, Maribor included.

Fortunately, there is a solution to this problem: 'mapping'. Pioneered in Britain in the late 1990s, mapping was developed as a method to help countries, regions, or cities start thinking about the value of their cultural and creative industries. The British Council's mapping toolkit defines 'mapping' as "shorthand for a whole series of analytic methods for collecting and presenting information on the range and scope of the creative industries".<sup>3</sup> The precise content of the process depends upon the context in which it is deployed as a tool. However, as the toolkit notes, there are six basic building blocks from which a mapping exercise can be constructed: a literature review, the statistical analysis of official government data, industry-specific studies, the analysis of non-governmental data, primary research to create a directory, and case studies. This was the solution Maribor chose to use in their efforts to meet the challenge.

This work started in earnest in November 2018 when the city hired an external expert, Maja Rečnik, to carry out a preliminary CCI mapping exercise. This work is still underway and isn't due to finish before the end of May. It nonetheless offers insight into how other cities might follow in Maribor's footsteps.

Inspired by the mantra 'policy making is very important intellectual business and it needs to be evidence based', this exercise has three objectives. First, regarding economic value, it aims to systematically define and measure the size of the value generated by the sector, and then track this over time. Second, it aims to understand the challenges and opportunities that are unique to the sector, thus enabling informed public policy in the future. Third, and perhaps most importantly, it aims to raise awareness of the importance of CCI, particularly regarding employment and added value, amongst public authorities and investors, two important groups of stakeholders that currently regard the sector with a degree of scepticism.

Their first step was to define CCI. For this they chose a definition taken from the UK's Creative Industries Mapping Documents, 2001:

'Those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property.'<sup>4</sup>

Maja and her team chose this definition because it is widely used across Europe and it will therefore allow them to compare Maribor with international benchmarks.

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<sup>1</sup> See page 25 of the *ESSnet-Culture Final Report*, available [here](#).

<sup>2</sup> EY's *'Creating growth: Measuring cultural and creative markets in the EU'*, available [here](#).

<sup>3</sup> See page 11 of the *toolkit*, available [here](#).

<sup>4</sup> Available [here](#).

The definition decided upon, the next step was to collect the basic data through desktop research. Fortunately, Slovenia makes much of this readily available online through on the website for the Slovenian Business Register. However, other European cities could also use the European Business Register. Once they had the basic data they could begin with the analysis, the first results of which are just coming through now.

They found that 14% of the organisations registered in Maribor partake in activities that fit their adopted definition of CCI. Furthermore, they learnt that 84% of these organisations are business orientated, i.e. they are not primarily cultural institutions in the traditional sense of the phrase. Regarding income, according to the available data, the total generated by CCI in Maribor is EUR 2.8 million, with the average per CCI organisation being EUR 280,000 (with a range of 0-13.6 million). 70% of this comes from business operating in the fields of architecture and IT. Regarding employment, according to the available date, the city has over 3,000 employees working in the sector, with an average number of 3 per unit.

But these findings only constitute the first of the smallest of baby steps. Next, more data is required ready for benchmark analysis. For example, the total value of CCI in Maribor and the value of CCI as a proportion of the total economy (i.e. just as in the UK it is known that CCI is worth GBP 76.9 billion, equalling 5% of the total economy); the total number of employees in CCI in Maribor and the number as a proportion of the total economy (i.e., just as in the UK it is known that CCI accounts for 1.7 million jobs, 5.6% of the total); the sector's growth trends compared to other sectors; and finally, the value of CCI exports compared to total exports.

Things get much more challenging at this stage of the mapping exercise. The more nuanced data that is required is not available on the national register because it is not obligatory for organisations to report this, and a large proportion therefore choose not to. Furthermore, Maja and her team suspect that not all of the organisations who appear to fall under their definition of CCI truly do so. Again, more nuanced data is required to confirm or deny this hypothesis. To get this, Maribor will need to conduct a direct survey.

The hope is that by the end of May the team will have been able to carry out the necessary additional data collection and use it compile a report that will include a specific definition of CCI (and details of the justification for using this definition), the survey's results, and a SWOT analysis. This report will form the basis of Maribor's future CCI monitoring endeavours.