

# Historical accounts of K-Pop's global success: The organisational growth of music entertainment companies in South Korea



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# BTS in AMAs

Also known as	<ul style="list-style-type: none"><li>•Bangtan Boys</li><li>•Bulletproof Boy Scouts</li></ul>
Origin	<a href="#">Seoul, South Korea</a>
Genres	<ul style="list-style-type: none"><li>•<a href="#">K-pop</a></li><li>•<a href="#">hip hop</a></li><li>•<a href="#">pop</a></li></ul>
Years active	2013–present
Labels	<ul style="list-style-type: none"><li>•<a href="#">Big Hit Entertainment</a></li></ul>



2017 Billboard Award Social artist

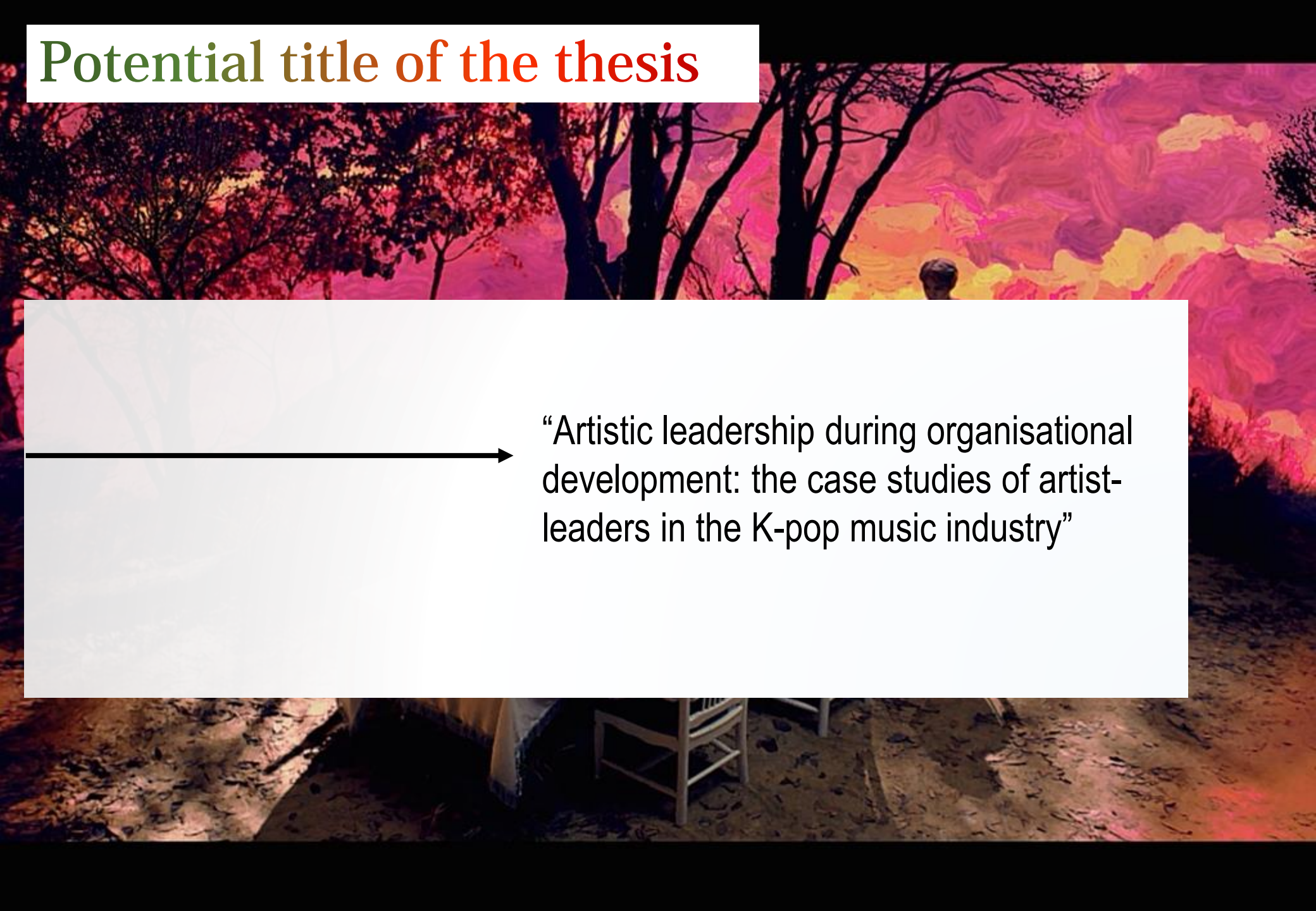
2017 AMAs live performance and appearance in prime time TV shows

Guinness World Record for most Twitter engagements

In the first 24 hours of "MIC Drop's" release, the MV has managed to rack up over 2 million likes on YouTube, making it the most-liked MV in its first 24 hours of release on YouTube






<https://www.youtube.com/watch?v=o-VFF8hTckQ>

# Potential title of the thesis



“Artistic leadership during organisational development: the case studies of artist-leaders in the K-pop music industry”

# Introduction

-  Theory building and theoretical development of the leadership study in the creative industries
-  Real-life cases from three individuals (SM, YG and JYP)
-  Leadership development in relation to organisational growth by mapping stages
-  Historical accounts as external factors
-  Challenges and transitions during organisational change

# Creative industries and leadership studies

## LEADERSHIP IN THE CREATIVE INDUSTRIES

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The leadership is about people trying to achieve the common goal of the leader and the groups of followers by influencing one another

In the creative industries where the founders are often deeply involved with the **creative production**, and even played as a key **creative project member**.

However, previous studies have been concentrated on the task-oriented leadership, which raised a little interest in the leadership research in the creative industries (Hogan et al. 1994)

Looking at the stages of development can be useful for this study to examine the individual development of artistic leaders while small companies grow **from a formation to the evolution of an organisation**.

Therefore, leadership literature needs to be linked with organisational development theories.

# Organisational theories and leadership studies

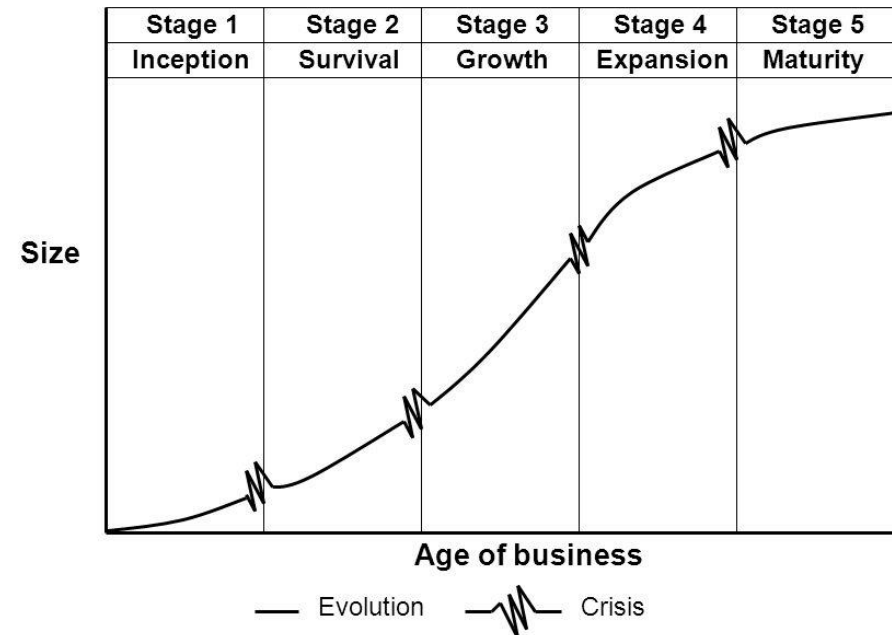
- Efficient ways to develop and/or change an organization to maintain sustainable marketing positions and to ensure upcoming profits in the market
- The growth involves various processes in transition, which require serious managerial decisions
- Greiner (1972) proposed the five different stages when organizations develop to maintain their profitable business using the terms **evolution** and **revolution**.



# Organisational theories and leadership studies

- As an extension of Greiner's research, Scott and Bruce (1987) emphasized the importance of **crises** as a dividing tool proposing "Five Stages of Growth in Small Business".
- This article tries to suggest an effective diagnostic model identifying four different crises during the process of growth.
- Miller (1993) successfully presented the concept and the role of simplicity in organization introducing four major factors which are **managerial, cultural, structural, and process**

## The small business life cycle



From:  
Scott  
and  
Bruce  
(1987)

# Organisational theories and leadership studies

## LIMITATIONS OF PREVIOUS LITERATURE

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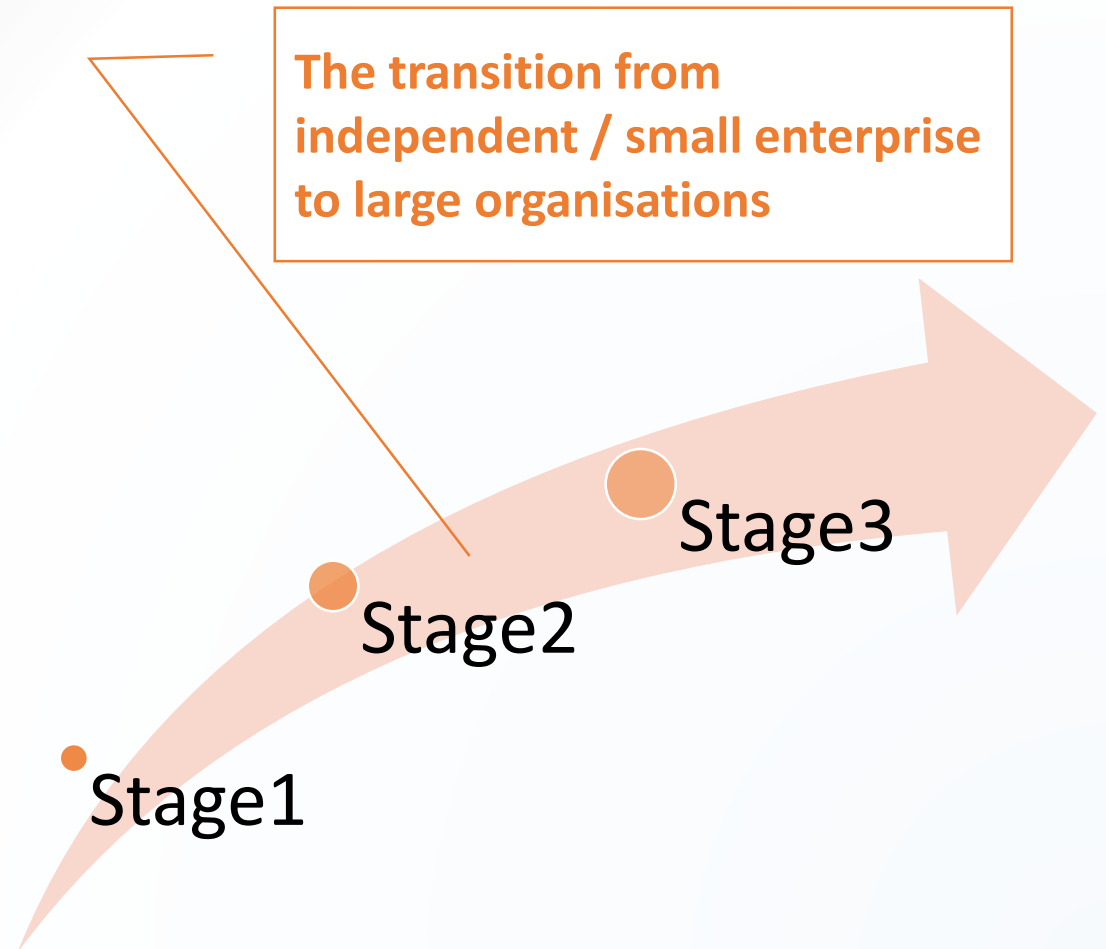
- Some of the studies explained the process adapting the **organic model** (griener 1972; churchill & lewis 1983)
- The models cannot cover the various forms of organization change: **Creative industries aspects**
- While focusing the stages, it is also important to discuss the general but notable features in the **transitions** while developing the growth
- The models also lack the role of leaders during the organisational change stages



# Organisational theories and leadership studies

## ORGANISATIONAL TRANSITIONS AND LEADERSHIP CHALLENGES

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# Creative industries and cultural products

## DISTINCTION BETWEEN CREATIVE AND 'TRADITIONAL' INDUSTRIES

Organization of the creative industries, often emphasizing that their creative character requires a **different form of management** (Townley, B., Beech, N., & McKinlay; 2009). e.g. Dual leadership

The process of producing creative work is both **complex and multidimensional** (Bilton 2006) e.g. creative vs administrative staffs

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Debate also focuses on whether the creative industries are 'different' from others. For many, because of the nature of their product, the creative industries raise a different order of **managerial and organizational challenges** (Caves, 2000; Hirsch, 2000; Lampel et al., 2000).

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## ORGANISATIONAL CHALLENGES

# Creative industries and cultural products

## UNCERTAINTY OF CULTURAL PRODUCTS IN THE CREATIVE INDUSTRIES

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Cultural goods and services in the creative industries are “**cultural, artistic, or simply entertainment value**”. These creative products are ‘**experience goods**’ which the consumer do not have sufficient information before purchase and need some time for realising the satisfaction of the products. This increases the levels of uncertainty and ambiguity of creative products (Caves 2000; Flew, 2002)

# Historical accounts along the developmental stages: \_External Factors

The recent history of commercialisation of art and media organisations have **brought many shifts of funding, governance, and competition with high demand on professionalism in relation to managerial functions** of the organisations, such as marketing, human resources, and organisational structure.

However, it is acknowledged that only the basic ideas of management have been applied in the creative industries despite the significant commercial changes in art and media businesses (Cray, Inglis, & Freeman, 2007).

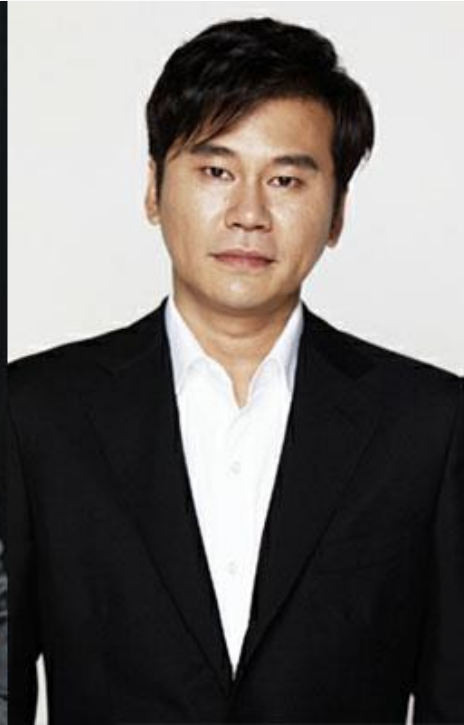
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**COMMERCIALISATION  
OF ART AND MEDIA  
ORGANISATIONS**

# Historical accounts along the developmental stages: \_Emergence of Artist-leaders



Su-Man Lee



Hyun-suk Yang



Jin-Young Park

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**Idol system: Historical Background**

# Historical accounts along the developmental stages: \_Emergence of Entertainment Companies



S.M.ENTERTAINMENT

231 million pounds



137 million pounds



35 million pounds

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**Drives the changes in organisations and leadership**

# Historical accounts along the developmental stages: \_External Factors

RAPID AND HUGE EXPANSION OF ARTIST  
MANAGING BUSINESS

e.g. Commercialisation of popular culture

GROWING ECONOMIC AND POLITICAL  
IMPORTANCE OF CULTURAL & CREATIVE  
INDUSTRIES: CONVERGENCE, TRANS-  
MEDIA CULTURE

e.g. Creative economy, Cultural Contents  
Industry and Cultural technology, multi-  
entertainers

GROWING USE OF DIGITAL TECHNOLOGY  
AND ONLINE PLATFORM

e.g. Youtube, Social Network Service

GROWING PARTICIPATORY CULTURE OF  
GLOBAL AUDIENCE: PROSUMER AND  
TRANSNATIONAL FANDOM

# Historical accounts along the developmental stages: \_Challenges\_ Organisational level

CHALLENGE TO BRAND

Reputation, **from individual artist brand to organisational brand**

CHALLENGE TO  
GLOBALISATION

The emergence of a **'culturally hybrid' global / local market**, where 'global k-pop idol' is no longer enough, the business needs to be thinking more about branding, hybridity to appeal to multiple markets, etc

CHALLENGES TO  
MANAGEMENT AND  
CREATIVITY

Notably the split between **'creative' and 'admin' teams**, the limitations of a purely artistic approach to decision-making, the need to think more strategically about brand.

CHALLENGES TO  
CULTURAL POLICY AND  
LAW

The comparison between an **'operational' / opportunistic approach to 'international expansion' versus a more 'strategic' approach to globalisation; direct vs. Indirect (collaborative / partnership)**; localisation vs. Global integration

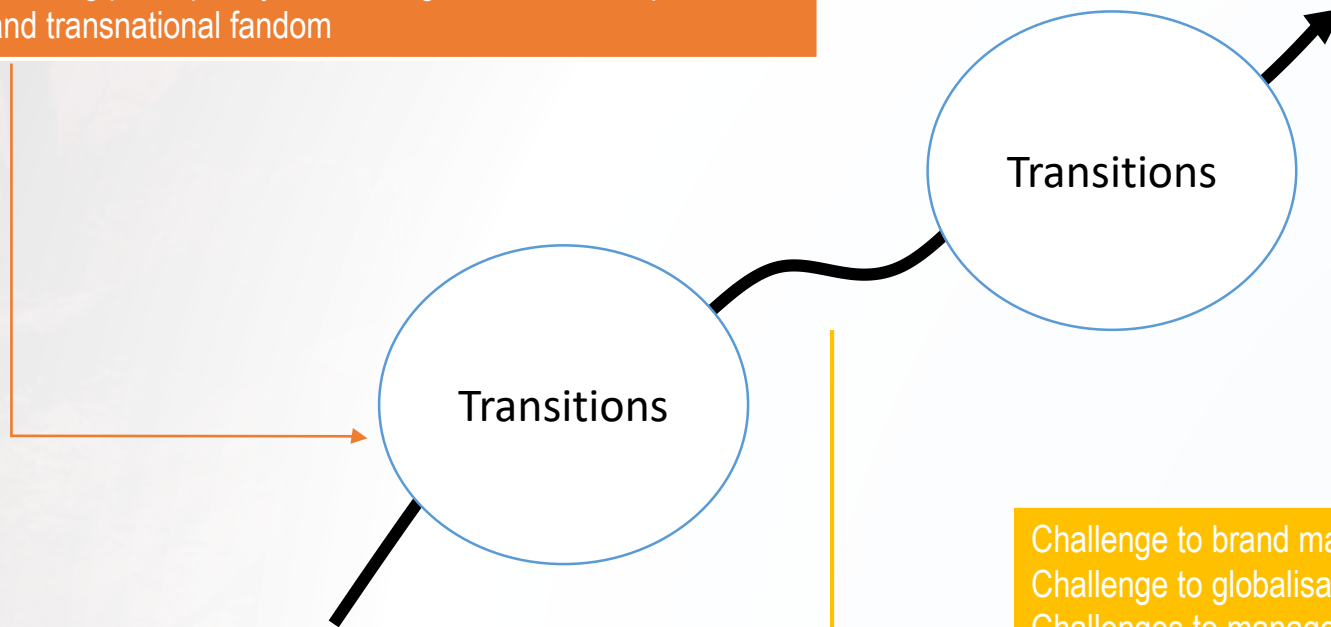
CHALLENGE TO FUNDING  
AND INVESTMENT

Large investment for strategic management



# Findings and Future direction of the thesis

- Rapid and huge expansion of artist managing business
- Growing economic and political importance of cultural & creative industries: convergence, trans-media culture
- Growing use of digital technology and online platform
- Growing participatory culture of global audience: prosumer and transnational fandom



Challenge to brand management  
Challenge to globalisation  
Challenges to management and creativity  
Challenges to cultural policy and law  
Challenges to finding and investment

A group of people are seated around a long table covered with a white tablecloth, dining outdoors at night. The table is set with plates, glasses, and silverware. The people are dressed in light-colored clothing. In the background, there are several trees and a large, vibrant, colorful sky with shades of pink, orange, and yellow, suggesting a sunset or sunrise. The overall atmosphere is warm and inviting.

Thank you for listening