

## **Research on Staff loyalty of Creative Industries Enterprise from the Perspective of stakeholder**

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**Abstract:** This article from the perspective of stakeholders, learned theory of stakeholders, creative industries, staff loyalty and staff loyalty level; established index system for evaluating employees loyalty of creative industries; through the fuzzy comprehensive evaluation method and examples of Wuxi enterprises of the creative industries, did quantification and applied research to index system.

**Key words:** Stakeholder; Creative Industries; Staff loyalty

### **FOREWORD**

With the advent of the era of knowledge economy, talent contest is aggravating between cultural and creative industries enterprises. Core competitiveness of creative industries enterprises is staff's ability of innovation and creative thinking. Staff as one of the enterprise's stakeholders, take proprietary human resources - the ability of innovation and creative thinking, continue to invest in own enterprises or co-operate with competitors, all depends on staff's loyalty. More and more enterprise managers of creative industries and researchers concerned about the problems of how to win staff loyalty, increase staff loyalty, reduce staff turnover, but currently relative domestic research is rare.

### **1. RELATED CONCEPTS**

#### **1.1 Stakeholders**

It has become a widely accepted point that we should consider the interests of stakeholders and encourage stakeholders' appropriate participation in corporate governance(ZHOU, ZHANG, 2002). Chinese scholar JIA Sheng-hua and CHEN Hong-hui put forward that stakeholders are those individuals

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and groups who take a certain amount of specific investments and assume a certain risk, its activity can influence, even change the achievement of business goals, or stakeholders also can be influenced by processes of achievement of business goals(JIA, CHEN. 2003). Staff is one of the enterprise's stakeholders, especially for the staff in creative industries enterprises, they put their proprietary resources into enterprises: intelligence and wisdom, innovation and creative, their innovation and creative may change objectives and competitiveness of creative industries enterprises, at the same time their innovation and creative will also be influenced during the process of achieving objectives for creative industries enterprises.

### **1.2 Creative Industries**

Creative ability with the form of cultural resources and cultural products, has become important issue which is closely related to the country's economic and social fate. Along with the emerging of the Cultural and creative ideas, the global wind of practicing of cultural and creative industries and strongly rise up of cultural and creative sectors, cultural and creative industries will act as an increasing key role to the overall coordination of Chinese economic development and to further adjust the industrial structure(ZENG, CHEN. 2007) . In 1998 the British Government cleared in the "document of path to the creative industries" as: Creative industries are an industry of deriving from individual creativity, skill and ability; through developing and using intellectual property, having creation wealth and increment employment potential. In this regard, a professor at Harvard University Rob Austen thought: Creativity is a change from industrialization of manufacturing to artistic creation. Therefore, creativity is creation rather than manufacturing, artistic rather than industrial(DONG. 2007). Its characteristic is "derived from the individual creativity, skill and talent"; "maverick, refusing to identical" and "marketing is decided by magnetic personality"

### **1.3 Staff loyalty and loyalty level**

So far the definition of staff loyalty does not have a clear concept, this article holds that the staff loyalty is unified from staff's attitudinal loyalty and behavioral loyalty to enterprise. Attitudinal loyalty is staff's attitude to enterprise, can be inspected from staff's awareness, emotion and behavioral tendencies. Some scholars believe that: so-called staff loyalty is that staffs have deep feelings to enterprises; would like to grow together with enterprises through thick and thin; have sense of responsibility and mission for work; devote intelligence and wisdom for realizing enterprises goals; play their biggest role in helping enterprises to achieve strategic objectives. Behavioral loyalty is that staffs show a number of specific behavior to enterprises, emphasis on the actual contribution to the enterprise. Bob, the United States, (1999) believed that staff loyalty is to be embodied as action. ZHAO Rui-mei, LI Gui-yun (2003) put forward staff loyalty is staff's attitude and behavior of identify to enterprises and make every effort for enterprises, specific performance is: in terms of ideology, keep consistent with corporate values and policies; In action, do its utmost to contribute to the enterprise, at all times to safeguard the interests of the collective enterprise (ZHAO, LI. 2003). Staff loyalty level is a quantify concept of loyalty. Staff's loyalty to enterprises is jointly effected by staff's personal factors, factor in the creative industries enterprise itself, social environmental factors.

## **2. ESTABLISH EVALUATION MODEL OF STAFF LOYALTY**

### **2.1 Build indicator of employee loyalty**

Indicators of employee loyalty are a group of structured factors to measure employee loyalty, to reflect the factors that impact evaluation of staff loyalty as completely as possible. The index system is trying to

make some exploration and research on employee loyalty evaluation, with relatively clear, measurable indicators, trying to measure effect and influence of personal factors, internal factors, environmental externalities to Staff loyalty. In the basis of complying with construction principle of Indicator System, such as Scientific, realistic, feasible, comparability, concise and comprehensive and so on, establish evaluation measurement indicators of Creative industries' employee loyalty (VANCLAY. 2006).

**Table 1: Evaluation measurement indicators of staff loyalty in creative industries enterprises**

The first tier indicators	The second tier indicators
Personal factors	Ideological and moral quality of staff Personal qualities Employee's Vocational maturity Employee's ability of creation and innovation Learning ability of staff Age of staff
Factor in the enterprise itself	Enterprises' scale Enterprises' operating conditions human resource strategy of enterprises social awareness of enterprises Working environment of enterprises Retrenchment strategy of enterprises Creative direction Of enterprises
Social environmental factors	Social environment for credit crisis Changes in the concept of people's thinking Market-oriented employment mechanism

## 2.2 Fuzzy Comprehensive Evaluation Method

The state of employee loyalty is a fuzzy state of psychological experience, and many factors which impact on staff loyalty are also fuzzy, so fuzzy comprehensive evaluation method can be used here for evaluation. Fuzzy comprehensive evaluation method is a very effective method of multi-factor decision-making that can evaluate objects affected by many factors(XIE, ZHANG. 2006) . The basic idea of fuzzy Comprehensive Evaluation is to use Principle of fuzzy linear transformation and the principle of maximum membership degree, consider various factors related to evaluation objectives, carry out comprehensive evaluation from each factor of the lowest level first, and then level up, until the highest goal layer, come to the evaluation results at the end. Fuzzy comprehensive evaluation can meet the needs of multiple indicators, multi-level analysis of creative industries employee loyalty. Combining objectives and requirements of creative industries employee loyalty analysis, concrete steps are as follows:

1) Establish evaluation factors set of analysis of staff loyalty of creative industries enterprises

$$U = \{U_1, U_2, \dots, U_n\}, \text{ meet } \sum_{i=1}^n U_i = U, U_i \cap U_j = \Phi, \text{ then divide } U_i \text{ into } U_i = \{U_{i1}, U_{i2}, \dots, U_{ij}, \dots, U_{im}\}.$$

2) Experts evaluate and calculate weight of each factor in each factor set. Suppose  $A, A_i$  are the weight vectors of Factor sets  $U, U_i$ , then  $A = \{a_1, a_2, \dots, a_n\}$ , thereamong  $a_i \in [0, 1]$ , and  $\sum_{i=1}^n a_i = 1$ ,

$$A_i = \{a_{1i}, a_{2i}, \dots, a_{mi}\}, a_{ji} \in [0,1] \text{ and } \sum_{j=1}^n a_{ji} = 1.$$

3) Establish Reviews grading set of creative industries enterprises staff loyalty  $V = \{v_1, v_2, \dots, v_j, \dots, v_k\}$ . Evaluation set is a set composed of every possible results of total evaluation.

4) Structure subset of the factors' Fuzzy Evaluation Matrix of the lowest level. Suppose  $U_i$  is the subset of the factors of the lowest level, first do single-factor evaluation for all the factors in  $U_i$ , from the membership degree  $r_{ij}$  of the first  $i$  factors to  $j$  Reviews rating  $V_j$ , to get its single-factor evaluation set  $r_i = \{r_{i1}, r_{i2}, \dots, r_{ij}\}$ ,  $r_i = \{r_{i1}, r_{i2}, \dots, r_{ij}\}$ , Take  $j$  single-factors evaluation set in  $U_i$  as row, that is Fuzzy Evaluation Matrix  $R_{ij}$  of  $U_i$ . Through fuzzy statistical method, obtain membership degree  $R_{ij}$ , that is  $r_{ij} = \frac{f_{ij}}{\sum_{j=1}^k f_{ij}}$ ,  $f_{ij}$  is the total number of the first  $j$  factors are named as the first  $j$

Reviews grading  $V_i$  (ZHU, JING, CHANG, 1999).

5) Fuzzy comprehensive evaluation on  $U_i$ , subset of the factors of the lowest level, Suppose fuzzy comprehensive evaluation sets of  $U_i$  are  $B_i = A_i \circ R_i = (b_{i1}, b_{i2}, \dots, b_{ij})$ , thereamong: "o" means Generalized Fuzzy Complement, in order to take the impact of variety factor into account, in the paper, Weighted average-type  $M^{(*, \oplus)}$  operator are selected for calculation.

6) Fuzzy Comprehensive Evaluation. Combine  $B_i$ , the fuzzy comprehensive evaluation results of the lowest level together, constitute Fuzzy Evaluation Matrix of the previous level  $R_i = (B_{i1}, B_{i2}, \dots, B_{im})^T$ , use the same fuzzy, synthesize  $R_i$  and Weight vector  $A_i$ , calculate evaluation result  $B$  of Factor set  $U$  of this level, constitute fuzzy evaluation matrix of a higher level  $R = (B_1, B_2, \dots, B_n)^T$ , then get  $B$ , the final rating result of  $U$ ,  $B = A \circ R = (b_1, b_2, \dots, b_n)$ , use the principle of maximum membership degree, Reviews rating  $V_j$  which corresponding to the largest  $B_j$  is the best evaluation results.

7) Processing for removing fuzziness. Fuzzy rating results  $B$  is single-point mapped to closed interval  $[0,100]$ , then get real scores of evaluation results  $E = B \cdot H = \sum_{i=1}^k b_i \cdot h(v_i)$ , thereamong,  $H = (h(v_1), h(v_2), \dots, h(v_k))^T$  is a column vector of  $k$ -dimensional solid line space,  $h$  are mappings of number  $K$  from reviews grading  $V$  to closed interval  $[0,100]$ , and  $h(v_i) = \frac{100(i-1)}{k-1}, i=1,2,\dots,k$ .

### 3. MEASUREMENT AND ANALYSIS ON STAFF LOYALTY OF CREATIVE INDUSTRIES ENTERPRISES IN WUXI NEW DISTRICT

Since 2008.09, writer did extensive investigation and research on creative industries enterprises' staff loyalty in creative industrial Park, Wuxi new district. creative industrial Park of Wuxi new district is focus on developing Software Development, IC design, Cartoon animation, Online games, mobile phone information, information technology outsourcing, multimedia product development. Its industrial scale

is about 20 billion RMB, there among, Information technology outsourcing industry output value reached 10 billion yuan; Animation industry output value reached 3.0 billion; IC design industry output value reached 7 billion yuan, the proportion is more than 20% in National share. 500 million U.S. dollars of software exports, vector construction area of 1,000,000 square meters, with 300 identified software enterprises, more than 1000 software products, 20 key enterprises, software employees 60,000 people.

**Table 2: Evaluation index weights table of creative industries enterprises' staff loyalty in creative industrial park, Wuxi new district**

The first tier indicators	Evaluation index	Weight	The second tier indicators	Evaluation index	Weight	Very Loyal	Loyal	General	Not so loyal	disloyal
Personal factors	U <sub>1</sub>	0.25	Ideological and moral quality of staff	U <sub>11</sub>	0.2	0.44	0.36	0.12	0.08	0
			Personal qualities	U <sub>12</sub>	0.18	0.33	0.37	0.18	0.1	0.02
			Employee's Vocational maturity	U <sub>13</sub>	0.12	0.22	0.34	0.23	0.14	0.07
			Employee's ability of creation and innovation	U <sub>14</sub>	0.17	0.1	0.08	0.24	0.39	0.19
			Learning ability of staff	U <sub>15</sub>	0.18	0.11	0.09	0.22	0.37	0.21
			Age of staff	U <sub>16</sub>	0.15	0.17	0.21	0.17	0.23	0.22
Factor in the enterprise itself	U <sub>2</sub>	0.6	Creative enterprises' scale	U <sub>21</sub>	0.12	0.39	0.41	0.13	0.05	0.02
			Creative enterprises' operating conditions	U <sub>22</sub>	0.18	0.42	0.43	0.14	0.01	0
			human resource strategy of Creative enterprises	U <sub>23</sub>	0.2	0.4	0.34	0.21	0.05	0
			social awareness of Creative enterprises	U <sub>24</sub>	0.1	0.28	0.34	0.24	0.11	0.03
			Working environment of Creative enterprises	U <sub>25</sub>	0.15	0.3	0.39	0.11	0.07	0.13
			Retrenchment strategy of Creative enterprises	U <sub>26</sub>	0.15	0.22	0.62	0.1	0.05	0.01
			Creative direction Of Creative industries enterprises	U <sub>27</sub>	0.1	0.37	0.44	0.13	0.01	0.05

To be continue

Continued

The first tier indicators	Evaluation index	Weight	The second tier indicators	Evaluation index	Weight	Very Loyal	Loyal	General	Not so loyal	disloyal
Social environmental factors	$U_3$	0.15	Social environment for credit crisis	$U_{31}$	0.25	0.28	0.18	0.33	0.15	0.06
			Changes in the concept of people's thinking	$U_{32}$	0.35	0.29	0.36	0.23	0.1	0.02
			Market-oriented employment mechanism	$U_{33}$	0.4	0.34	0.39	0.21	0.04	0.02

Investigation and research work for Employee loyalty measurement topics of creative industries enterprise in Wuxi new district is divided into two parts: One is releasing questionnaire to Creative industries enterprise groups in the park. Issued 400, recovered 298, 74.5%, 292pcs of reasonable and effective questionnaire, about 73%. Two is retaining Management consulting experts of Jiangsu Province Enterprise Management Consulting Association and Professional leaders of Local Government, to mark on Evaluation index together, Establish index weight of all levels, establish ( table 2 show) evaluation index weights table of creative industries enterprise' staff loyalty. Using Linker five rating scale, establish Reviews grading set  $V=\{\text{Very Loyal} \cdot \text{Loyal} \cdot \text{General} \cdot \text{Not so loyal} \cdot \text{disloyal} \}$ .

Calculate evaluation factors set of basic factor- staff loyalty according to the survey data, and make up Fuzzy Evaluation Matrix of the Subset of factors, use  $B_i = A_i \circ R_i$  to comprehensive evaluate for each Sub-factors' fuzzy evaluation, Such as the fuzzy comprehensive evaluation set of the factor  $U_1$  (personal factors) is

$$B_1 = A_1 \circ R_1 = (0.22 \quad 0.18 \quad 0.12 \quad 0.17 \quad 0.18 \quad 0.13) \circ \begin{bmatrix} 0.44 & 0.36 & 0.12 & 0.08 & 0 \\ 0.33 & 0.37 & 0.18 & 0.10 & 0.02 \\ 0.22 & 0.34 & 0.23 & 0.14 & 0.07 \\ 0.10 & 0.08 & 0.24 & 0.39 & 0.19 \\ 0.11 & 0.09 & 0.22 & 0.37 & 0.21 \\ 0.17 & 0.21 & 0.17 & 0.23 & 0.22 \end{bmatrix}$$

$$= (0.2361 \quad 0.2407 \quad 0.1899 \quad 0.2182 \quad 0.1151)$$

Use the same way to get other Subset of factors, build fuzzy evaluation matrix for Staff loyalty of Creative enterprises  $R$ , Combine with its corresponding weight vector, get the ultimate evaluation results of creative enterprises' employee loyalty in creative industrial park, Wuxi new district.

$$B = A \circ R = (0.25 \quad 0.60 \quad 0.15) \circ \begin{bmatrix} 0.2361 & 0.2407 & 0.1899 & 0.2182 & 0.1151 \\ 0.3454 & 0.4241 & 0.1513 & 0.0478 & 0.0314 \\ 0.3075 & 0.3270 & 0.247 & 0.0885 & 0.03 \end{bmatrix}$$

$$= (0.31239 \quad 0.363685 \quad 0.175305 \quad 0.096505 \quad 0.052115)$$

According to the principle of maximum membership degree, the overall level of creative enterprises staff loyalty is loyal in creative Industrial Park, Wuxi New District. In order to easily get a clear understanding of every employee loyalty size in creative industries enterprises, here the process for removing fuzziness is used to translate evaluation results into intuitional scores of staff loyalty. Staff loyalty scores of creative enterprises in Wuxi creative Industrial Park:

$$U_1 = B_1 \circ H$$

$$= (0.31239 \quad 0.363685 \quad 0.175305 \quad 0.096505 \quad 0.052115) \circ (100 \quad 75 \quad 50 \quad 25 \quad 0) = 69.69325$$

From another angle, the scores show that 100 employees of creative enterprises in creative Industrial Park, Wuxi new district, 69 people are loyal-to-business, there are 31 people standing on the opposite side-to-business loyalty.

#### 4. CONCLUSION

Stakeholder theory believes that Stakeholders put a number of physical capital, human capital, financial capital or a number of valuable things into the enterprises, and are affected by achieving the goals of enterprise, also impact on the achievement of business goals. Especially for employees of creative industries enterprises, as one of the stakeholders, they have invested their unique human capital into the enterprises: ability of Innovation and creative thinking. Employees are the core resource of the creative industries enterprises. Ability of innovation and creative thinking is the core productivity of employees' term. So creative industries enterprises, similar to enterprises in creative industrial Park, Wuxi new district, should do more research on improving staff loyalty, draw up appropriate corresponding strategy which are suitable for local circumstances. Evaluating staff loyalty in creative industries enterprises with Fuzzy Comprehensive Evaluation Method, it can not only do comprehensive consideration to multiple factors in index system which impact staff loyalty of creative industries enterprises, but also retain all the information of rating indicators at all levels, the evaluation results can directly quantize to Specific scores, it is better for creative industries enterprises to do compared vertically and laterally, and provide more comprehensive decision support of corporate governance to improve staff loyalty in creative industries enterprises.

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