

Managing the Freedom Paradox in Creative Clusters: An Ambidexterity Perspective

Abstract

Creative clusters are innovation hubs where art and entrepreneurship intersect. As a result, creative clusters grapple with a the *freedom paradox* which represents the tension between facilitating organic artistic expression and ensuring economic viability. This study focuses on how clusters manage the paradox through the lens of organizational ambidexterity. Based on a multiple case study of four Dutch clusters (TAC, Hubert, Vogelfrei, and Keilewerf), this paper demonstrates the shift between contextual and structural ambidexterity. Preliminary findings point to the emergence of *buffer entities*, management layers that shield creatives from commercial pressures. This paper contributes to innovation management by applying ambidexterity theory to informal networks and offering a framework for balancing hybrid organizational goals.

Problem

The central innovation management problem addressed in this study is the paradox of freedom within creative clusters. These clusters are a location where professional artists and creative entrepreneurs intentionally come together, often in "unpolished" or temporary environments, as an essential part of their creative processes.

The paradox emerges from the friction between two conflicting institutional logics: the artistic logic rooted in the *incubator* philosophy. This logic prioritizes high autonomy, experimentation, and non-linear processes. It requires a lack of formal control to allow for serendipity and muddled creativity. Economic logic has a focus on long-term survival which hinges on interaction with a broader ecosystem of municipalities, property developers, and financiers. Stakeholders like these, are able to provide resources that support the cluster, but will demand professional management, measurable social or economic impact, and financial prudence.

Striking a sustainable balance is a struggle for cluster orchestrators. Over-formalization risks stifling the very creativity that makes the cluster valuable, leading to a loss of artistic legitimacy. Conversely organizational instability caused by weak management will make the cluster vulnerable, leading to financial collapse or other misfortune.

Current Understanding

Current literature on creative clusters has long emphasized social capital, proximity, and informal networks as the primary drivers of collaboration and competitiveness. However, more recent research shifts the focus to clusters as complex organizational systems operating within wider regional innovation ecosystems. In these environments, cluster management is often a form of bricolage, the ability to innovate with limited, often temporary resources and navigating high levels of uncertainty.

Ambidexterity, traditionally defined as an organization's ability to simultaneously exploit existing competencies and explore new innovations. When applied to creative clusters, this helps to explain how hybrid organizations handle contradictory goals. Contextual ambidexterity puts the lens on the environment where individuals are empowered to balance their own artistic freedom with commercial needs through trust and shared values. Another approach is structural ambidexterity where separate organizational units or roles handle conflicting tasks like commercial activities or artistic development. While ambidexterity is well-studied in corporate settings, a knowledge gap remains on how it functions in informal, often non-hierarchical creative networks that cherish their artistic legitimacy. The governance of creative clusters is built on holding and managing this tension through structural separation and contextual norms.

Research Question

How do creative clusters deploy ambidexterity strategies to manage the freedom paradox, balancing the facilitation of artistic expression for their members with the necessity of maintaining sustainable stakeholder relations and economic viability?

Research Design

This study follows a multiple case study design, examining four diverse clusters in the Netherlands: TAC/Temporary Art Cluster (Eindhoven), Hubert (Nijmegen), Vogelfrei (Utrecht), and Keilewerf (Rotterdam). This selection provides variation in organizational maturity and governance models, ranging from foundations heavily reliant on subsidies to more commercially oriented entities. Data collection consisted of twelve in-depth semi-structured interviews with cluster managers and artist-members. There were on-site observations documented through a reflexivity journal, focusing on the physical environment's "unpolished" nature and social interactions. Complemented by document analysis of municipal policy papers, redevelopment plans and organizational statutes.

Findings

Findings suggest that clusters manage the freedom paradox by oscillating between contextual and structural ambidexterity, depending on their stage of maturity and external pressure.

TAC represents a mature cluster at a critical juncture. For years, it operated with a high degree of contextual ambidexterity, where the *soul of TAC* was defined by a rough, inclusive atmosphere for muddled creatives. However, its location in an area of prime real estate meant that urban redevelopment plans forced a shift. TAC needed to move toward structural ambidexterity engaging in a strategic partnership with a property developer for "The Two Towers" project. Handling the project, required management to focus on economic values of cultural entrepreneurship and co-creating city development, in order to uphold the legitimacy of the cluster. But the tension is obvious: while the manager handles the high-level economic negotiations, there is a real risk that TAC alienates from its original soul because of the increased importance of the new corporate stakeholders..

Hubert successfully manages the paradox through a clear dual structure. It established a commercial entity (Horeca BV) that generates the cash flow necessary to support the artistic foundation (Stichting Hubert). This acts as a buffer: the commercial success of the bar/restaurant shields the artists from having to maximize profit in their studios. The management style here is rooted in a festival vibe, a culture of trust and informality that serves as a form of contextual ambidexterity. Sharing a drink with the founder or manager, helps to feel part of a community rather than a managed organization. This serves as an encouragement to stick around and uphold artistic freedom.

Vogelfrei, being a newly established cluster, relies foremost on contextual ambidexterity. The founder acts as a central figure in to develop a community. He purposefully keeps the structure loose to attract and retain the members who value creative autonomy. However, the lack of formal structure acts as an emotional burden for the founder, who ends up handling all external friction (e.g., permits, neighbours, contractors, et cetera). In this way he has maneuvered himself into the role of sole guardian of the internal freedom.

Keilewerf has a more business-like attitude as it targets circular entrepreneurs who often have a more commercial mindset from the start. Here, the paradox is managed through spatial zoning and clear contractual expectations. By separating production and construction areas from social spaces, Keilewerf creates a physical structure where business-like exploitation and creative exploration can coexist on the same premises.

Contribution

This study applies organizational ambidexterity theory to creative clusters as a specific innovation ecosystem. Instead of focusing on a single firm, ambidexterity in an ecosystem is about organizational units that relate in a non-hierarchical way. Ambidexterity in creative clusters is not just

about balancing tasks. Since both logics that come together in a creative cluster serve a different purpose, managing ambidexterity is also about protecting identities. We have seen clusters develop a conduit or buffer role as part of the management function. In this way communication with stakeholders can be organized, while the space where artistic logic is dominant can be preserved. The buffer also works the other way around: there is a limit to artistic freedom in order to sustain the cluster. This helps to propel the discussion on how creative industries contribute to innovation with better insights into their internal governance dynamics.

Practical Implications

For cluster managers the conduit/buffer function offers a concrete strategy to relieve artists of bureaucratic pressure while maintaining organisational agility. Policy makers should recognize that that burdening a creative cluster with KPI's, milestones and imposing other economic and policy parameters, may inadvertently harm the cluster's capacity to invigorate the community. For creative entrepreneurs, urban developers and other stakeholders, this study shows how creative clusters can interact as a strategic partners in for instance, city development

Feedback for Research-in-Progress

I am seeking feedback on the following:

- Metric development: How can we quantify the *value of freedom* for stakeholders who demand data, without destroying the autonomy we are measuring?
- Institutionalization of the buffer: based on the cases, it seems coincidental that founders or specific individuals take up the management role and act as buffer/conduit. Can this role be institutionalized in some form, or is it always dependent on individuals being in the right place at the right time?

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