

The COVID-19 Pandemic and Cultural Industries in the Nordic Region: Emerging strategies in film and drama productions

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Abstract

For producers of film and TV-drama series, Covid-19 was a Black Swan event, a low-probability, high-impact event that is almost impossible for decision makers to forecast. The pandemic, and the government and industry restrictions that followed, rendered physical production work difficult or impossible, and caused significant market disturbances. Unable to rely on normal risk assessments and crisis management plans, producers employed emergency strategies for the survival of their projects. From a project management and strategy perspective, the crisis offers a unique opportunity to gain insight into how a full population of producers develop emergency strategies to increase the resilience of their projects. Data from film and TV-drama projects produced during the pandemic across the Nordic region reveals that producers in response to the initial complete disruption employ emergency strategies in which they relax priorities in many or all strategic areas to secure project survival, and that very few are abandoned. As the crisis lingers, with more foreseeable heightened and enduring uncertainty, emergent strategies transpire in which strategic focus returns to normal areas of content, organization, economy, and schedule. These patterns were observed across country borders, with corresponding variability in the levels of intensity of the pandemic and in restrictive measures.

Introduction

When Covid-19 struck Nordic film and drama productions in March 2020, it carried all the hallmarks of a crisis (Lee et al., 2020; Pearson and Clair, 1998). Like elsewhere, producers across all five countries of the Nordic region experienced that the survival of their projects was threatened by the pandemic and shutdown responses. The production environment assumptions underpinning their projects were shattered, leaving filmmakers and their stakeholders in a highly ambiguous situation with little time to respond with emergency strategies for how to save and complete their projects. From a project management perspective, the crisis provides an opportunity to gain insight into how emergency project strategies develop, helping productions sustain shocks and rebound from disasters. More

specifically, this once-in-a-lifetime event offers the opportunity to consider how all film and drama producers, across national borders, respond by adjusting their project strategies, first to a disruptive surge in uncertainty when the crisis hit, and then to a state of more foreseeable and continuous heightened uncertainty when producers learned to live with this environment. This chapter therefore seeks to identify and contextualize these emergency and emergent project strategies that are a direct response to challenges brought about by the Covid-19 pandemic.

The Covid-19 crisis is different from the type of crises that typically strike film and drama productions, as well as other projects within the creative and cultural industries from time to time. Typically, a crisis originates *within* the project organization or its immediate environment (illness, injury or death among lead cast members, loss or damage of recorded materials, etc.), and a crisis is normally limited to a single production (Brook, 2005). In contrast, the Covid-19 outbreak is a disaster caused by factors *outside* the production that are collectively experienced by the whole society, causing millions of organizations, large and small and in most countries, to suspend normal operation (Lee et al., 2020). It offers a rare opportunity to observe crisis management and identify patterns of responses across a full population of project organizations reacting to disturbances caused by the same event. Despite certain warnings (see e.g. GPMB, 2019), the Covid-19 pandemic is best described as a Black Swan event, which is a low-probability, high-impact event that is almost impossible for decision makers to forecast (Phan and Wood, 2020; Taleb, 2007). In these events, normal project strategies are unlikely to contain the relevant risk assessments and crisis management plans that would have prepared project organizations for its consequences (Dempster, 2009; Taleb et al., 2009).

The pandemic severely affected most film and drama series projects. First, similar to other creative and cultural sectors such as live music and theatre, film and drama projects depend on a physical production requiring near crew contact. Animated films and series are the sole exception, more similar to gaming in this sense. Government and industry restrictions, and Covid-19 itself, rendered physical production work difficult and in some instances impossible. Challenges included:

- lockdowns forcing projects to delay or pause production,

- rescheduling challenges when ambiguous conditions prevented fixing new start dates,
- losing access to production insurance,
- travel restrictions holding up access to foreign cast, crew, and filming locations,
- essential team-members dropping out without notice due to illness or quarantine rules, and
- social distancing regulations impeding intimate and mass scenes.

Furthermore, projects suffered from market disturbances. Here the audiovisual sector is different from live music and theatre in that consumption occurs outside public arenas, apart from cinemas. When cinemas close, or operate with limited capacity, theatrical films lose full or partial access to their most important market channel (Gaustad, 2019). In contrast, drama series experience increased demand from audiences spending more time at home. However, drama series, animation projects and film all suffered from disturbances to intermediate channels such as film and drama festivals and markets which are important for profiling, sales, and dissemination of finished projects. These are also important networking arenas for setting up new projects. All these market disturbances indirectly affect production, primarily in terms of demand, financing, and scheduling.

Faced with challenges that originate from a highly unpredictable environment, producers have responded to the initial disruption with emergency strategies that are gradually developing into new emergent strategies, which is to say they are developing new patterns of work that are “realized despite, or in the absence of, intentions” (Mintzberg and Waters, 1985, p. 257). Emergency strategies, as a catchall term to reflect organizations’ immediate response to the initial complete disruption, primarily address how to secure the assets already created at the time of the disruption. In relation to the initial Covid-19 outbreak and restrictions, these assets include the creative works, but also the project organization. When productions have had to delay or pause, assets relating to the organization typically include future access to lead cast, key crew, unique locations, and other essential resources. While disasters are typically time delimited, the Covid-19 crisis has lingered with partial and gradual reopening and closing of society, creating a production environment of more foreseeable heightened and enduring uncertainty. Hence, emergency strategies have been gradually adjusted and turned into emergent strategies. These are more complete strategies than the emergency strategies since

they develop from learning that occurs from actions already taken, one by one, after the initial lockdown triggered the film and drama series production crisis.

The nature of the crisis, as experienced by filmmakers in 2020, varied along several parameters, but two were particularly important. First, project phase mattered and especially so for the distinction between emergency and emergent strategies. Projects that were in the intense execution phase of pre-production or principal photography when the first round of lockdowns hit on March 12, 2020 faced a different and more immediate set of challenges than those that were still in their planning phase. Henceforth, we refer to the first category as in-production projects and to the second as ante-production projects. Second, around the world there have been national differences in the intensity of the pandemic's impact. Differences are reflected in the number of contaminations and deaths relative to population size, and, most importantly for film and series production, in the official restrictive and mitigating measures. Among the Nordic countries, Sweden had by far the highest number of cases and deaths per capita, but still its measures were at times less restrictive for film and drama productions.

Based on a survey of theatrical film and documentary as well as tv-drama producers across the Nordic countries (Denmark, Iceland, Finland, Norway and Sweden), and supplemented by in-depth interviews, we identify emergency and emergent strategies that were developed and how they were implemented.¹ This provides a unique insight into how producers and their initiated projects coped with the various degrees of shutdowns implemented in the Nordic countries amid the Covid-19 outbreak, and the unpredictable environments that followed.

The rest of this chapter is structured as follows. First, we review the relevance of project strategy for film and drama series production, as well as the distinction between emergency and emergent strategies. Then we briefly discuss the moderating effects of Covid-19 related government measures on the effectiveness of project strategies. Turning to our mapping of project strategies among Nordic productions, we describe our research design, and present four generic strategies revealed by our data. Then we show how they were employed as emergency and emergent strategies, and across the relative spectrum of low to high

containment and closure stringency experienced in the Nordic region. Finally follows a discussion of the strategies and our concluding remarks.

Emergency and emergent project strategies for responding to Covid-19

Like much activity within the creative industries (DeFillippi, 2015), the production sector of the film and television industry is predominantly organized around projects. Networked and role-based project organizations are set up for each feature film, documentary or series season produced (Bechky, 2006). Projects are thus the fundamental organizing unit for audiovisual production, and our key unit of analysis when studying responses to Covid-19. The project organizations are set up and managed by film and TV production companies, but bring together, on a temporary basis, artistic, creative, and ‘humdrum’ freelance personnel and suppliers, as well as financing typically drawn from several private and public sources. The licensing of project outputs, in the form of finished films or drama-series, is an integral part of the project as it often entails commitments related to content elements (such as director, cast members, approved script) and delivery time. All these elements are affected by Covid-19, and are common to audiovisual projects. The strategies employed by these project organizations therefore best reflect the production sector’s response to Covid-19.

Project strategy may be defined as “a direction in a project that contributes to the success of the project in its environment” (Artto et al., 2008, p 8). For a film or drama series project in the context of the Covid-19 pandemic, the ‘direction’ refers to the plans and methods employed to work around pandemic-related obstacles to reach the objectives behind making the film or series. ‘Success’ refers to how well the film or series achieves its goals, while ‘contributes’ assumes that the direction has an effect; that is to say, that it matters and makes a difference. In this chapter we concentrate on goals associated with completing a production, which include the project and project organization’s survival. Another set of goals are normally associated with market performance, but many of these also relate to production matters (e.g., maintaining certain quality standards, including stars, delivery and release dates). A film project’s ‘environment’ is the world outside the project’s boundaries, and in this context dominated by Covid-19. A project’s immediate environment includes production and distribution companies, investors and other direct stakeholders, which are affected by the

pandemic in a variety of ways. For example, theatrical distributors contend with cinema closures or restrictions, which may in turn affect their relationship with producers (Øfsti, 2020), while public financiers may provide access to emergency funding (Noonan, 2020). A project's wider environment includes domestic and international markets, as well as competing films and audiences. However, most importantly in this context are government and industry restrictive and mitigating measures. Since the environment is exogenous to project strategy, restrictive and mitigating measures represent a given framework within which strategies are developed and implemented. Assessing the measures belongs to a policy level analysis and, beyond the high-level summary captured by the stringency index presented below, this falls outside the scope of our strategic project management approach.

Project emergency strategies are defined here as the immediate plans and methods employed to ensure completion of the production when the first lockdown marked the start of the crisis. They are employed as a reaction to the disruptive surge in uncertainty. We know from crisis management literature that these strategies are dependent on preparations made before a trigger event occurs and on reactions to that event (Bundy et al., 2016; Pearson and Clair, 1998; Weick, 1993). While no level of preparations could have prevented a crisis triggered by the pandemic, the degree of preparedness for any type of crisis affects the actions taken when it occurs. Actions based on the project organization's preparedness are carried out focusing on control, where producers seek to ensure that managerial intentions are realized in action. They thus add a deliberate element to the emergency strategy. Other actions originate from numerous sources: Some will be imposed through the environmental context, such as requirements to pause production and cancel international filming locations, while others will be ad hoc responses at a team and individual level. Strategic patterns emerge from these actions as they are taken one by one without pursuing a plan.

Project emergent strategies are defined here as the implemented plans and methods based on learning from the actions that were taken immediately and while continuing into a new state of more foreseeable but continuous and heightened uncertainty. Learning occurs within each project organization, but also between projects. Production companies may adjust their strategies for new projects going into production based on experience from those already in production, and freelance workers moving from one project to another may contribute to

similar learning processes. Projects also learn from their wider environment. Industry associations, such as unions and producer associations, play important parts in interorganizational learning by sharing experiences and preparing guidelines based on experiences. Some learning is also imposed, as for instance through requirements relating to quarantining and the employment of an infection control officer. While these strategies develop gradually and typically emerge from practice rather than planning, they may or may not be deliberate. But in those cases where producers have intentionally developed conditions for these strategies to emerge, they are best understood as ‘deliberately emergent’ (Mintzberg and Waters, 1985).

Both emergency and emergent strategies may involve changes to the organization of a production, the content created, or both. If we split the organization of production in issues affecting economy or schedule, we end up with three areas – economy, schedule, and content. An emergency project strategy may for instance be to increase the production budget and/or period to avoid undesirable script changes. Another may employ major script changes to avoid having a project go over budget and schedule. Adjusting strategies between these three areas are akin to making priorities across the common project management areas of time, cost, and performance (Larson and Gray, 2021). Some methods employed in a strategy will relate to more than one of these areas. For instance, exchanging team members may affect economy (if they differ in rate), schedule (if it is a way to avoid delays), and content (if they have another artistic style). Organizational changes affecting creative elements, such as cast and crew members, are likely to affect content beyond the elements in question, since it is the quality of the film or series depends not just on the individual elements but also on whether they fit together (De Vany and Walls, 1996).

The moderating effects of government measures

The Covid-19 pandemic is by definition global so, as a trigger event for crises in film and drama series productions, it is likely to cause similar challenges everywhere. Yet, the project environment is more directly affected by drastic government measures taken in response to the pandemic (Lee et al., 2020). It is thus the institutional environment, defining the formal

rules of the game, that determine strategic options for project organizations (Williamson, 2000).

Following basic principles of the categorizations made in other studies (see e.g. Cabrera Blázquez et al., 2020), we distinguish between restrictive measures taken to contain the pandemic, on the one hand, and financial and other measures taken to mitigate negative effects of these restrictions on the other. Together these measures moderate the effects of the pandemic, and since measures differ at least somewhat from country to country, the moderating effect will also vary.

According to publicly available dataⁱⁱ of the Oxford Covid-19 Government Response Tracker's stringency index (SI), the Nordic countries on average experienced lower restrictions in comparison to other European countries between 12.03.20 and 20.11.20 (Hale et al., 2021), the time frame that our producer survey concerns. While SI captures national containment and closure policies across 9 broad factors, and hence is not acutely attuned to the restrictions most relevant to film and series productions, the average of the SI index for the period of interest (12.03.20-20.11.20) indicates Sweden enjoyed far fewer freedoms than suggested by mainstream media, having a higher SI index than its Nordic neighbors. Much of the media attention towards Sweden's Covid-19 strategy occurred in the early phase of the pandemic when, as illustrated by Figure 1, Sweden's stringency was significantly lower than its neighboring countries. However, the finding of relatively higher stringency in Sweden should be contextualized against three additional factors. Firstly, the level of restrictions faced by Swedish and Icelandic productions were significantly more stable throughout the period in comparison to restrictions experienced by the other Nordic countries, Norway and Finland in particular. Higher volatility in national containment and closure policies is assumed to have created greater production uncertainty for the latter two countries. Secondly, Sweden experienced some important restriction exceptions of particular relevance to the audiovisual sector. Among the Nordic countries, Sweden stood out in terms of liberal travel rules (no quarantine or isolation for those arriving from EEA and EU countries), onset restrictive measures were to a much larger extent introduced in the form of recommendations rather than prohibitions, and cinemas were not forced to close (Gaustad et al., 2021). Thirdly, the methodology used by Oxford's SI requires information to be categorized into 3 to 5 step

scales, and has been criticized for overlooking subtle but important differences (for example, Sweden public recommendations versus outright bans in other Nordic countries) that may have a meaningful impact on film production (Book 2020).

	Denmark	Finland	Iceland	Norway	Sweden	EU average ⁱⁱⁱ
Covid-19 restriction stringency index (SI) ^{iv}	56.7	43.7	45.2	49.2	57.8	60.9
Variance of SI	97.6	147.9	46.6	224.8	59.1	-

Table 1. Comparison of national containment and closure policies, 12.03.20-20.11.20.

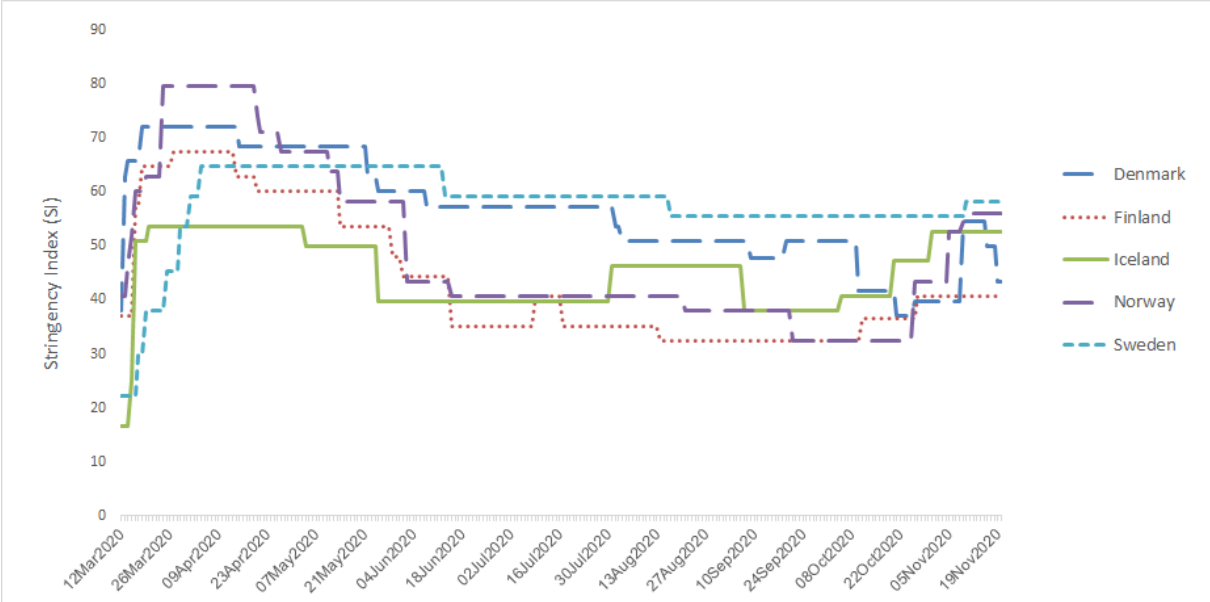


Figure 1. Variation in the Stringency index across the Nordic countries, 12.03.20-20.11.20.

Mapping project strategies among Nordic productions

To map the project strategies employed by Nordic film and series productions facing the pandemic we have applied mixed methods including surveys, case studies and document studies.

Project-oriented data, collected between 20.11.2020 and 10.12.2020 via a survey distributed by producer associations to their members in each of the Nordic countries, covers 155 feature

film, drama series, and theatrical documentary projects. Compared to serial soaps, sitcoms, reality, entertainment, short films, commercials, and other audiovisual genres not included, the genres we examine are relatively resource intensive and complex productions demanding effective project strategies. Among other information, the survey captured data on the project itself, the impact of and response to Covid-19 restrictions, and use and effect of government and industry mitigating measures. Based on data from each of the Nordic film institutes, we estimate 305 film, drama and documentary projects were produced across the Nordic countries in 2020, and thus our survey response rate is estimated to be 51% (Gaustad et al., 2021).

Additionally, ten case-studies of film and drama series projects were carried out in the fall of 2020 to gain a better understanding of how exactly the pandemic and government measures affected the industry. The projects were chosen to obtain a variety in terms of nationality, genre, format, size (budget and production period), commercial and artistic orientation, national or international scope, and project stage at the time when the pandemic struck. Each case study was limited in scope, with in-depth interviews of the producers as the main source of data collection. The insight gained from the case studies predominately guided our survey design, but also helped in interpreting survey findings.

Document studies were also used to map government and industry restrictive and mitigating measures, and we collected data on measures introduced and adjusted between medio March and medio November 2020 in all Nordic countries.

Our analytical method begins from the assumption that, as a strategic decision, emergency and/or emergent responses tend follow patterns such that it is more meaningful to examine clusters of responses rather to analyse content, budget, schedule or other organizational decisions on a stand-alone basis. Clustering methods involve exploratory analysis of a sample to maximize within cluster homogeneity when non-homogeneity of the overall sample is assumed (Hair et al., 2010). Of particular relevance to the chapter's aim, clustering can identify groups of people or projects with common characteristics and where the relations between variables may differ across groups (Chow and Kennedy, 2014).

A two-step cluster analysis technique was chosen because of its suitability for clustering categorical data (Norusis, 2011). Of the 155 projects with useable data, we began by excluding 37 projects that were in post-production or pre-release when the Covid-19 crisis struck on 12.03.2020 due to the non-necessity of emergency or emergent strategies for these projects. Project cancellation meant complete data was missing for a further 3 projects, and so clustering was based on data for 115 projects. Survey data contained 24 variables of potential relevance for identifying clusters of emergency and emergent responses, of which six continuous variables were converted in categorical ranges to reduce any higher weight given to categorical variables when combined with continuous variables (Bacher et al., 2004). Our strategy for clustering variable selection was then based on: previous knowledge of important audiovisual project strategies; decision variables that have significant association with our three moderating variables; exclusion of variables with low frequencies; and variables that diminished the quality of the clustering. This resulted in clustering projects around six key variables, each relating to a strategic area as indicated in Table 2:

- i. Number of countries where shooting occurs: A background variable providing an indication of production complexity in a Covid-19 environment.
- ii. Actual or estimated production period compare to the planned production period: Indicates to what degree project schedule is prioritized as an organizational strategic area.
- iii. Actual or estimate of production costs as percentage of original 'locked budget': Indicates to what degree project economy is prioritized as an organizational strategic area.
- iv. Dropped international filming locations: Indicates to what degree project organization is prioritized as a strategic area, possibly with underlying objectives of protecting content (not dropping locations) or of reducing complexity to protect schedule and/or economy (dropping locations).
- v. Recasting and/or re-crewing: Also indicates to what degree project organization is prioritized as a strategic area, possibly with underlying objectives related to schedule, economy and/or content.
- vi. Made necessary changes to film script and/or content: The absence of changes indicates that content is a prioritized strategic area.

The optimal cluster solution was chosen based on Schwarz’s Bayesian information criterion (Norušis, 2011), and then validated via three steps: ensuring the silhouette measure of cohesion and separation exceeds 0.0 (Norušis, 2011); ensuring Chi-square tests indicate significant association between each of the variables using in clustering and the cluster types; ensuring a similar proportion of cases spread across a not too large number of clusters (Norušis, 2011). Following validation, clusters were then identified via descriptive analysis against other moderating variables. In particular, we examined associated between the clusters and 1) production stage at the onset of the Covid-19 pandemic; 2) country of sole or major producer; and 3) type of audiovisual production. Given the latter variable was not found to be significantly associated with the clusters, it is not presented in the analysis that follows.

			Cluster 1: <i>At all costs</i>	Cluster 2: <i>Content and time</i>	Cluster 3: <i>Team and place</i>	Cluster 4: <i>On time and budget</i>
	Strategic area	Proportion	21.7%	38.3%	22.6%	17.4%
Actual or current estimated production period compare to the planned production period	Schedule	100%	32.0%	95.5%	80.8%	100.0%
		101-110%	24.0%	4.5%	15.4%	0.0%
		>110%	44.0%	0.0%	3.8%	0.0%
Actual or estimate of production costs as % of original ‘locked budget’	Economy	<=100%	0.0%	63.6%	7.7%	100.0%
		101-110%	44.0%	11.4%	88.5%	0.0%
		>110%	56.0%	25.0%	3.8%	0.0%
Dropped international filming locations	Organization	Yes	60.0%	0.0%	0.0%	55.0%
		No	40.0%	100.0%	100.0%	45.0%
Number of countries where shooting occurs	Complexity	1	52.0%	79.5%	80.8%	100.0%
		2	32.0%	18.2%	0.0%	0.0%
		3+	16.0%	2.3%	19.2%	0.0%
Recasting and/or re-crewing	Organization	Yes	84.0%	40.9%	7.7%	90.0%
		No	16.0%	59.1%	92.3%	10.0%
Made necessary changes to film script and/or content (e.g. to drop crowded, indoor, intimate scenes)	Content	Yes	84.0%	0.0%	50.0%	95.0%
		No	16.0%	100.0%	50.0%	5.0%

Table 2: Clustering variables by clusters 1 to 4 ($N=115$)

Four project strategies for producing with Covid-19

We identify four distinct strategic clusters by analysing how projects prioritize the strategic areas of content and organization, with schedule and economy as subcategories of organization-related strategic areas (see Table 2):

At All Costs Strategy (1): This strategy reflects a pattern of projects that make any changes necessary to complete the project, without any clear priorities between the different strategic areas. All parameters are kept flexible, and the costs are financial as indicated by higher budget overages, and artistic, as a result of making content changes.

Projects are less likely to complete production within the planned period and on budget, and extensions and overages are relatively likely to be more than 10 percent. Production team members are likely to be exchanged if needed due to Covid-19 complications.

A relatively high proportion of projects following this pattern are complex, with an international orientation, even after frequently dropping international locations. Changing co-producers is relatively common.

A flexible approach is also adopted with regards to content. Most projects make necessary changes to script and/or content.

Content and Time Strategy (2): This strategy reflects a pattern of projects that give priority to content. None reported having made changes to script and/or content. In addition to keeping content fixed, the projects prioritize the schedule aspect of project organization and mostly complete production within the planned production period, and without adding extra shooting days.

Projects following this strategy tend to be less complex in terms of having a limited international production orientation, and they do not drop any planned international locations to reduce complexity. Typically, principal photography is carried out only domestically.

Production team and costs are kept somewhat flexible, but with relatively modest recasting and crewing. Mostly projects also stay on budget, but significant overages do occur.

Team and Place Strategy (3): This strategy reflects a pattern of projects where organization is prioritized. Hardly any make changes to their plans for cast and crew, and they do not reduce complexity by dropping international locations despite having a relatively strong international production orientation compared to the *Content and Time* projects.

Production costs, time and content are kept somewhat flexible. Projects typically add up to 10 percent to their original locked production budgets, but seldom more. There is also a little flexibility in time. Mostly projects stay on schedule. Some add time, but seldom more than 10 percent. Half of the projects falling into this strategic pattern make necessary changes to script and/or content, which is a bit more frequent than the average for all projects.

On Time and Budget Strategy (4): This strategy reflects a pattern of projects that also prioritize organization, but with a clear focus on time and budget. All projects that complete production within the planned period and within the locked budget. With time and money fixed, projects are kept flexible along other parameters.

Reducing complexity by dropping international locations is common, and projects end up with a relatively modest international production orientation. Recasting and/or re-crewing is relatively common.

Projects also take a flexible approach to content. Making necessary changes to script and/or content is even more common by projects following this strategy than it is for those in the *At All Costs* cluster.

From emergency to emergent project strategies

The *At All Costs* response stands out as a clear emergency strategy. It was the second most common strategy employed by in-production projects, but it was rarely employed by ante-production projects (see Table 3). Given time to observe, learn and adapt to a Covid-19 environment, most producers of ante-production projects applied an emergent strategy with

clear priorities regarding content and/or organization (*Content and Time, Team and Place, or On Time and Budget*).

	Cluster 1: <i>All Costs Strategy</i>	Cluster 2: <i>Content and Time Strategy</i>	Cluster 3: <i>Team and Place Strategy</i>	Cluster 4: <i>On time and Budget Strategy</i>	Chi-square <i>p</i> -value
Ante production: Not yet greenlighted or greenlighted only	6.4% ^b	42.6% ^a	27.7% ^a	23.4% ^a	.009
In-production: Pre-production or principal photography	32.4% ^b	35.3% ^a	19.1% ^a	13.2% ^a	
Total	21.7 %	38.3 %	22.6 %	17.4 %	

^{a,b} Where superscripts differ across row proportions, Z-test indicate significant difference between row proportions at the .05 level.

Table 3: Project strategy clusters by production phase as of 12.03.2020 (N=115)

Efforts to save project assets *At All Costs* may seem desperate, and some may question this response even as a rational emergency strategy. Yet, if the option is an exit strategy, abandoning the production, project salvage will still often be the economically most efficient strategy due to the nature of film and drama series production costs (Caves, 2000). The assets, created in the form of scripts, production designs, filmed scenes, sound designs, or similar pieces and contractual commitments, have no value unless the film or series is completed. As these assets represent sunk costs, completing a project will be economically desirable provided the cost to complete does not exceed estimated revenues from the project. The latter has, however, also become more uncertain as the pandemic has accelerated structural industry transformations linked to digitization, including less reliance on theatrical distribution (Hennig-Thurau et al., 2021). This is reflected in producers’ estimates, especially for theatrical films. On average, producers reduced their estimated revenues by 20 percent for feature films, 23 for theatrical documentaries, and by 7 percent for drama series.

The other three strategies were more frequently employed by ante-production than in-production projects, and thus represent the emergent strategies. Still, as they were employed as emergency strategies as well, they are emergency strategies adopted as emergent strategies. We note that *Content and Time* is most frequently employed as emergency strategy, but is

applied even more frequently as an emergent strategy. Unlike the *At All Costs* strategy, each of the other three strategies show clear priorities as to which elements of the organization or content to change, and this may reflect a more deliberate approach. While the *At All Costs* strategy is used to avoid an exit strategy and secure the survival of the project, the other strategies allow this goal to be combined with other goals such as preserving the content, the production budget, or a delivery date. Which of these goals is prioritized, and thus the choice of emergent strategy, is likely to reflect the originally formed pre-crisis strategy and the various stakeholders' influence over strategy implementation (Gaustad, 2018). Producers may for instance have limited strategic independence if the project financing is tied to specific objectives (meeting a delivery date, filming in a given location, and so forth).

Transnational strategies

Normally, a global crisis like the Covid-19 pandemic will have global and cross-border effects, requiring the same types of organizational responses from one country to another (Wenzel et al., 2021). Yet, one could expect to find a “Swedish strategy” – one that reflects the relatively unique Swedish project environment with more predictable and arguably more audiovisual production friendly restrictive measures. But none stands clearly out (see Table 4). *On Time and Budget* is more frequently employed in Sweden than in any other Nordic country, but it is almost as frequently used in Norway and thus not unique for Sweden. Moreover, there is no evidence that Swedish productions have used any single strategy at a proportionally higher or lower rate than other strategies.

	Cluster 1: <i>All Costs Strategy</i>	Cluster 2: <i>Content and Time Strategy</i>	Cluster 3: <i>Team and Place Strategy</i>	Cluster 4: <i>On time and Budget Strategy</i>	Chi-square <i>p</i> -value
Denmark	0.0% ^b	61.5% ^a	23.1% ^{a,b}	15.4% ^{a,b}	.017
Finland	28.0% ^b	32.0% ^{a,b}	36.0% ^b	4.0% ^a	
Iceland	15.4% ^{a,b}	38.5% ^{a,b}	46.2% ^b	0.0% ^a	
Norway	32.0% ^a	40.0% ^a	4.0% ^b	24.0% ^a	
Sweden	20.5% ^a	33.3% ^a	17.9% ^a	28.2% ^a	
Total	21.7%	38.3%	22.6%	17.4%	

^{a,b,c} Where superscripts differ across row proportions, Z-test indicate significant difference between row proportions at the .05 level

Table 4: Project strategy clusters 1 to 4 by country ($N=115$)

At All Costs was not employed as an emergency strategy by any Danish projects, but this can partly be explained by the low number of Danish in-production projects in our sample. *On Time and Budget* was not employed by any Icelandic productions. Among these, *Team and Place* was the most frequently used.

Another notable finding is that Norwegian projects had a significantly lower proportion employing *Team and Place Strategy*. With very few changes to recasting and/or re-crewing, a *Team and Place* would have been a challenging strategy in the context of Norway's higher variability of stringency levels, particularly in regards to use of foreign crew. Further, Finish and Icelandic productions were notable for their reluctance to use the *One Time and Budget Strategy*. We assume this to be the reflective of the makeup of the projects' financing arrangements, as well as the lower average restriction stringency in these two countries, which collectively averted the need to make content related changes to meeting time and budget obligations.

Overall, we find that the strategies are relatively transnational in nature within the Nordic region, which has been less homogenic with regards to both Covid-19 intensity and measures than it typically is in most other matters. This may indicate that the moderating effects of government measures on the choice of project strategy is somewhat limited. Our case studies and survey data suggest this is partly because of transnational spillover effects from these measures. Projects are relatively seldom purely national; they often have international stakeholders. Almost a quarter of film and drama series in our sample were filmed in two or more countries, and this was after almost a quarter had dropped international filming locations. Furthermore, only 30 percent were produced without foreign cast and crew, despite the pandemic. The multinational profile of many projects seems to reduce the moderating effects of government measures on project strategy choices.

Discussion

We have identified four strategic clusters, representing four types of strategic responses to the Covid-19 crisis. There is of course some heterogeneity within each cluster with regards to other variables, but the four strategies still suggest a set of similar approaches taken by

projects within the Nordic region. The diffusion of emergency and emergent strategy types between projects may be a result of national and international guidelines developed by producer associations and other industry bodies. Evidence from our case studies also points to productions working directly together to shape and mitigate the consequences of the disaster in all Nordic countries. Hence, learning from the actions taken occurs among individual team members, within each project organization, but also between projects and within the whole sector, all contributing to more efficient emergent project strategies.

A distinctive feature of emergency strategies applied as a response to the immediate disruption of the pandemic, which we rarely observe in emergent strategies applied later to cope with the foreseeable but sustained high levels of uncertainty, is the overriding priority of project salvage. This is clearly seen in the *At All Costs* strategy where producers compromise in all strategic areas of production, relating to both content and organization. With respect to the goal of project survival, it seems effective. Only two percent of the projects replying to our survey were cancelled. Given the scope of the crisis, this share may seem surprisingly low but reflects the cost structure of films and drama series. High first-copy costs combined with very low dissemination costs creates strong incentives to complete a project once it enters the resource-intensive stages of pre-production and production. In other cultural and creative sectors with higher dissemination or performance costs, like live music and theatres, one would thus expect to see higher cancellation rates. The *At All Cost* strategy's effectiveness with regards to other goals, including production quality and market performance, is unknown, but it is likely that projects have suffered in the areas that were not prioritized.

Other strategies are also applied as emergency strategies for in-production projects, but these clusters contain less complex projects. This may explain why producers in these cases were able to combine project salvage with other goals in their emergency strategies.

Being able to make such combinations is the distinctive feature of the emergent strategies. With the exception of a small share relying on *At All Costs* as emergent strategy, producers pursuing one of the other three strategies seem able to prioritize two strategic areas in addition to securing the survival of the project.

Effective strategic responses to the pandemic mitigate consequences for a project by minimizing both its financial and artistic costs. The four strategies identified take different approaches to balancing economic and creative priorities. The *Content and Time* strategy clearly prioritizes avoiding artistic costs, while the *Time and Budget* strategy clearly prioritizes financial cost control. The other two take more mixed approaches.

However, even when content is prioritized artistic costs are likely to occur. For instance, our case studies reveal that extra resources spent on required contingency planning has not been limited to production crew but has demanded close involvement of talent and creative personnel. The extra time key creatives divert to production questions has in many cases meant less time and attention spent on typical artistic considerations. Some measures, like moving meetings and other work online, has also added directly to the artistic costs. While these costs are difficult to quantify, track and control, creative goods like films and drama series have multiplicative production functions and so artistic costs may have severe consequences for the value of the finished product (Caves, 2000). Plans and methods for making space for creative processes in the context of heightened demands for contingency planning has therefore become important and suggest an association between production period and content that goes beyond the time it takes to produce specific materials.

Concluding remarks

Producers of film and drama series are no strangers to production risk, and many have crisis management experience. Yet, they were not able to identify the potential risks of the pandemic due to the Black Swan characteristic of the Covid-19 crisis. When such a crisis hits, producers not only have to cope with the nature of the disaster, but, as we identify in this chapter, they must cope with an unpredictable institutional environment. Attempts by producers at traditional risk assessments are thus likely insufficient to provide protection against adverse events like Covid-19. However, resilience and crisis management are interrelated (Williams et al., 2017), and the ability to devise emergency and emergent strategies contributes to resilience. This is particularly important for the unstable project-based organizations that characterize much of the cultural and creative industries.

Our chapter reveals how Nordic producers relaxed their priorities in many or all strategic areas as an emergency strategy to salvage their projects. The ability to relinquish strategic focus on all areas but project survival enhanced their resilience. However, while project survival is a necessary condition for artistic and commercial success it is not sufficient, and relaxing other priorities is likely to impair the ability of a film or series to achieve its goals. Therefore, in the emergent strategies that later transpired for dealing with a high but foreseeable level of uncertainty after the initial crisis disruption, strategic focus returns to normal areas of content, organization, economy, and schedule. They are thus not purely emergent, but also colored by the intentions behind the projects' original, pre-crisis strategies.

These patterns were observed across country borders, with divergent levels of intensity of the pandemic, different average levels of national containment and closure stringency, and a significant degree of variability in the levels of stringency between countries. Given these environmental and institutional variances, the strategic responses of the audiovisual projects were less country specific than we assumed would be the case. Contextualized against the higher average levels of containment and closure stringency across the EU, we are inclined to speculate that our finding of project strategy being more sensitive to project specific variables than national ones also applies beyond the Nordics.

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ⁱⁱ The Oxford Covid-19 Government Response Tracker's stringency index is covered by a Creative Commons Attribution CC BY standard. <https://www.bsg.ox.ac.uk/research/research-projects/covid-19-government-response-tracker>

ⁱⁱⁱ Population weighted average of the 27 EU countries.

^{iv} The Oxford COVID-19 Government Response Tracker 'Stringency index', daily average from 12.03.20 – 20.11.20. The daily updated index reflects national containment and closure policies across nine variables including school closures, workplace closures, public event closures, restrictions on gatherings, public transport closures, curfews, restrictions on internal movement, international travel, testing policy, contact tracing, face coverings, and vaccination policy (Hale et al., 2021).