

EDITORIAL MANAGEMENT: FROM EXPERIMENTS AND EXPERIENCES TO EVOLUTION

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ABSTRACT:After the fall of the communist regimes, the spread of globalization produced significant changes in all industries. In the past decades the global publishing industry has faced the competition of other industries for a percentage of personal expenditure. Publishers are at the core of the publishing industry. The process of establishing a publishing house takes initiative, constant investments the drafting of an editorial plan, but also clear defined objectives. The aim of our article is to highlight some characteristics concerning the Romanian editorial market and editorial management. The research methodology is based on literature review. The Romanian editorial management has started to develop since the beginning of the 1990's based on previous experience in the field.

KEYWORDS:editorialmanagement, publishing house, publishing industry, book fair,Romania.

1. INTRODUCTION

After the fall of the communist regimes, the spread of globalization produced significant changes in all industries. In this respect “the transformation of the book business is also embedded in the wider context of the digitization value chain affecting all the content industries” [19]. In the past decades the global publishing industry has faced the competition of other industries for a percentage of personal expenditure. Also, the new digital actors have entered the book market such as Amazon or Google.

The publishing industry comprises “all the stages necessary to transform the creativework of authors into a manufactured product available for distribution to the public” [13]. The final manufactured products encompass books, encyclopaedias, newspapers, magazines, etc. Publishers are at the core of the publishing industry. Their functions relate to “the aggregation, presentation (reading, editing, and designing), pricing and marketing of books and dealing with other parties in the valuechain, including the technical intermediaries (printers, phototypesetting, binders...) and specialized workforce in-house or outsourced (proofreading)” [17]. Some of the world's biggest publishing houses are Pearson, ThomsonReuters, Wolters Kluwver, Penguin Random House, Elsevier, Axel Springer, McGraw-Hill, Hachette etc. In Europe, the publishers were forced to consolidate their positions after the emergence of the single European market. The European book market has registered a fluctuating evolution, with downward trends in recent years. In the period 2010-2014, the publisher's revenue from sales of books has continuously diminished [6]. In Romania, the trends were similar, reaching the lowest level in in 2013 after the fall of the communist regime [4], [5].

The aim of our article is to highlight some characteristics concerning the Romanian editorial market and editorial management. The research methodology is based on literature review.

The structure of our paper is as follows: the next section deals with an overview on editorial management in general, and the last one handles the first Romanian book fair, integrating concepts such as innovation and synergy. The paper ends with conclusions.

2. EDITORIAL MANAGEMENT

The process of establishing a publishing house takes initiative, constant investments the drafting of an editorial plan, but also clear defined objectives. But, before all that, the publishing house must be registered as a trading company. Having legal personality, it specializes in valuing the copyright laws by complying to the legislation in force. From the perspective of economic performance, the name of the publishing house and the publishing brand are extremely important because they define the form and content. Such form represents the essential bond with the readers. Protecting the brand is essential because it defines the uniqueness and credibility of the publishing house. Taking into account that a book represents both a cultural object and a commodity, a publisher's quality lies in the dual role that he needs to play, namely, the cultural factor and genuine businessman. The recruitment and selection of staff within the editorial field constitutes a difficult process, and its development requires special costs. People who are employed in a publishing house must have a particular level of training, given that they will deal with activities that require specific skills (writing, editing, design, printing, distribution, marketing, etc.). There is a whole quadrilateral relationship in the process of publishing a book (Figure 1). Should there be vulnerability in this system of relationships, then the result might lead to the loss of the identity of the promoted editorial concept.

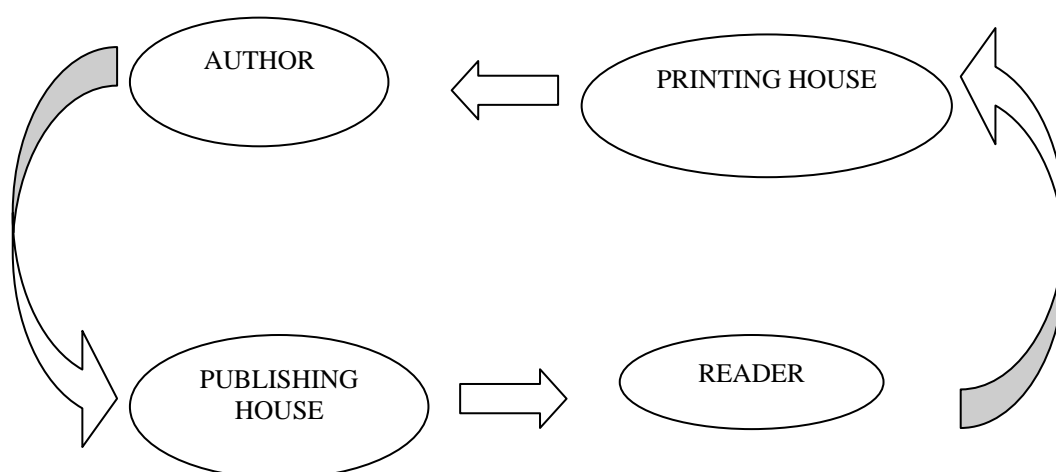


Figure 1. From author to market

One can observe that in the offer – demand relation noticeable differences have appeared between 1990 and the current period. An absorption phenomenon has manifested in the book market in the early years because the demand was higher than the offer, prices were relatively low and revenues were somewhat constant. Gradually, this report was unbalanced dramatically, and we are currently witnessing a pressure phenomenon on the book market, where most often the offer is higher than the demand. For this reason, there is an increase in the price of books and a reduction of the circulation of books. We can talk about the trend of personalization of the product in relation to the beneficiary. In conventional printing houses, the decreasing of the circulation required the increase of the unitary costs as the labour was distributed on a smaller number of products. New technologies enable the production of smaller runs that do not increase significantly the cost per unit.

The high degree of concentration [15], the random sales, the small number of employees and the process of outsourcing some activities, turn the publishing house into a riskful socio-economic environment. In order for a publishing house to be efficient, it must operate continuously and design a minimum number of titles annually, so that it would ensure cash flow and a balanced break-even point. In countries with tradition, the editorial production is

concentrated at the level of several publishing groups. In England, there are three major influential groups: Hachette, HarperCollins and Penguin Random House; and in France the same: Lagarde Group (Hachette Livre), Planeta (Editis), Lefebvre Sarrut (Eli M. Noam). Such concentration tendency can lead in the absence of strong and firm regulations to creating monopolies. Thus it emerges the risk of control over markets, prices and authors. The publishers' tendency to associate by creating specialised similar bodies did not always solve the problems faced by the publishing houses.

A problem present in the activity of editorial management is the one of choosing the optimal distribution channels to streamline cash flows, and here we consider as well the issues of transport, storage and book returns. The shortcomings in the editorial management is noted as a result of analysing returns book, because the results of such analyses provide us with reliable information related to: the quality of choosing a title, the selection of resource suppliers, the process of choosing of printing house, the way in which the market analysis was made. In the editorial field, production stock can lead to disastrous results, because the speed of sales is relatively low, with some exceptions. There are situations in which the managers of publishing houses do not distinguish between the sold production and the sold and cashed production; here we can observe differences between performance and non-performance, between wishing and achieving.

The quality of editorial management depends on the consistency of the relations with the beneficiaries which translates to monitoring sales, analyzing the displaying of books in bookstores, overseeing the expedition of books, finding alternatives to classic selling processes (i.e. direct sales), increasing the visibility level through participation in specific events, marketing studies to provide accurate information to achieve circulation and fixed pricing, advertising policies and managing the relations with the media and providing real statistics on sales. Also, a high performance of editorial management is inherently linked to synergy (seen "as process gain during teamwork compared with a clear baseline" [9] and promoting team spirit), benchmarking (recognizing it "as a catalyst for improvements and innovation" [11]), innovation (because in "today's complex and turbulent environment the need for innovation" [13] is imperative) and creativity (regarding which "activities contribute to creative performance" [12]). Benchmarking has become a popular tool in editorial management in the last decades. Organizational benchmarking emerged as a component of modern quality management principles in the 1940s [10],[16],[3]. In essence, it relates to the comparison of efficiency of two or more business organizations with leading practices in one industry [7]. It helps companies to identify value-gaps and indicates them domains in which there is a potential for improvement exist [2],[14]. As a managerial tool, benchmarking is used for „attaining or exceeding the performance goals by learning from best practices and understanding the processes by which they are achieved" [11], both in „a reactive way to counter threats and in a proactive way to exploit opportunities" [18].

3. STUDY CASE: THE ROMANIAN EXPERIENCE

Experiments conducted in the 1990's (i.e. the first book fair in Romania) demonstrated that editorial management witnessed a gregarious form. As Romania entered in a new type of society, the first private book fair in Romania represented a surprising attempt and a pioneer move. The Pool Club in Neptun was the venue in which the first editions were held. There were a movie theatre, a swimming pool and exhibition halls. Judging from a synergic perspective, there were several elements that contributed to the success of the event, as the "Creation House of Writes in Neptun" was situated in the Club's proximity and that it took place during summertime. With the participation of great writers at the fair together with the presence of numerous tourists that were spending their vacation, the added value of the event grew considerably. This event introduced an innovative element as it brought the stakeholders from the publishing industry together, gathering them into a space destined for book enthusiasts, creating the concept of a "complete book experience". This summer book fair

offered the opportunity to carry out multimedia experiments due to the possibility of organizing some live economic and cultural shows on national television. Therefore, we can speak here of a boosting effect because book sales has increased by the presentation in print and broadcast media of this event that lasted a week. This experiment lasted six years, enabling the possibility of building up the first consistent collaboration between authors, publishers, printers, paper mills, banks, businessmen. It was one of the first experiences of applied management, because most publishers were engineers, economists, geologists, computer experts, etc., individuals that came from other fields, having the lack of complex which is specific to those who do not know at first the field where they will activate, but individuals who have the great quality of being good observers. Thus the first managers in the editorial fields arose, individuals working outside the “recipes” but who brought with them experiences from the fields they came from. We can actually speak of the applied benchmarking when those who applied it did not even know the concept thereof. It was actually the real way to discover, experience, before knowing the theory. At this event, the restrictions demanded by the context led to finding creative solutions in connection with advertising support. In fact, the lack of financial resources forced organizers to be synergistic and creative.

Organizing the fair meant permanent innovation because promoters had to solve a multitude of problems that have emerged: the large number of publishing houses (over 100), the large number of participants (over 400- problems of accommodation and cultural activities), the venue and period event. During this fair, participants had the opportunity to experience and to create domain-specific skills. A period of consistent professionalization of those who came from outside this area had begun. As a result, a leap emerged in the Romanian publishing industry from less than 20 publishing houses before 1990 to nearly 10,000 in 1995, but in the year of 2000 the number dropped to 663 publishing houses. It was obvious that during the period of “editorial excitement” many new publishing houses had been set up, but some of them had published only one or two books or no book all.

Another experiment took place in the same years being related to the synergic use of the book author’s competences. That author was also a known singer. To organize the launch of the book the sports hall in that city was made available free of costs. The author gave a free concert, and the book was a form of “entrance ticket”. From the economic point of view the effect obtained was huge. The costs related to renting the room and holding a concert were minimal, and selling a few thousand copies of the book represented a success from several perspectives: organization and planning, the achievement of several quantitative and qualitative indicators, author’s motivation, the potentiation of some competences and innovative solutions in terms of the use of space. It has been shown that very often, experiments provide solutions before searching thereof within the managerial theories and models. Thus it has been determined that experiments can validate or invalidate these theories. The comments from these experiments have enabled us the possibility to conclude that “reality exceeds the fiction”. At the same time, they have very clearly defined the distance between: scheduled and unscheduled decisions, the risk assumed and unawareness, prudence and courage, action and inaction, breakdown and reality, estimated price and real price, failure and success. It was noticed, in real situations, how important the correct assessment of the performance indicators is (with no under-valuation or over-valuation).

In the early years following 1990, the book market was deregulated, with no coherent applied intellectual property law, to define the way of publishing of several titles written before 1990. A distinct characteristic of the editorial domain in Romania after 1990’s is represented by the fact that many publishers have established and opened publishing houses. The increase in number of publishing houses has imposed the resizing of the national network of books circulation. The classic network had bookstores across the country, but the revised contractual relationship imposed the founding of some dynamic networks and transporters specialised on books. In those years, there were books whose circulations exceeded 100,000 copies, fact which proves that, for a big offer, there is an over-demand. Doing a comparative analysis of

the relationship between the circulation of some titles published in those years and the circulation of some titles published nowadays, we discover that today there are titles that appear in several hundred of copies. The sudden increase and decrease in terms of number of titles and circulation of books in the 1990's and the spectacular decrease thereof until present times required an analysis whose results led to the following observations:

- The emergence of high technology which is offering alternative sources of information.
- The reduction of people's purchasing power.
- The exodus of the population (the brain drain phenomena perceived as "the departure of skilled labour" [8]).
- The changes of the priorities of the new generations.
- The repeated and failed reforms within the educational domain.
- A legislation which initially was copied after the European models, but it was not adapted to the local needs.
- The policies related to the publishing industry field for supporting libraries, institutions, etc.

On the other hand, there is a normal tendency of society to adapt to new technologies. The emergence of digital books offers a different perspective on the way in which books are made from the editorial point of view and the way they are "exploited" by the reader. The virtual book offers the reader the opportunity to be in direct contact in a network with the author and publisher. We can probably talk about a future time when the reader will be able to become co-author or even author, because the change in view will be profound and surprising, there will not be "there" anymore, but on the contrary, most of times, there will be "here". This paradigm shift will lead also to the way in which the information and education through the network will be made. We can speak of a personalized education, because offer and demand will be able to synchronize in almost real time. Concepts such as costs, price, transport and stock will be redesigned and will give new meaning to reality.

Future will demand other ways to creating, processing and using information. The classic book or the virtual book will remain key milestones in education and knowledge. The plans of "toknow, to do and to be" can overlap because the networks of the future will create conditions so that between the moments of information, action and awareness on its aftermath will not exist a significant time gap. At the same time, by extending the reality with virtuality, the information of the future will provide the individual with unsuspected possibilities of knowledge. Due to the new technologies, the editorial management of the future will lead to the:

- establishment of some virtual organizations which are highly mobile and volatile and which will require new types of regulations;
- development of some virtual publishing houses which will very shortly provide the necessary informational support to those who are interested;
- rethinking of the large urban communities, which will adapt to the dynamics of human groups (exodus of population, declining of the birth rate, aging of population, etc.).

4. CONCLUSIONS

In Romania, alongside the publishing market, the editorial management has started to develop since the beginning of the 1990's based on previous experience in the field. As the publishing industry grew, specific barriers emerged:

- The low level of the purchasing power of the Romanian population;
- The lack of some components of the distribution system (i.e. bookstores);
- The lack of governmental programs and strategies in this domain;
- The deficiencies of the legal environment;
- The failure of the educational system in stimulating lecture;

- The lack of editorial management skills and competencies.

These are some of the main causes that have contributed to an underdeveloped publishing market and editorial management in Romania. However, the last years have witnessed signs of improvement and one may even see a slight shift towards a digital publishing marketplace and the professionalization of editorial management.

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