



# **CREATIVE INDUSTRIES**

**COLOURFUL FABRIC  
IN MULTIPLE DIMENSIONS**

**Giep Hagoort  
Rene Kooyman (Ed)**



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**COLOURFUL FABRIC  
IN MULTIPLE DIMENSIONS**

**Research Group  
Faculty of Art and Economics  
Utrecht School of the Arts (HKU)**

**Yearbook 2009**

**Giep Hagoort  
Rene Kooyman (Ed)**



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# ON CREATIVE SMEs EDITORIAL

**In the contemporary world, a new development paradigm is emerging that links the economy and culture, embracing economic, cultural, technological and social aspects of development at both the macro and micro levels. Central to the new paradigm is the fact that creativity, knowledge and access to information are increasingly recognized as powerful engines driving economic growth and promoting development in a globalizing world. (UNCTAD, Creative Economy Report 2008).**

The Faculty Art and Economics of the Netherlands Utrecht School of the Arts has two main pursuits: education and research. The research group Art and Economics is focused on innovation to strengthen the quality of these two tasks. Staff members and (external) researchers are involved with this ongoing process of professionalization.

But what are they really doing in their day by day practice?

This Creative Industries Yearbook Art and Economics 2009 provides an insight to the problems they face. We have asked our colleagues to produce an article from this practice, provided with theoretical or conceptual notes.

As editors we asked them to highlight professional or academic issues that trigger their existence. There was one important condition: each contribution must surprise readers from an international scene because of the content or the process of reflection, or both. It is in the power of the reader to judge if they succeeded.

In our opinion the contributions show a variety of subjects and assessments. But they all have in common that they show a living part of our faculty. All these papers can be seen as a cross section which illustrates the educational and research dynamics of our faculty life. Keywords in this faculty are cultural and creative entrepreneurship, C-SMEs, creative processes, creative industries,

creative cities and management competences, within the cultural value chain of creation, production, distribution and experiences.

In our research group we put the position of Creative SMEs at the top of our list of meaningful issues. These SMEs form eighty till ninety percent of the creative industries, create fuel for innovations and transitions, and is a growing force in the so called creative economy. Most of the articles are contributing to this position or discuss related aspects in the field of policy making and R&D. We hope that the reader will give some feed back to the authors as a starting point of a professional and academic dialogue. At the end of each article the reader can find their contact details.

**Do the authors trigger your fascination?  
Please let them know!**

Giep Hagoort  
Rene Kooyman

# READING GUIDE

**This yearbook has six main parts: 1. Introduction, 2. Cultural entrepreneurship, 3. Cultural entrepreneurship in context, 4. Faculty issues, 5. Special reports, 6. The next step.**

**Part 1** opens with three introduction papers. **Giep Hagoort** discusses the general development of art management to a more specific approach what is mentioned cultural entrepreneurship. Due to the dynamics of the creative industries and the impact of the economic crisis he suggests to change the focus of art management from inside to outside and to place the experiences of the audiences in the middle of the entrepreneurial spirit.

**Aukje Thomassen** discusses recent publications, discussing the relationship between design, innovation and empowerment, in particular for the more digital literate people that participate in global networks. The research shown in this paper aims to understand the empowerment of design and its means for social innovation. And in particular how governments can support this enabling process.

**Jacob Oostwoud Wijdenes** discusses the Implications of the systems-model of creativity, for Art Management. The model is explained and consequences for the management of individual creativity are discussed. Several perspectives on creativity from different domains of knowledge are taken as a starting point to investigate creativity through collaboration. The systems model is applied to creative production in group settings.

**Part 2** – on Cultural Entrepreneurship – opens with **David Crombie & Roger Lenoir**, discussing the creative industries in the digital domain. The European Commission is trying to create a Single Digital Market for consumers, creative industries and Internet service providers. However, especially in the digital domain there exist vast structural differences between the larger and smaller enterprises in the creative industries.

**Johan Kolsteeg** discusses the topic of strategy formulation in small creative organizations. Small creative organizations often find themselves at the point

where they need to make operational decisions with implications for the future of the organization. Discourse Analysis is the proposed methodology for finding an answer to this matter.

**Philipp Dietachmair** explores the term ‘Socio-cultural’ Entrepreneurship. Since the fall of the Berlin wall the Eastern European countries have been going through a fundamental transformation process. The author explores the relationship and interaction between culturally and socially entrepreneurial ideas in contemporary arts organizations of Central and Eastern Europe.

**Giep Hagoort** explores the Urban/Rural continuum. Usually the urban environment is put in a pre-dominant position. Based on the opportunities offered by a changing countryside for the rapidly growing creative industry, the author expects creative regions to begin receiving the attention of national government.

**Gerardo Neugovsen** discusses a proposed research methodology for understanding the human factor behind the micro, small and medium enterprises. He explains the creation and application of research methods in studying systematic, instrumental and interpersonal competencies of creative entrepreneurs.

**Part 3** puts the Cultural Entrepreneurship in context. **Isjah Koppejan** kicks off, turning her attention to the Creative City concept. In the Netherlands the most popular focal point of attracting the creative industries is the realisation of ‘art factories’. These places have become breeding zones for creative entrepreneurs and accordingly are seen as the accelerators of city development in a much broader sense. He discusses the model of *the Creative Zone*.

**Marijn Brummelhuis-Van Thiel** directs her attention to the regional level, examining the basic ingredients needed for a region to succeed. An outline of creative milieus is given. The interaction between the regional and inter-regional context is discussed and a model for successful creative regions is presented.

In his polemic contribution 'Connect the professor', **Erik Uitenbogaard** discusses the connection of the Dutch Universities of Applied Sciences (HBO/Hogeschole) with the creative industries. Hundreds of forms of regular interaction can be used by creative professionals to profile and develop their business. The presence of Universities of Applied Sciences in these networks is poor, however.

**Nelly van der Geest** puts forward a reflection on the routes of creative, non native, non middleclass talents to the public arena. She offers an analytical framework for understanding the Dutch concept and practice of *talent development* in the cultural field. She points at differences in motives and in structure. She treats the motives 'access' and 'artistic renewal' used by policy makers.

**Joost Smiers** discusses one of the pressing topics in our contemporary society. Cultural markets, particularly in the digital area, are dominated by a handful of conglomerates that try to enforce IPR and Copyrights. Based on this principle only a few stars, and their industries, are at spinning yarn. Winner takes all. He proposes a radical different approach, that would involve fair cultural markets. Markets, without copyright, without cultural conglomerates.

**Giep Hagoort** and **Gabriëlle Kuiper** introduce a newly developed, analytical concept; Return on Creativity (ROC). Sometimes there are instances when 'added value' cannot be expressed in figures but suggests a return nonetheless.

The article explains the principles of the concept, and the research executed to develop a more detailed picture of the term.

**Part 4** is totally dedicated to Faculty Issues regarding the Art and Economics Faculty of the Utrecht School of the Arts (HKU). **Derk Blijleven**, President of the Faculty Administrative Board, kicks off with an overview of the bold policy decision taken in the past period. The Faculty of Art and Economics has had the satisfaction of registering a continuous growth in its number of students. The Faculty has decided to implement a cohesive collection of strategic

choices, ranging from a limitation on the influx of students, endorsing excellence, creating a market-oriented structure around specialist role models, to endorsing a focus on research and international exchange.

**Paul van Amerom** and **Corrie Nagtegaal** explain the methods used to guide students to act and reflect as cultural entrepreneurs. The Faculty Art and Economics educates professionals to manage and market creative processes, products or services. In the Study Career Planning Program students explicitly reflect on their process, developing themselves into independent reflective practitioners.

**Dorian Maarse** looks back on five years of Project Based Learning (PBL) at the faculty of Art and Economics at the Utrecht School of the Arts. PBL results have been compared with other educational institutes applying PBL in the Netherlands and Belgium. Based on these findings recommendations are made for improvement of PBL in the faculty of Art and Economics.

In her contribution **Marjolijn Brussaard** looks at the International cooperation in higher education. International cooperation in higher education is essential in the development of knowledge. The Bologna Declaration did change higher education and does enable international cooperation, yet not to its full potential.

**Janine Prins** argues that the added value of an Art and Economics professional in the field relies heavily on certain research skills. However, traditional tactics do not suffice in the creative industries, nor can they be taught extensively within the Art and Economics curriculum. Made to measure research practices are therefore being developed. The creative, applied, reflective (CAR) methodology is explained and debated.

**Part 5** offers three short reports. **Mart van Zeeland** explains the context and background of his doctoral thesis, regarding Graffiti as an ineradicable part of the creative city. **Sanne Wiltink** gives us an insight on her doctoral thesis, called '*Managing Creative Teams in a new environment*', with a special emphasis on interdisciplinary network organizations. This chapter is completed

# Introduction

by a description of a case study regarding **Festina Lente**, a platform for the creation and development of talent, services and products created by **Remy Harrewijn**.

In the last chapter, **Part 6**, future perspectives are presented. **Rene Kooyman** states that the Cultural and Creative Industries have gained momentum, both at the international and national arena. Research shows that the vast majority of creative entrepreneurs consists of individuals, that form very small, micro enterprises. These micro – or better ‘nano’ – enterprises have been forgotten in the actual research. The research agenda will have to cater for this void. In the final remarks **Giep Hagoort** is asking the question whether the Faculty is ready to face the future. He presents the perspectives that are awaiting us.

# CELEBRATING 1 THE END OF ART MANAGEMENT? Giep Hagoort

## Abstract

In the last decade of the 20th century, a lot of attention was paid to art management as a specific knowledge domain. Major cities all over the world have their own art management education programmes. The question is whether we, as researchers and teachers, are on the right path. Have we developed a clear discipline with its own characteristics and methods? And above all, does art management really serve the creative economy in a supportive way? The answer cannot be given without considering the new creative industries and the current global financial and economic crisis, which affects the foundations of our society. Art management can be seen as a part of this crisis and needs to undergo transition regarding content, process and perspective. Public Oriented Art (POA), based on the experiences of Users-Centered Design (UCD), can create a totally new approach to vitalising the

cultural sector in a period of crisis and transition. It is not just a new combination of existing experiences; it is a fundamentally new way of entrepreneurial organisation of art and culture, which leaves behind the traditional 'How To' approach of art management.

## Some historical notes on art management praxis

Since the prehistoric hunters drew their fantasies on rock walls, mankind has been involved with practical questions about the creation, production and distribution of immaterial goods and services. Although the history of this creative chain is a very long one, the study of this part of our cultural and creative sector is relatively new. There are many historical sources that inform us of the management aspects in connection with the story the writer wanted to tell, in the form of marginal notes. The master architect

Vitruvius (1960) from Rome wrote his *Ten Books on Architecture* at the beginning of our era, and in some sections he elaborates on business aspects that have to be considered when designing buildings (particularly Greek ones). The artist/historian Vasari (1990) informs us in detail about the way his fellow Italian Renaissance artists worked, including financial aspects.

The 19th-century Dutch painter Vincent van Gogh wrote hundreds of letters, in which he explains his living conditions in connection with art, environment and finances. Historical studies from the past sixty years or so, e.g. Hauser (1951) and Boorstin (1992), give a good picture of how artists and art organisers created a tailor-made division of labour to fulfil their cultural mission, from prehistoric times up to the introduction of the democratic way of creating art.

In this continual process of collecting practical information on how to organise art and culture, the non-profit sector was a challenging praxis in a period of societal change in the seventies, eighties and nineties of the last century. Although each region and country has its own unique history and individual conditions, experiences and coincidences, some general observations can be formulated (Hagoort, 1998, 2005; Evard & Colbert, 2000; Dewey, 2004).

The 'modern' national state was in a process of reorientation. Influenced by political leaders from the right of the political spectrum, (with Prime Minister

Thatcher (UK) and President Reagan (USA) at the fore), the state assumed a modest position in stimulating economic growth and welfare. Deregulation, privatisation and competition became the key words in this political praxis, with its belief in the dominance of the free market. In the field of cultural policy, this resulted in a reorientation regarding art and culture subsidies and the introduction of new preconditions on a micro level, such as budget responsibility, own income obligations and the introduction of management skills for art managers to deal with this new reality in praxis (Hagoort, 2005).

In the USA, which traditionally has a very modest state subsidy programme (managed by the Endowment for the Arts) and an emphasis on (corporate) charity for culture, the new management approach received attention from the academic world. This resulted in the establishment of several, different training and educational programmes (Wry, 1990).

In the UK, Pick, founder of the City University programme on art administration, can be seen as a pioneer in the European area. He wrote the first publication on art administration (1980) which defined the art administrator as a combination of practical manager, problem solver, entrepreneur, risk bearer and idealist.

On the European mainland, initiatives from France, Germany, Finland and the Netherlands contributed to this new knowledge and education domain and started schools and centres (Suteu, 2006).

In the early nineties, the first handbooks were published in English, which paved the way for a broader participation of art managers, teachers and trainers (Hagoort, 2007).

Furthermore, the establishment of an international conference (AIMAC) and an academic journal (*The International Journal of Art Management*) – both initiated by Evard and Golbert – gave more concrete form to the international educational and research infrastructure. International platforms and networks also appeared (most importantly AAAE (USA but with representatives from abroad) and ENCACT (European network)), as well as many websites (e.g. [www.kulturmanagement.net](http://www.kulturmanagement.net)).

At the end of the 20th century, one could say that Art Management was regarded as a new area with its own body of knowledge to be studied and taught.

#### **Art Management as an academic discipline?**

Reflecting on the results of the preceding section, which focuses on practical insights supported by academic publications, the question arises of whether the growing body of knowledge is also a clear academic discipline. Such a discipline can be identified by its own guiding principles and methods, and an open dialogue on academic quality. Evard and Colbert (2000) tried to find an answer and came to the conclusion that it is still too early to answer this question. They consider arts management as a sub-discipline of general management.

For my PhD (in the late 1990's), I researched the nature of strategic art management and came to the conclusion that this kind of management is an interdisciplinary academic combination of two main disciplines: management theory and cultural studies (1998). In the preceding handbook (2000), I elaborated on this conclusion at a more general level. Art management is made up, in part, of the following three fundamental knowledge areas from the management discipline:

1. Strategic Management, including the management functions Production, Personnel Management, Marketing, Finance and Automation;
2. Organisational Structuring and Organisational Culture;
3. Leadership.

On the basis of cultural studies, I formulated seven cultural values which have to be processed in formulation strategies, in designing organisations and in developing cultural leadership styles. These seven cultural values are:

1. Historical analysis (art history);
2. Cultural innovations (art philosophy);
3. Multicultural context (art sociology);
4. Cultural credit (finance);
5. Common interest (cultural policy);
6. Artistic processes (creativity);
7. Artistic leadership (judgement and decision-making).

Rather than being a purely scientific exercise, this interdisciplinary art management was also tested in the form of a longitudinal case study at the *Toneel-*

*groep Amsterdam*, the leading Dutch theatre group with an international reputation.

If we look at other academic projects on art management, one cannot say that the various research agendas did prioritise the integration of cultural and management values as a step towards identifying an academic art management field of study. The issue is not discussed in specific books on art management (Byrnes, 1993; Rauhe & Demmer, 1994; Radbourne & Fraser, Fitzgibbon & Kelly, 1997; Chong, 2002; Klein, 2004; Dragicevic Secic & Dragojevic, 2005). They take an existing field of study for granted.

In these sources, art management is strongly identified by applying general functional areas like strategy-making, marketing, personnel and finance, and the environmental relationship with art and culture has a more thematic approach, with topics like cultural policy, market research, Intellectual Property Rights, audience development and community art.

Is it useful to formulate art management in terms and conditions of a scientific discipline? In general, the development of a new discipline is connected with the growth of the professional sector and the natural need of practitioners, teachers and researchers to reflect on content and method (Riemsdijk, 1999). I can find no good reason why this need should not arise in the field of art management. And as we will see in the next section, there is also an urgent case for the art

management sector to take its own academic research more seriously.

#### **The Creative Industries**

In Europe, the creative industries came into being in London, at the end of the 20th century. Rather than a scientific innovation or the result of fundamental research, the catalyst was a statement by policymakers from the UK, who thought it would be useful to find something that could fuel economic prosperity as an alternative to the old industrial job engines like steel and finance. They just looked at the statistics and saw that creative activities like architecture, design, fashion and some art productions were delivering new industrial movements. These industries contributed 7.9 % of the UK's GDP and employed more than 2 million people, and the figures showed an increasing trend. In their report, which is now well-known as the DCMS papers (1998), the policymakers made clear that these industries were based on the individual quality of (artistic) creativity.

Infected by this new approach, other countries and big cities started their own explorations and became aware of the richness of the creative activities. In Barcelona, Vienna, Amsterdam, Helsinki and Hong Kong, to name a few prominent examples, policymakers are developing plans for facilitating the new creative industries. Two studies that mentioned the developments discussed went on to illustrate the global impact of the creative industries.

In 2006, the EU published a KEA report on the creative industries, which gave an overview of the situations in the member states and suggested some key guidelines to stimulate the new industries. The KEA report made clear that research on the creative industries is not easy, because of the lack of clear definitions on art, culture and creative industries and the problems of comparing data produced by national agencies and platforms.

The second report came from the UN in 2008 and focused on 'creative economy', which was described as an economy led by the potential of creativity and innovation for the worldwide promotion of social prosperity. This Creative Economy Report 2008 is remarkable in that for the first time in history five UN organisations (UNCTAD, UNDP, Unesco, WIPO and ICT) worked together to collect data and visions from five different perspectives in the fields of economics, art, culture and creativity. The report also shows how difficult it is to produce such a study, due to the lack of an existing conceptual framework for collating all the facts and findings in a consistent way. This global UN research has some variables that are not shared with more Western-oriented studies on the creative industries. The 2008 report also considers folklore, craftwork and products for the toy industry as part of the creative industries.

All these research activities on creative industries have included subsidised art and culture. Although the formulation of culture in terms of field, sector, area or clusters depends on the national voca-

bulary, generally speaking the word 'industries' did not gain easy acceptance in the world of (non-profit) artists and cultural organisations (Smiers, 2003). This was influenced in part by the critical approach of Horkheimer and Adorno, who wrote an article in 1944, in which they warned that art and culture would lose their immaterial meaning if they were affected by mass production, mass marketing and mass media. Another aspect is the problematic relationship between art and commerce, and societal trends around the turn of the millennium, which put more emphasis on business values in the public area, such as private financing and sponsoring.

For art managers (of the subsidised institutes), the creative industries to which they belong (sometimes without knowing it or just ignoring it) have brought and are still bringing totally new questions to the table (Hagoort, 2007). First of all, there is the question of the autonomy of art and how to respect this autonomy in a world dominated by motives strongly connected to the instrumental functioning of art and culture (economic growth and social behaviour). Secondly, there are the new business criteria, which focus on output and outcomes rather than input and independent ideas. And thirdly, there is the question of finance. Instead of subsidy for art and culture, Return on Investment (social, cultural and economic) became a key term in financing cultural activities (Read this First, 2007).

How should management be conducted in such turbulent times? No answers to this question were forthcoming from the world of art management, as a professional body of knowledge with art managers and art management teachers as key players. And the lack of academic researchers with a focus on interdisciplinary issues (not just on technical management functions like marketing or personnel) meant there was silence on this front as well.

The next question is obvious: if there was a strong academic research field on art management, would this field provide adequate knowledge on how to function within the framework of the new creative industries? If we consider art management – as we did earlier – to be a body of knowledge focused on the functioning of cultural institutes and the processing of cultural values within strategy-making, organisational design and leadership, the possible answer is no. The reason for this negative result is that – within its own supposed framework – academic art management cannot provide fundamental new approaches. This technical management is strongly connected to terms and conditions of the subsidised cultural field of the 20th century rather than the creative industries of the 21st century.

As we saw with Evard & Colbert, art management is a sub-discipline of general management, which is dominated by the ideas of the Frenchman Fayol formulated in the industrial period of the 19th century. Planning, organising, leading and controlling are the core

management areas here (Griffin, 2005). This dominant management model formed the core study material of management educational programmes in business schools in the West and in other parts of the world. The model can be very useful as the first step in how to run art organisations. It stimulates organisational awareness of responsibility and creates a professional approach.

But in the competitive world of the creative industries, with artistry on the one hand and commercialism on the other, a technical 'How To' approach is limited to providing solutions on a more fundamental level concerning cultural content, change management and environmental turbulence. Such a 'How To' approach will be overshadowed by the need for new financial business cases and strong cultural competitive forces in an environment of rapid change. Furthermore, aggressive globalism combined with digital innovations in the Information and Communication Technology sector – which can be seen as the landmarks of the first years of the 21st century – strengthen the processes of turbulence and change (Smiers, 2003, among others).

And all these elements, which show a non-stop roller coaster ride between macro and micro levels, are not part of traditional art management methods. It would be an unbalanced picture if we did not mention the problematic aspects of the new industries (Lovink & Rossiter, 2007). Just exploring creativity would appear to be a neutral area, but this is

not the case in the context of the creative industries. Cultural climate change, the vulnerable working conditions of creative people, and the weak position of small and medium-sized cultural and creative organisations in a free market dominated by cultural conglomerates are themes that also require really creative solutions. These critical issues were recognised during the years when the creative industries were mentioned even as a hype in a supportive climate of creative cities (Landry, 2000), creative classes (Florida, 2002) and creative regions (Hagoort, 2009).

Once again, one could imagine that this turmoil does not fit the 'How To' approach of directors of museums, theatres, concert halls, contemporary art centres and cultural festivals even when they are successful within their present environment.

At least one conclusion is justified: in order to function in a totally new environment of the creative industries within the perspective of a creative economy, subsidised art management will be the object of a real transition. This transition started in the final decades of the 20th century with a need for a professional approach to running art and cultural organisations, and leads to a situation where this sector is an integral part of a range of activities with a realised Return on Creativity.

Or it could have done. But a surprising event took place that overturned all existing thoughts and experiences and was not

foreseen by even the smartest futurists of the creative industry's' base camps.

### **Global crisis; culturally integrated**

At the beginning of 2008, a financial crisis traumatized the world, and straight away Internet became the most important source of information, rather than newspapers, journals, radio and TV. We were informed of the latest news on the crisis by amateur experts and websites, instead of researchers with a strong academic reputation.

It started in the USA with 'dirty' mortgages of poor families who were not able to pay their growing financial obligations on time. These loans formed 'innovative products' on the financial market, but rapidly became worthless. This situation had a domino effect on other financial institutes, and in September 2008 it became clear that the financial crisis was also affecting the traditional banks that are the backbone of the financial system. In some countries, the government nationalised banks within 24 hours to save the system (e.g. Fortis/ABN Amro in the Netherlands, October 2008). Initially, existing political platforms thought that the financial crisis would not affect economic life, but this turned out to be a misconception. Corporate firms and SMEs had serious trouble financing their ongoing production, and the first waves of unemployment became a reality. All the traditional industries, from finance to construction, had been confronted with a 10 – 25% reduction in turnover, with consequences for related sectors like consultancy and suppliers.

Now, in 2009, the world has to deal with enormous economic and societal problems, without exception. In most Western countries, governments have decided not to reduce costs for merit goods immediately. They are trying to keep subsidies (also for art and culture) at the same level as before. However, this concerns subsidies for the larger cultural brands, such as opera, concert halls and national museums, and the situation of the more flexible public funds remains unclear. In this case, it is easier to reduce subsidies 'without faces'. And the reduction of subsidies will certainly be a reality in the near future, because national governments have to consider their national debts, which cannot grow without future repercussions.

But does the global crisis only have a financial and economical character? What has happened is that mankind has been confronted with a crisis that has shocked the whole neo-capitalist world system of welfare and prosperity, which was based on the belief that realising your own interest would benefit the greater whole. This invisible hand (Adam Smits) is now handicapped in a fundamental way and no surgery can restore the blessings. This lost belief has a strong social and cultural nature, because it was strongly connected with the way we live, organise our production and distribution system and spend our free and working time (or the way we wish to do so).

To conclude: according to the transition process that is confronting the cultural sector with existential issues. There is an

urgent need for a single solution to two totally different questions. Question one: How can the non-profit cultural institutes be transformed in order to function in the dynamic creative industries? And question two: How can cultural perspectives be created for societies that are in a fundamental crisis?

### **Designing entrepreneurially driven Public Oriented Art**

Before the global crisis, a small number of art management practitioners, teachers and writers developed their ideas on cultural entrepreneurship as an answer to the new responsibilities of art management in the context of the new political realities at the end of the 21st century. This cultural entrepreneurship emphasises the art manager's own responsibility to explore cultural opportunities in his or her own environment, to formulate cultural innovations, to strike a balance between cultural and economic values and to show an entrepreneurial leadership style (Hagoort 2000, 2007; Rentschler, 2002; Mandel, 2007). This innovative approach – supported by empirical evidence – became increasingly popular and received attention from international research and training seminars (see volumes 2008 and 2009 of *Kulturmanagement konkret* as an illustration of this development). EU and UN documents also set out arguments for why cultural and creative entrepreneurship is an important quality for fulfilling the pretensions of the creative industries. It was not easy to implement this cultural business philosophy in non-profit

practices, because of existing barriers connected with the more technocratic (and sometimes bureaucratic) standards of art management. By following this path, we can find the answer to question one: cultural entrepreneurship, with its focus on unifying cultural content and commercial possibilities as a basis for cultural innovation and success, is indeed the most obvious approach to functioning in the creative industries.

Can cultural institutes use this entrepreneurial approach to contribute towards vitalising society and overcoming the global crisis? On an abstract level, the answer is yes, because entrepreneurship is based on personal responsibilities and innovations for renewing sectors and markets. But it is too simple just to formulate the answer generally, because of the unprecedented character of the global crisis. More specifically, the art and cultural sector has to realise that the most fundamental relationship is its relationship with the public. And because of the global crisis, this public is also confronted with questions about the quality of life. What does paid work mean? What is the future of unemployed young people? What does a multicultural city mean for the solidarity of the community in which I live? Do my food habits contribute to a sustainable world? Can I consume energy while knowing that oil sources are limited? And do art and culture reflect these important questions? The questions of the public affect the way we live, and cultural institutes have to deal with these questions. In this situation, it will not be enough

for cultural institutes like museums, theatres, concert halls and festivals just to show existing art and culture. They will have to become places where inter-cultural and interdisciplinary cultural dialogues take place. The following perspectives can stimulate our imagination.

- Museums will become laboratories for new art expressions and theatres will become open spaces where performances show the fusion of world music, dance and drama; sometimes in small spaces and sometimes in huge halls.
- The word 'location' will not be limited to the walls of the venue. These walls will be replaced by virtual accommodations. ICT will provide possibilities for a strong public orientation of this development.
- Digital methods (web 2.0) will enable the public to form art communities that are involved in creation and production. This Public Oriented Art (as I call it) requires totally new approaches to marketing and distribution.
- Even the creation of art will be changed by this cultural interaction with all kinds of audiences. Audience development will be a self-governing process, and business cases like income sources will be the results of networks and partnerships within the creative industries.
- A central role will be played not only by individual cultural entrepreneurs, but also by entrepreneurial teams of artists, operators and financiers.

Entrepreneurial communities are the key players in this new post-crisis period.

- In the creative industries, we are already familiar with the method Users-Centered Design (UCD), which gives consumers (aided by ICT) a central role in designing and testing new products and services ([www.wikipedia.org](http://www.wikipedia.org)). It is a process that can be identified as 'internovation' (or open innovation, social innovation or open coordination), which means that innovations can be realised in interaction and cooperation with the internal and external environment (Hagoort, 2004).
- Because of its autonomy, we have to find specific methods for creating and producing art, but with the same mentality: communicating with the audience at a very early stage. By working in this way, which can be referred to as Public Oriented Art (POA), the cultural sector can show how vital communities can be created, in order to enjoy and enrich cultural life.
- If this becomes daily practice, the cultural sector can contribute to the development of the creative industries in a specific way that will guarantee its fundamental role in economic and societal well-being.

It should be clear that Public Oriented Art is entrepreneurially driven; not only as a business philosophy, but also as a quality of a society that is now in a state of uncertainty and confusion.

If the perspectives presented above will have become a reality, we can then celebrate the importance of art management of the 20th century, its death at the beginning of the 21st century and the birth of an entirely new cultural way of working, which is entrepreneurially driven.

### **Epilogue: a new Research Agenda**

It is challenging for the art and culture sector to open up new cultural perspectives and beliefs, which can become a foundation for a new way of societal functioning, both close to home and further away.

One urgent question is how researchers will rediscover their roles. In many cases, their research serves to advise governmental bodies on the creative industries. The cultural and creative sector at micro level (mainly Cultural and Creative Small and Medium-sized Enterprises – C-SMEs) does not have enough money to finance more fundamental research on the position of art and culture beyond the horizon of the global crisis. The European Union could take the initiative of formulating a research agenda that focuses on the involvement of European citizens creating new art and culture based on the ideas of UCD/POA, and on how cultural institutes and artists can anticipate these new methods in an entrepreneurial way. In connection with this innovative research, European training centres could play a prominent role in implementing and testing new ways of working through networks. By following this line, Culture Europe will implement a blue ocean

strategy (Kim & Mauborgne, 2005) that creates a unique position for the global creative economy with really new sustainable products, services and working methods. A red ocean strategy, in which competitors compete against one another with imitated products and product lines, with short-term results, is not really an alternative.

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# **SOCIAL INNOVATION THROUGH EMPLOYING DESIGN ACTUALIZATION**

## **How to use design entrepreneurship as the innovator in social contexts**

**AUKJE THOMASSEN**

## **2.**

### **Abstract**

Recent publications show a relation between design, innovation and empowerment, in particular for the more digital literate people that participate in global networks. This paper investigates whether and how governments can support good design; what would a good national design policy look like; and what ought the priorities of such a policy be? The research shown in this paper aims to understand the empowerment of design and its means for social innovation. And in particular how governments can support this enabling process. Expected outcomes of this research are discussing current international governmental initiatives that will (hopefully) eventual lead to enabling social design innovation on governmental level.

### **Background**

A development that started in the early 1980s has seen the growth and the prioritization of the experience as a trading good. It is seen in a variety of fields as an important aspect of production and as a source of competitive advantage. Toffler (1981) and Drucker (1999) have described the transformation of Western society from post-industrial production (labor, capital and raw materials), to a society where the experience of knowledge is predominant in production and economic growth.

Throughout the decades the usage of knowledge have differed though – according to Reich (1989) – the recipe for survival in the post-industrial information society requires the creation of organizations which value learning, creativity, and the ability to innovate. Design as a business field has gained emancipation, and as Pine and

Gilmore (1999) point out – the current Experience Economy is an advanced service economy selling ‘mass customization’ services similar to theatre, and using underlying goods and services as props. Their research points out the need for focus and prioritization of the creative industry, widely defined as, *‘those activities which have their origin in individual creativity, skill, talent and which have their potential for wealth and job creation through the generation and exploitation of intellectual property’* (British Department of Media, Culture and Sports).

A recent publication by the Dutch Innovation Platform (2005) stresses that they see design research as one of the key aspects of future innovation in the creative industry. As a result design has undergone global change and emancipation, becoming a self-sustained and validated field of research. An implication of this emancipation is the need for understanding the value of design on a strategic level.

The experience economy also identifies a new up-and-coming creative class that give shape to their ideas on the basis of a wide range of disciplines in various networks. These professionals are trained in creativity and intuition and deliver highly valuable design research results. Moreover the consumer is becoming more critically and more mature; not only price and functionality, but also the experience of a service is at stake. If we concentrate on the consumer, we see that the need for and expectation of services based on experience are within a wide range of economic sectors (from fashion to health). A clear consequence of this transition is that a high degree of creativity for these services, products and ideas are required. The creative industry is considered thereby as the ‘key strategic asset’ for improving the competitiveness of knowledge economy. The phenomena appears to be developing in the same flow despite its sector: it provides strength to a company by distinguishing themselves through adding an experience to services and products. As a result the economic value of issues such as living and employment, have seen the development and intensity of products and services within the experience framework.

Creativity has both direct and indirect economic value to not only the creative sector itself but also within other sectors as well. In this realm, we see that culture has not only immaterial, but also economic meaning – again direct and indirect. Sectors such as design, fashion, podium arts, cultural heritage and digital media generate *direct* economic growth and employment. On the other hand culture has also indirect meaning: a creative and cultural climate promotes living, employment and attracts tour-

ism. A development which is also indicated as the *economizing of culture* and the *culturalisation of the economy*.

Creativity is an important driver for economic growth, or as the European Union put (2005) it as a *‘key strategic asset for improving competitiveness in the knowledge based economy’*. Following this thread we understand the reasoning behind the high involvement of politics in the creative industries. Knowledge is an intrinsic human characteristic, without humans it would not exist. (Thomassen, 2007 and Weick, 1993)

### **Governmental involvement**

Since the height of publications such as of Richard Florida, more emphasis and focus has been given by governments on the potential of the creative industries. The year 2004-2006 has seen an explosion of policy reports on the characteristics of the creative industries. The Dutch government commissioned its own advisory platform to set out an initial investigation on the potential of the newly claimed industries. Dutch research shows that areas of economic growth are about value creation through the experience economy, hence the need for creativity. Also the European Union (2005) claimed the potential *‘Lying at the crossroads between the arts, business and technology, the creative industries sector comprises a large variety of creative fields. The sector is increasingly important from the economic point of view representing already a leading area of the economy in the OECD countries, with significant values of annual growth rates’*. Recent numbers of the European creative industries paint a clear picture of the political significance of this industry. In Europe, the creative economy generated a turnover of 654 billion Euros in 2003, increasing 12 per cent faster than the overall economy and employing about 4.7 million people (UNCTAD, 2008).

Landry (2000) emphasises that innovative creative thinking combined with an active and cultural climate can be the fuel for social-economic global dynamics. Within this context the research includes not only intrinsic creativity but also creative and innovative changes such as user centred design. According to Hall (2000) the so called innovative technologies are part of the creative economy as well as the centre of it (the creative industries). As many governments have indicated, innovation and growth are the exact incentives of setting up policies that enable and support these dynamics.

## Design

For the purpose of this paper the field of application will be demarcated to design only. *Design involves creating something new or transforming a less desirable situation into a preferred situation* (Friedman, 2000). Design is aside ‘delivering’ aesthetics to products and services also creating new social innovations. In particular ‘user centred’ design provides a context for social change; user needs, target group specific, context-bound abilities are defining design and its focus. Many design initiatives show interest and potential for interdisciplinary collaborations; special needs, sustainability, health, accessibility amongst others. This evidently feeds into the area of social and economic innovation and as a result it is getting more for *public attention* (EU, 2009). Effectively design is seen *as a driver and enabler of innovation complements more traditional innovation activities such as research.*

In the recent Commission Staff Working Document on ‘*Design as a driver of user-centered innovation*’ (2009) the EU claims that *at a macro-economic level, there is a strong positive correlation between the use of design and national competitiveness.* The EU recommends a highly governmental involvement by all its members; as the creative industries are less capital intensive and have *shorter pay-back periods.*

Design offers great opportunities for the economy on paper but some barriers have to be considered in order to understand the potential and possible exploitation. One of the main challenges is that creativity and the economy are considered juxtapositions and unable to integrate. Few national and local initiatives have created a common ground for both sectors to meet up and start exploring its wider potential. Partly because the creative industries is an informal networked sector, that uses rather informal structures to work, collaborate and innovate then the more formal approaches which are more common in the traditional sectors. Despite initiatives of policy makers this characteristic is still heavily present. And as to governments this is still seen as one of the reasons for the inadequate level of dynamism in the chain from initial creation to market launch. The recently published US design policy, which has been reviewed by the new President Obama, points out that Design has even entered the global governmental policy level. The policy entitled ‘*Redesigning America’s Future: 10 Design Policy Proposals for the United States of America’s Economic Competitiveness and Democratic Governance*’ articulates the value of design in

the public sector and in the marketplace. An initiative to praise but also one to be critical of as the reports clearly perceives design primarily for what design has been in the past, a tool of economic growth and technical functionality. Though design has been heavily used for newer means such as exploration, transformation and actualization. Design provides governance through actualization through opening-up existing networks and transforming them into new structures.

The new EU report on user-centred design tries to initiate an international policy on design as it *has the potential to become an integral part of European innovation policy, a building block of a policy model that encourages innovation driven by societal and user needs, and that builds on existing European strengths such as our heritage, creativity and diversity to make Europe more innovative.*

## Design empowerment

The last years design empowerment has come through virtual worlds (Second Life) and communication tools (such as chat, wiki, text, YouTube). Access and usage of these new tools driven by the design society have increased profound changes in how content and context are processed by citizens in their non-linear manner. People of this net-generation (Thomassen, 2007), are now capable of handling and understanding more than 4 information streams at the same time (Veen, 2005). This global phenomenon also points out the current gap (Tapscott, 1998): that of the old society and that of the new, often neglected society of peer networks (such as virtual worlds) and other groups that work on building social innovation. These are typically the mechanisms through which individuals express citizenship, participate in democracy and through which they are ‘empowered’; the political and democratic solutions for the net generation. Castells’ (1996) Network Society shows that *‘our societies are increasingly structured around the bipolar opposition of the Net and the Self’.* *The Net* is seen as the organizational forms powered by network structures, and *The Self* are the people who try adapt and reaffirm to change caused by the net and that shapes the network society. Based on this notion both the European Commission and the US design policy initiators are seeking online public consultation. These viral means of communication enable non-binding cooperation, sharing of experiences and good practice, and the setting of common targets and benchmarking through informal networks. The European Commission states that *the development of tools*

*and support mechanisms for design-driven, user-centred innovation, networking and research, and collaboration in education and training are areas of action that could help remove some of the barriers to better use of design in Europe.*

### Discussion

The many existing design policies show that design as a tool for innovation has emerged rapidly in recent years, resulting notably in concepts such as strategic design, design management and design thinking. Concrete linkages to innovation policy support and educational systems are still marginal. However the recent development of ‘open innovation’ is put forward as a recipe for implementing policy strategies that not necessarily need to follow the evidence based approach so common to governments. Open innovation is innovation in association with other parties – not as an individual organization behind closed doors, but in association with parties with additional knowledge.

This is not a new development, but it is happening more, and in fresh forms. For the creative industries, open innovation is an attractive opportunity, and is possibly already more popular here than in other parts of the economy. Openness is an essential characteristic of an innovative and creative economy. This characteristic not only helps the creative production within the creative industries themselves, but also encourages the exploitation of creativity in divergent sectors of the economy. The current economic climate also provides opportunities for generating successes coming out of the net-generation such as virtual worlds and twitter. Or as Kevin Roberts stated in a recent interview for Idealog about Wellington as a creative city (2008): *‘We position New Zealand as ‘the world’s edge.’ Radical stuff starts on the margins. Change comes from the fringes. Innovation happens on the edges. Edge is biological and cultural. Wellington is the Heart of the Edge of the World.’*

Linking design policies to open-innovation as a tool for actualization and democratization will divert the common tendency of current design policies into economic policies. This will provide a different and less evidence based approach for implementing policies. Seeing the need for social change through design innovation as a collective support system allows us to understand the dynamics of this particular sector. Dynamics that are grounded in informal and ad-hoc networks and activities

and can respond to the changes within current societies. We already see that health, sustainability, social and urban issues, as represented in the case example, are becoming more and more influenced by design. The influence is not only visible in a direct manner – design as part of the solution, but also in an indirect way – designers provide design thinking which is forward, creative and innovative.

Further research will look to which extend design policies actually enable sustainable growth and acceptance of design as a social innovator. The research will take on a case-study research approach that will support the theoretical framework of collective support systems for understanding creative and innovative dynamics of this sector. In other words: is design policy working for designers and will it lead to advancing the role of design within a particular region and/or context.

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# CREATIVITY IN COLLABO- RATION

Implications of  
the systems model  
of creativity for  
its management

*Jacob Oostwoud Wijdenes* **3**

## Abstract

In this article the systems model of creativity of Csikszentmihalyi is used to explore the elements that are crucial for creative production. The model is explained and consequences for the management of individual creativity are discussed. In the second part of the article several perspectives on creativity from different domains of knowledge are taken as a starting point to investigate creativity through collaboration. The systems model is applied to creative production in group settings. At the end implications for management of group creativity are considered.

## Individual focus on creativity

The focus of psychological approaches to creativity in the past century has been on the individual's ability to create original

and valuable artefacts and insights. Creativity has dominantly been viewed and studied as a personal competence or characteristic. Sternberg and Lubart (1999) distinguish seven approaches to creativity. Six of these take this individual view for granted, although all of them ran into phenomena of cooperation that could not adequately be accounted for.

At the end of last century a new approach to creativity emerged and was propagated by renowned researchers such as Amabile (1983), Feldman (1990), Gardner (1993), Boden (1994), and Csikszentmihalyi (1996). Generally spoken the focus of the new theories moved away from the question what creativity is, towards the question where creativity can be found.

These researchers share the notion that the concept of creativity is essentially of a social nature and that contextual factors

# CREATIVITY IN COLLABO- RATION

Implications of  
the systems model  
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its management

cannot be ignored. In creativity, the lone genius must be considered a myth. Creativity not only involves *individuals*, but also a specific (socio-cultural) *domain* of knowledge and a *field*, i.e. a group of influential peers. Creativity is no longer confined to personal make up; the individual remains an important resource of new ideas, but individual accomplishment is utterly insufficient to explain creativity. It turns out that the appearance of creativity is different in every domain of human endeavour. On top of this, understanding creativity is impossible without taking the role of society into account.

It is rather remarkable that the insight that creativity is essentially a social process, has not led to a heavy shift in creativity research. Researchers, who adhere to the new theory, remain to give most attention to only one of the three confluent elements i.e. the ways creative individuals cope with the demands of the domain and the field. Psychological investigations into creative groups still are barely available (Paulus and Nijstad, 2003). Contextual factors neither attract much attention of researchers (for exceptions see Schaffer, 1994; Klukhuhn, 2003 Gladwell, 2007). It is as if innovation in creativity research has to come from other sources.

## Systems model of creativity

Csikszentmihalyi's (1999) most compact description of the creative process is as follows.

*'For creativity to occur a set of rules and practices must be transmitted from the domain to the individual. The individual must then produce a novel variation in the content of the domain. The variation then must be selected by the field for inclusion in the domain.'*

Csikszentmihalyi's systems model of creativity offers a way out of some of the difficulties researchers of creativity were confronted with. It was often observed that creativity is not a general trait. Instead it is rather dependent upon structural characteristics of a particular domain. E.g. creativity in music cannot be compared to creativity in the visual arts or to scientific creativity. Innovations or new discoveries in one field seldom lead to parallel innovations in other fields. It is also necessary to recognise that domains change and that creativity is connected to that change. *'It is impossible to introduce variation without reference to an existing pattern.'* (Csikszentmihalyi 1999, p. 314). The domain is introduced as a constituent factor in creativity.

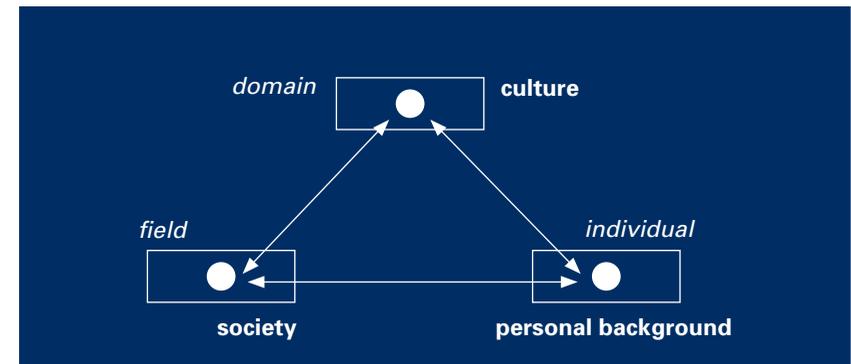
Another serious problem in traditional theories concerns the notion that not every new idea or product can be considered a

creative idea or creative product. Trying to formulate sharper definitions did not overcome this problem. If usefulness or value is added to the criterion of novelty the problems remain essentially the same. The selection of creative ideas out of the large number of new ideas, i.e. the justification of creativity, lies within society. An awkward issue is that creativity can only be recognised after a product or process is realised. It turns out to be impossible to specify criteria that are necessary and sufficient on forehand.

Csikszentmihalyi realised that it takes persuasion that a good idea indeed is a good idea. Gladwell (2000) describes this process in terms of *'starting an epidemic of a sticky idea'*. Changes or novelties have to be adopted otherwise they are forgotten. Selection and adoption of ideas is a complicated social process. In order to be adopted an idea or product has to be sanctioned by some group that is entitled to make decisions as to what should or should not be included to the domain. This part of the system is called the field, i.e. a group of relevant experts.

## Involvement of others in creative processes

The psychological perspective tends to consider only those people as being creative who unite the whole systems model in themselves: having deep knowledge of a domain, being innovative and being a strong persuader to win others for the new idea. Gardner (1993) has chosen seven famous creative innovators in whose biographies all three elements are strongly apparent. But these descriptions also show that the quality of some of the creators to organise support, can release them of substantive parts of the creative task. In the visual arts it is a longstanding practice to board out certain practical parts of art production (e.g. paint making, sculpting) to apprentices or specialists. Some modern visual artists leave the complete fabrication process to others, occupying themselves only with the production of idea's, models or prototypes and supervising the make-process. This practice does not in any way influence the appreciation of the creativity of the artists. Of course the same practice occurs in the sciences. In other words:



**Figure 1.** The systems view of creativity. For creativity to occur, a set of rules and practices must be transmitted from the domain to the individual. The individual must then produce a novel variation in the content of the domain. The variation must then be selected by the field for inclusion in the domain.

collaboration with others is the rule in creative processes rather than the exception. Besides that, every creative idea builds on previous ideas of others and is dependent for acceptance on the judgement of others. One simply can't do it all by oneself.

### Management of creative individuals

If individual artists collaborate with others in art production there are no impediments to involve a manager in the process. And this is exactly what has happened. Artists engaged managers to organise exposition to the public, to attract attention, to negotiate prices, in general to look after their interests. It is remarkable that also in parts of the management literature an individualist view on creativity is dominant. E.g. in organisational innovation often the focus is on creative individuals within the company. An important topic here concerns measures to prevent the creative impulses of these individuals being frustrated, because of all kinds of organisational mechanisms (Bilton, 2007). For art managers with entrepreneurial ambitions the necessity to be creative is stipulated (Hagoort, 2000). Much less attention is given to management of the person, the domain, or the field.

The systems model states that creativity is found at the intersection of the individual, the domain and the field. From this it may be inferred that the contributions of a

manager to the (individual) creative process should be directed to optimise the interactions of the three constituting parts.

#### 1. *The interaction between individual and the domain.*

Managing this interaction means that the transmission of information between domain and individual is facilitated: availability of information, accessibility of the domain, degree of autonomy etc. Generally it is accepted that an individual has to be an expert in a subject before it is realistic to expect creative solutions. It takes about 10.000 hours of experience (or ten years) to become an expert in a subject (Gladwell, 2008). But content isn't all there is, familiarity with the social structure of a domain is of equal importance: knowing the ways.

#### 2. *The interaction between domain and the field.*

Management of this interaction concerns the communication that is necessary to get the creative concept or product accepted: social validation of the new artefact or insight. Creative work needs to be published or exposed, to be commented on, assessed or criticized. It needs to be sold in order to generate income to guarantee future creative production. By extension it also means to create a public, an audience for the

work, advertisement, influencing public opinion. This can even mean to educate visitors or potential visitors.

#### 3. *The interaction between the field and the individual.*

Management of this interaction is addressed at two aspects: the stimulation of novelty and the circumstances for creative production. Managers can direct their activities to influence demand for creative products, get commissions to make something new. Or they can concern themselves with creating optimal circumstances for the creative production. Being a cultural entrepreneur is also a form of this type of inter-action.

### Creativity from an extended context

Creativity can only be understood from the interaction of individuals with social and contextual factors. Yet psychological attention seems to continue to circle around the contribution the individual makes to creativity. The context hardly is broadened to performances of groups or to more than one domain. One could say that within psychology creativity has been decontextualized.

Of course the topic creativity never was the exclusive domain of psychology or of the social sciences. Also philosophy, history, biology, economy and the arts use the concept in explanatory theories. Interest-

ingly some of these theories hardly attend individual creativity at all. Especially in sciences like history and economy the concept of creativity often is used to qualify changes that take place in the organisation of communities or of labour. Biology has done away with the concept of individual creativity altogether. Simplified, in biology creativity is seen as a property of life itself, consisting of a (random) mechanism that brings about variation in offspring in combination with a mechanism of selection of properties that are useful for the survival of the organism. The biological concept of evolutionary creativity has found its way back to psychology (Martindale, 1999). In essence it shows remarkable equivalence with the systems model: 'production of variation' in combination with 'selection and transmission'.

In the economic sciences the concept of creativity was introduced with a negative meaning. Schumpeter introduced an economic theory of creative destruction: old ways of doing are endogenously destroyed and replaced by the new (see Hagoort, 2007). The positive connotation is of recent use. Richard Florida (2005) introduced the 'creative class'. From there it was a small step to creative cities and creative industries. From the 'old-fashioned' and individualistic point of view, the concept of 'creative industry' seems inherently contradictory. 'Industry' refers

to a rational, orderly and guaranteed production whereas 'creativity' refers to production by intuition, improvisation, and with a lot of uncertainty. The concept started off as a witticism (Bilton, 2007), but it soon lost that lucid quality. Confusing is that the 'creative industry' seems to indicate a defined sector of the economy, while creativity can be found in any domain and is not restricted to the arts or sciences. Meanwhile the creative industry has become serious business. (UNCTAD United Nation, 2008 en Werkgroep Creative Industrie, 2005).

From the perspective of the science of history comes the notion that creativity may be an important factor explaining the rise and fall of cultures. This implies that the cultural environment has stimulating and supporting effects on creative expression or contrarily negative and inhibiting effects (Lubart, 1999).

Although creativity in the arts often was treated as an individual enterprise, important parts of the arts are only possible because of intensive cooperation. To summarise some:

- In 'theatre' at least a writer, a director, several actors and theatre designers are involved. In theatre improvisation the actors are instant co-authors of the play.

- For 'ballet' and 'music' much the same is true, although the functions have different labels (choreographer, composer, conductor, dancer, musician etc). Jazz improvisation is a clear-cut example of co-creation.
- In motion pictures even more creative professions are involved. The Academy of Motion Picture Arts and Sciences distinguishes 16 categories for individual awards (the Oscars). The same holds true for new media.
- In the visual arts the phenomenon of a workshop with apprentices and cooperation between artists is well known.
- Besides these examples of involvement in the creative process that leads directly to the creative products many artists have organised communities of like-minded that are stimulating for their creative processes. Also professionals are involved in the presentation to a public of creative products such as theatres, concert halls, museums, galleries, cinema's etc. Also those who are concerned with copyrights, and authorship are part of the total creative process too (Smiers, 2003).

Paulus and Nijstad (2003) presume that the lack of attention psychology gave to group factors is consistent with much evidence that groups may inhibit creativity. Actually

there is substantial evidence of the following negative effects a group can have on performance in comparison to individuals:

- group pressure to reach premature consensus
- lowering of individual accountability
- lowering individual motivation to perform at a high level
- tendency to focus on common instead of unique ideas

Together these negative effects often are indicated with the concept of 'groupthink'. There is overwhelming evidence that the brainstorm technique also suffers from this phenomenon (Nemeth and Nemeth-Brown, 2003).

### Underlying mechanisms of group creativity

There are many descriptions of the mechanisms that are thought to be responsible for production of creative ideas in individuals (Sternberg, 2002). Most of these are difficult to transform to situations where groups are supposed to produce creative ideas. Perhaps the notion of 'bisociation' of Koestler (1954) is a candidate that can be applied to both the individual and to groups. Bisociation is opposed to the concept of association; the latter meaning that one concept 'automatically' leads to another. In contrast, bisociation refers to the mixture of concepts from two different contexts or categories of objects that are

normally considered separate by the literal processes of the mind. Koestler coined the term bisociation to distinguish the type of metaphoric thinking that leads to the acts of great creativity from familiar associative thinking. Bisociation, according to Koestler, 'means to join unrelated, often conflicting, information in a new way.' This process within an individual mind can easily be understood to happen also in communication between minds. One changes one's own ideas in the confrontation with conflicting ideas of others. This mixing of ideas may be particularly fruitful when the domains of the participants differ.

Sawyer (2007) offers a slightly alternative mechanism for group creativity. In his view collaboration (direct and over time) is the rule instead of the exception. Collaboration with others can be successful because the individual mind essentially is a collaborative organ. It always works with information from all kinds of different sources. The brain makes connections among different bodies of knowledge that the individual collects over time.

### Systems model of creativity applied to groups

When the systems model of creativity is applied to groups, we have to consider the function of the constituent elements of the model (individual, domain and field) and the composition of the group.

As to the functions, it will be clear that the function of the 'individual' (the production of new and useful ideas) must be transferred to the group. It depends largely on the composition of the group whether the function of the domain changes. And it depends upon the outcome of the creative process if one or more fields are involved.

As to the group composition in principle there are four possible variations.

- a. Already mentioned is the group with one creator and one or more collaborators who are not necessarily creative. A modern variant of this practice are companies that hire individual creatives for special projects (Heijs, 2009)
- b. A homogenous group of several members with expertise in the same domain, e.g. musicians, scriptwriters, physicians, etc.
- c. A heterogeneous group of several members with expertise from different domains. Think of movie production, theatre companies, multimedia production but also scientific teams in environmental research etc.
- d. If the biological claim that a system can be creative is valid, we also need to consider the case that the work of a group of experts who are not necessary creative can result in a creative accomplishment.

If the competences of group members are homogenous (actors, copy writers, musicians), the domain by and large remains the same. However in multidisciplinary teams more domains are involved.

In the case that a creative individual works with others who are not considered to be creative, the systems model remains the same: one domain and one field. When creative individuals with the same discipline are grouped, the domain and the field remain singular. But when creative individuals from various disciplines are brought together, more than one domain and more than one field may be involved, but not necessarily so. In the case of music, or theatre and film many individuals with many disciplines create together, but only one domain or one field may be involved. To evaluate the achievements of a non-creative group, more than one domain and more than one field may be necessary.

### Management of collaborative creativity

As was shown above the surplus value of management of individual creativity is most likely to be found in creating adequate working conditions and in organising effective communication with the field. Of course these two elements from the systems model of creativity remain very important managing a creative group. However the extra challenges for mana-

gers of creative groups seem to be: selection of the tasks, the composition of the group, and the functioning of the group; especially the facilitation of the communication. In particular the destructive phenomenon of 'groupthink' has to be fought.

As to tasks it has become clear that many creative tasks can best be performed by individual experts. As long as one domain is involved, groups seldom do better than individuals. But as soon as expertise of more than one domain is needed, creative teams can perform better than the collective effort of separate experts. Much is dependent upon the quality of communication within these heterogeneous groups. Groups do better than individuals if the creative task is complex, demanding a diversity of skills, knowledge, and perspectives (domains), and demands improvisation. Group members should not be too familiar with each other; interaction must be challenging (Sawyer, 2007).

Often a lot of effort is put into the composition of the group. One of the most renowned methods is the system of Belbin (1998), where the definition of team roles is thought to be more important than the distribution of competences. Like the brainstorm technique there is not much evidence that this strategy really produces innovation of a better quality than the individuals would, if they were to work separately.

The fundamental reason why solutions of these kinds don't work is that they are based on linear models of innovation. In linear models separate groups are organised to come up with ideas. The company selects the best and that one then is executed.

The model appear to be good for short time creativity, but not for long-term innovation. What is needed for the long term is an attitude of improvisation: like jazz musicians or actors coming together to create while working.

The individual phenomenon of sudden insight, in gestalt-terms 'the Aha-Erlebnis', has thought to be the foundation stone of individual creativity. A group can't experience an Aha-Erlebnis; it is always one individual who has the breakthrough. The occurrence of insight often is a very short experience that resists further analysis. However there are now indications that both may be a form confabulation: an explanation for behaviour that is constructed afterwards. Careful studies have shown that a series of small steps are taken before the breakthrough appears but that most of these steps are forgotten after that instant. In creative groups, participants afterward seldom can reconstruct how the idea originated. The idea remains, the constituting parts are lost. Creative groups seldom experience flashes of insight, but they still do come up with brilliant and valuable ideas.

Management of collaborative creativity should lead to the type of communication that arises when people are improvising, like in jazz music or in improvisational theatre. Communication between experts from distinct disciplines or domains is difficult and will remain so. Yet the investigations that Sawyer (2007) collected indicate that communication can be organised and facilitated in ways that avoid group-think. According to him the secret of collaboration is conversation. And he has identified specific features in conversations that come together with fruitful production of novel ideas. Indexicality, i.e. context-dependent use of concepts, opens opportunities for creative responses. The same with equivocality, i.e. the possibility of ideas to be used in more than one way. Actors in improvisational theatre frequently use these qualities of conversation to create possibilities for others to become inspired and to lead the play in an unexpected direction.

All in all the systems model of creativity helps to understand the social nature of creativity. As has been shown it can adequately explain the socio-cultural context in which individuals can operate as motors of innovation. From the model directions for the management of individual creativity can be derived.

But the model also is useful for further research into collaborate innovations. It seems that the key to creative performances of groups can be found in the quality of the ongoing conversation. Managers should particularly be aware of the constraints of this communication. If creative solutions are the target they should strive for a culture that selects appropriate tasks and brings together experts from different domains and then foster improvisation and open communication.

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# Cultural Entrepreneurship



# Designing entrepreneurship

## 4

### **Abstract**

There is little agreement upon just how one can reach a balanced definition of entrepreneurship, particularly in the creative industries. This issue is most keenly felt in the digital domain.

The European Commission is trying to create a Single Digital Market for consumers, creative industries and Internet service providers.

Within the digital domain there exist vast structural differences between the larger and smaller enterprises in the creative industries. Hence the governing structural logic of the larger enterprise cannot simply be mapped onto that of the micro SME. It would cancel out the valuable versatility of the micro SME, and introduces unwelcome complications for the larger organisation. Instead, we need to capture the versatility of the creative micro SME.

**David Crombie**  
**Roger Lenoir**

### **The many dimensions of creative entrepreneurship**

There is little agreement upon just how one can reach a balanced definition of entrepreneurship and far less on how this might be done within the creative industries. And when we introduce a cultural context we come across further problems; how do we locate culture and in which ways does culture influence creativity? Can 'culture-based creativity' provide coherent paths to innovation? Is it possible to build a Creativity Index?

The need to examine (and measure) the many dimensions of creative entrepreneurship from multiple perspectives covering different research domains is becoming clear, not least in the EC funded entrepreneurship study conducted in 2009 by HKU. Far less clear is how this might be achieved. For example, does entrepreneurial creativity make use of the same creative processes one might find when examining artistic creativity? And what is to be gained from maintaining a division between different dimensions of creativity? Are the creative entrepreneur and the social entrepreneur so very different? If we are examining the same processes, then the focus must lie on the nature and complexity of these processes and the context in which they are applied becomes a secondary concern.

### **Design as a driver of user-centred innovation**

These issues are perhaps most keenly felt in the digital marketplace, which represents a high percentage of the value of the creative industries (for example, in the United Kingdom, digital content represents 70% of the GBP 67.5bn value of creative industry businesses). This trend is also visible at a European level and a number of recent initiatives have begun which will likely have a profound effect on European creative industries or at least the environment in which they operate.

Firstly, the European Commission recently announced a public consultation on Community Innovation policy. This public consultation seeks to follow up the findings of previous consultations on the effectiveness of innovation support in Europe. Secondly, the idea of *design as a driver of user-centred innovation* is a concept which is likely to carry considerable weight over the next 5-10 years and may become a transversal issue across all EC research. And a third important initiative is the move towards a Single Digital Market to unlock the potential of the knowledge based economy. This initiative provides a focus on the achievement of a Single Digital Market for consumers, creative industries and Internet service providers alike.

This new agenda proposes:

- the adoption of the draft Consumer Rights Directive that proposes fully harmonised rules in the retail market
- a contextualisation of the copyright and IPR issue which recognises that “...as digital technologies allow easier communication of creative works, traditional practices for licensing rights, often limited to the territory of individual Member States, seem to have reached their limits”.
- the achievement of “...a modern, pro-competitive and consumer-friendly single-market framework for digitising, accessing and licensing digital content online across the 27 EU Member States”

Taken together, these activities may help to provide a new macro-economic environment for creative industries but there is a parallel need to look more closely at the micro environment.

### **Blending models for competitive and collaborative advantage**

The creative industries are critical for innovation in Europe but around 75% of enterprises in this sector are micro SMEs. At the other extreme, a very small number of larger enterprises dominate sectoral markets and have long-established infrastructures for undertaking research, design and development activities.

Creative industry micro SMEs are unable to access similarly sustainable paths to growth as they do not have similar infrastructures. Instead, these creative micro SMEs will adopt a flexible attitude to existing and new tools and design processes in order to provide ‘on the fly’ solutions to specific problems. The use of this collection of tools and their associated design processes are necessarily small-scale and highly dynamic.

A number of approaches have sought to tackle these issues. For example, the Living Lab was conceived at MIT School of Architecture as a methodology for prototyping complex solutions in real-life contexts. Living Labs developed in part from the attempt to recognise aspects of ‘design’ in developmental trajectories (scientific, industrial, urban). The problem is that their definition and understanding of design is highly partial and based largely on notions from industrial design which are then combined with scientific methodologies. These methodological approaches are extremely useful but insufficient to the task, especially if they are strategically unidirectional, and highly domain specific. In this respect, there is no prospect of tools emerging which can apply knowledge and experience as complementary forces pointing towards business as they are currently mod-

elled as two forces that effectively cancel one another out.

Given the structural difference between the larger and smaller enterprises in the creative industries mentioned above, the governing structural logic of the larger enterprise cannot simply be mapped onto that of the micro SME: this cancels out the valuable versatility of the micro SME and introduces unwelcome complications for the larger organisation. The end result is that there exist few opportunities for these micro SMEs to undertake research; to collaborate with larger enterprises; to discover sustainable innovation; and therefore to find sustainable paths to meaningful economic growth. And as for the micro enterprise, so for the macro economy. Instead, we need to capture the versatility of the creative micro SME, just as much as we need to understand and describe the successful research and design processes employed by larger enterprises. We will have to examine and transpose the kind of support required by these creative micro SMEs, both in terms of support for creative entrepreneurship and also in terms of transparency in design processes. In this way structured collaboration can be fostered and realistic paths to growth offered for this area.

### **Transparency**

In order to support two-way communication between these enterprises, a new level of transparency is required in order to provide a common language for that communication to emerge. Fortunately, such a language already exists: it lies in the shared and profound understanding of the creative design processes themselves. Unfortunately this understanding remains largely implicit and is often incoherently expressed solely in technological terms.

With new media formats, and more importantly the systems that use these formats, knowledge and experience occur simultaneously and the normally objective and static observer becomes a participant in the communication process. The observer is then forced to form an active relationship with the observed, thereby subverting the methodology by altering the environment. This does not occur with traditional asset management approaches. However, by focusing on design processes we can approach this issue differently in order to craft and design our ‘experiences’ in ways that can be blended with more traditional approaches. We might therefore start from the basis that in order effectively to stimulate innovation, general purpose technologies require access to transparent design processes. Equally, creative

micro SMEs require access to transparent entrepreneurial support structures. And this requires us to examine creative entrepreneurship and creative design processing from several perspectives but with the *focused objective* of providing structures and processes which make this new area both accessible and transparent.

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# TALKING Strategy Formulation in Small Creative Organizations TURKEY<sup>5</sup>

JOHAN KOLSTEEG

#### Abstract

As do all organizations, small creative organizations often find themselves at the point where they need to make operational decisions with implications for the future of the organization. We can see these decisions as strategic. Strategic decisions can work out anywhere between excellent and disastrous, and on top of that it is often hard to establish whether a certain change or development was caused by a strategic decision in the first place, or was in the air anyway. Despite the importance of this topic for arts professionals and arts managers, we know little about how strategy formulation in small creative organizations actually works. In order to be able to answer this question, we need to make an interdisciplinary journey along arts management, social psychology, sociology and organizational science, to find out where strategy hides in organizations. Discourse Analysis is the proposed methodology for finding an answer to this matter.

#### Strategy Formulation: What's the question?

Please consider the next two situations.

Dutch government support for the arts is awarded for a four-year periods, and covers only part of the overall costs of the supported arts organizations. In the past decades, music ensembles and theatre groups have tended to base requests for

financial government support on an increase of activities and subsidy. In a non growing market, these organizations implicitly define strategic development mainly in terms of growing numbers of activities, and less in terms of artistic vision. In its 2008 procedure, the governmental body, responsible for funding, noticed and condemned a lack of artistic strategy and cultural entrepreneurship in the plans of a number of organizations ([www.nfpk.nl](http://www.nfpk.nl)). It ruled accordingly, causing acute existential problems for a number of those organizations.

The second example describes a successful combination of creative and business elements and pertains to a small Amsterdam based music- and sound-design company, founded by HKU Art and Economics alumni. The company noticed that it typically got involved in media productions only at the end of the production process (Kolsteeg, 2008). The company responded to this observation by extending its client proposition from music production to media process management, thus expanding the service for the client and moving up in the production chain. It started hiring the media companies is used to be hired by.

The first example shows creative organizations that fixated a mission, while at remaining insensitive to changing political and societal sentiments towards sustainability and entrepreneurship in the arts. The music production company, on the other hand, analyzed and incorporated signals from its dynamical context effectively, and managed to adapt while protecting and even expanding its creative core business.

In both examples the elements that inform strategic considerations are creative and business considerations, and external dynamics. We can see how in the first case an external dynamic societal reality 'selects' organizations that accommodate this reality, while in the second decisions made by attentive managers help adapt to the environment, and even create a new reality. Both organizations most likely act the way they do only in order to protect their creative *raison d'être*. They just explain their context differently. They talk differently about strategy.

Among the many possible subjects for their theses, Utrecht arts management students often choose to base their research on strategic issues of individual creative organizations, often operational problems that need to a theoretically founded and 'once and for all' solution.

Organizations make decisions every day, and many of these decisions affect daily operations as well as the long run. Understanding how strategy in organizations is developed and how to research this phenomenon is an important theme in organizational science (Cumplings and Wilson, 2003). In the creative sector this subject has not yet been extensively reviewed, from a scientific perspective nor from the angle of creative economy policy development (Unctad, 2008). Yet understanding how strategy is formulated in a creative organization is an important step to find theoretically informed tools for effective strategy development.

It is proposed here that strategic issues can best be studied from the perspective of the strategy-formulation process as a discourse.

### **What does theory have to say?**

Looking at growth and development models for arts organisations, Hagoort (1998) describes a model of an interactive strategic dialogue in between the phases of an organization's life. In this view, phases are separated by strategic turning points, critical events that force a firm to reconsider its strategy. Here strategy is planning ahead within an objectively knowable reality. Several authors (a.o. Weick 1995, Mintzberg 1998, Jansen c.s. 2005, Kor e.a. 2007, Bilton 2007, Verbergt 2008) observe that strategy has evolved from planning beforehand into reflecting upon recent events, and that strategy formulation is more influenced by the fast pace of change in society than traditional strategic models can accommodate.

Mintzberg's (1998) view on strategy in the 'adhocracy', an organization faced with the need to 'innovate in complex ways', and the need to find 'a more balanced pattern of change and stability', is elaborated upon for the creative sector by Bilton (2007). Bilton suggests that future strategy 'emerges from present action', and is based by an organization's 'ability to understand and build upon meaningful patterns in apparently chaotic, disconnected events and practices'. Bilton describes strategy formulation as an ongoing process, thus connecting to the discursive approach of this theme, well developed in organizational research over the last decade. The organization's discourse is the stage on which an organization's strategy is developed. Instead of using models to explain strategic phenomena, we will observe discourse and theorize how strategy is actually brought about in individual creative organizations.

## Where do we look?

The choice to explore the discursive view to strategy research brings us to a number of philosophical and methodological issues.

A pivotal realization is that organizational actors make sense of the organization's existence and environment by getting involved in interaction and discussion (Weick, 1979). This interaction is both inspired and coloured by a person's interpretation of reality. Organizational actors make sense of the organization's reality, by getting involved in discourse(s).

What is discourse? Although the concept of discourse is 'essentially fuzzy' (Van Dijk, 1997), Heracleous (2006) defines it as a 'collection of texts located within social and organizational contexts'. These texts 'have both functional and constructive effects on their contexts'. They not only explain but also create (enact) reality, and are not limited to words, but can also comprise actions (or artefacts, Hodge and Kress, 1988). The context of a discourse can be conceptualised as a social practice. The concept social practice is also hard to define. It can be anything 'from football to religion' (Hendry, 2000), and is (circularly) described by Tsoukas (2005) as 'what it is by the virtue of the key self understanding embodied in the practice'. A social practice is self-referential.

Implementing the concepts discourse and social practice into strategic thinking Hendry (2000) conceptualises strategy as a social practice, and strategic decision making as a discourse inside this social practice. Since discourse also involves not only words but also action, this conceptualisation allows us to investigate the relationship between what is considered strategic (i.e. fits into the social practice called *strategy*), and actions taken in practices such as finance, marketing, or other arenas in which strategic action typically will become visible.

Following Hendry's conceptualisations of strategy as a social practice and strategic decision making as discourse, observing and analyzing words and actions that constitute discourse in small creative organizations will help us understand what constitutes strategy in the creative sector.

The concepts *discourse* and *social practice* are hard to define, and since also *strategy* is viewed as a self-referential social practice, its definition is elusive too. Strategy 'takes its meaning from the social context in which it evolves and is,

at any time, whatever people make of it' (Hendry 2000). A complicating factor, to discover 'what people make' of strategic thinking as discourse in organizations, is the irrationality and ambiguity of human interaction (Stacey, 2003. Tsoukas, 2005) embedded in Hendry's definition.

## What do we look for?

Next to actions, *conversations* and '*raw talk*' will be the object of discourse analysis. Let's focus on that for a moment.

Several authors have indicated elements that deserve attention in the analysis of language: metaphors and underlying structures (Heracleous, 2006); indicators that reveal how actors understand and enact the world (Phillips and Hardy, 1997); recurring themes such as the quality of anxiety and how it is lived with or the quality of diversity (Stacey, 2003); and indicators that show how over time norms came into existence in the organization (Heracleous, 2006). Also looking at actions, discourse analysis shows the connection between operational actions and strategic thoughts.

Whatever we look for, by choosing discourse analysis as a methodology, as a researcher we accept that language constructs reality and take position in the divisive sociological discussion between agency and structure. Does the intentionality of a manager cause organizational change, in other words does he have *agency*? Or does the environment force changes upon an organization? Just look at the examples mentioned above with this choice in your mind. The answer a researcher gives to this question influences his 'lens'.

Heracleous (2006) has bridged this gap, by proposing that structure and agency meet in discourse, in the sense that '*discursive elements have integrated and contextualised literal and symbolic elements*'. By being aware of conversational turns and rhetorical micro-strategies, as well as deep structures (recurring processes and practices), like metaphors. The divide within the structure/agency debate, formulated as a selection/adaptation ocular, has been bridged by Lewin and Volberda's (1999) co-evolution proposition. They suggest that organizational research should be aware of nonlinear effects, multidirectional causalities, multi-levelness, and should be sensitive to the history of an organization.

## How do we look for it?

A few observations on methodology are in place here.

The structuralist's point of view implies a longitudinal observation, in which raw data leads to theory and conceptualisation of, in our case, strategy in small creative organizations. The 'texts' gathered from creative organizations over a period of time, will be categorized, following the methodological steps of the grounded theory (Jonker, 2000; Charmaz, 2006). The sector will be involved in this trans-disciplinary research for validation of the research question and results.

The relationship between researcher and researched is in this case a point of attention, since neither one can 'step outside the conversational processes that are the organization, simply because their work requires them to talk to others' (Stacey, 2003). Phillips and Hardy (2002) offer valuable points for a researcher to be aware of and reflect upon. Researchers may not be able to pick up on all the voices in an organization, but they should look for voices that are not usually heard, connecting to the findings of Stacey (2003) that it's in the peripheral discussions where change and innovation are found. At the same time, a researcher must be aware of possible perceptual and communicative distortions during the gathering of data (Van Riemsdijk, 1999), and further on in the process, that the fact that language 'constructs' is also true for the researcher's language.

Defining the research population, the practical decisions in this research proposal is to prefer autonomous creative organizations, consisting of up to ten members, with a self steering coordination model. This is done, because in those teams coordination responsibilities are typically distributed among team members (Van Amelsvoort, 2003; Kolsteeg, 2009), while at the same time the number of possible simultaneous interactions (Weick, 1979) remains limited.

## Discussion

The goal of arts management education is to educate reflective practitioners (Jarvis, 1999). In terms of this research proposal, reflectivity is for the practitioner the way out of the self-referentiality of the social system. Better understanding of strategy formulation in creative organizations will be an instrument for improving the affectivity of creative practitioners.

The proposed research will also inform the development of a methodology for organizational research in the creative sector. Trans-disciplinary research and inductive (grounded) method are proposed here as input in the discussion on establishing a methodology that recognizes specific characteristics of organizations in the creative sector. Strong points of this approach are the contact with the field for validation of research question and testing of results, the grounding of conceptualisations in observed data instead of models. The findings allow for the further development of the arts management curriculum, based on theory developed in trans-disciplinary research.

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# 6 'Socio-cultural' Exploring entrepreneurial organizations in Central and Eastern Europe Entrepreneurship?

Philipp Dietachmair

## Abstract

Since the fall of the Berlin wall the Eastern European countries have been going through a fundamental transformation process. Initiatives funded by foreign governments, the European Union and independent private grant-makers have invested considerable amounts and efforts to set off and support this cultural and artistic transformation process. This has resulted in a reluctant regional network of small-scale civil society organizations, independent change activists and non-profit contemporary art initiatives. The author explores the relationship and interaction between culturally and socially entrepreneurial ideas in contemporary arts organizations of Central and Eastern Europe.

## Establishing Contemporary Art Centres in Central and Eastern Europe

Since the fall of the Berlin wall the Eastern European countries, formerly associated with the term 'Eastern Bloc' (the Soviet Union and its central European satellite states as well as Yugoslavia and Albania), have been going through a fundamental transformation process. This transformation involved all areas of social, economic, political and also cultural life. Political scientists have coined this phenomenon with the term post-socialist 'transition' (O'Donnell, 1986). In the arts and culture the transition processes of the 1990s were characterized by a shift from a socialist, ideologically indoctrinated model with socialist realism 'as the official doctrine and non-conformism as the un-official' to a 'new Western paradigm of Contemporary Arts'. (Esanu, 2008)

Initiatives funded by foreign governments, the European Union and independent private grant-makers, such as the Amsterdam-based European Cultural Foundation (ECF) or the Open Society Institutes (OSIs) of US philanthropist George Soros, have invested considerable amounts and efforts to set off and support this cultural and artistic transformation process. Promoting European integration (EU institutions and governments). They established emancipated cultural cooperation within a new and wider socio-political notion of a civic Europe (ECF), or capitalized on contemporary arts for advancing liberal ideals of an 'Open Society' (Popper, 1945) (Soros Foundation). The establishment of 20 'Soros Centres for Contemporary Arts' (SCCAs) in 18 Eastern European countries, the long-term capacity development and grant-making programmes of the European Cultural Foundation, and the financial support provided by many other public and private institutions from Europe and the US all shared identical aspirations:

- a. To bring to the front a young, independent scene of contemporary artists (including dissident artists formerly making up the non-conformist underground scene)
- b. To break prevailing cultural and aesthetic paradigms of the socialist past
- c. To establish activists promoting arts for social change and to support creative entrepreneurial innovators accompanying ongoing socio-economic transition and political reform processes.

Over the past ten years this has resulted in a still only reluctant regional network of small-scale civil society organizations, independent change activists and non-profit contemporary art initiatives rooted predominantly in the larger cities of Central and Eastern Europe (CEE – includes the Baltic states, Poland, Czech Republic, Slovakia, Hungary, Romania, Bulgaria, all states of the former Yugoslavia and Albania).

At first glance the most relevant contemporary arts support programmes for CEE realized over the past 15 years suggest that a socially functionalist agenda beyond has been applied by many international donors. According to available programme documentation and online resources of the Soros Foundation and the European Cultural Foundation, the field of contemporary arts and a new autonomous scene were to open up formerly socialist societies. They suppose to engage the arts for social change or the promotion of civic participation in cultural policymaking ([www.soros.org](http://www.soros.org); [www.eurocult.org](http://www.eurocult.org); [www.policiesforculture.org](http://www.policiesforculture.org)).

A series of orientation interviews we recently carried out with professionals in the field however, leads to the (preliminary) assumption that a significant and sustainable influence of contemporary art initiatives and civil society-based cultural communities on general processes of socio-economic change and policy reform remained predominantly confined to processes of artistic innovation and the development of the cultural sector as

such. The existence or emergence of potential long-term spin-off effects should not be entirely excluded, but the final results remain to be seen.

When taking a general look at the state of affairs in CEE contemporary art scenes today one can see a still too modest but nevertheless gradually increasing international attention for contemporary visual arts and curatorial concepts from these countries. The international success of some CEE artists after exhibitions such as *'Blood and Honey'* curated by Harald Szeemann (Szeemann, 2003), the *'East Art Map'* anthology (Irwin, 2006) or the curatorship of the Zagreb-based collective WHW for the 11<sup>th</sup> Istanbul Biennale 2009 ([www.iksv.org](http://www.iksv.org)) are some examples supporting this argument. Such developments might lead to the assumption that the work of international foundations and their support for pattern-breaking local initiatives has had some real impact on setting up an influential and pioneering autonomous art scene there. Preparatory inquiries however suggest that this question to date cannot be really answered. An analysis of local or international players and development processes in this context has never gone beyond sporadic expert evaluations of individual support programmes. These are often made up as largely intuitively compiled lists of subjective observations made by professionals or grantees directly involved in such practice (cf. ECF evaluation 'Kultura Nova' programme; Milohnic, 2005). What is

missing is a thorough and comparative academic analysis of donor motivations and their strategies applied in this field, but also of the actual outcomes claimed by them. This creates the need for a methodical review whether or not such international programmes have actually achieved some impact with the individuals supported and the organisational structures set up for the benefit of the transitional societies addressed.

#### **Lack of reliable information**

My own long-term observations from many years of programme development and management practice with the European Cultural Foundation confirm that there is a massive lack of reliable field specific information which could bring about a standard body of tailor-made methods which foundations and cultural entrepreneurs in CEE could use for their future strategic decisions. Besides that, test interviews with some contemporary arts organizations in Slovakia have also raised fundamental questions regarding the nature of specific circumstantial motivation patterns and the precarious organizational conditions under which cultural entrepreneurship has actually formed in post-socialist transition contexts. Historically, both the 'freedom to create art' and 'the freedom of enterprise' (Hagoort, 2007) in these countries was only gradually accomplished after 1989 and hence has evolved under different circumstances than in the West. This requires special analytical attention but may also provide unex-

pected insights valid for advancing research on cultural entrepreneurship in general.

### The concept of Social Entrepreneurship

The term social entrepreneurship has been used in literature since the 1970s but gained broader attention through the non-profit organization Ashoka: Innovators for the Public founded by Bill Drayton in 1981 (www.changemakers.com) or also Charles Leadbeater's study for the UK think tank Demos (www.demos.org) called 'The Rise of the Social Entrepreneur'(1997). In his 2008 study of this young and increasingly popular research field Paul C. Light defines the term as 'an effort by an individual, group, network, organization, or alliance of organizations that seeks sustainable, large-scale change through pattern-breaking ideas in what governments, nonprofits, and businesses do to address significant social problems' or in short as 'efforts to solve intractable social problems through pattern-breaking change'. (Light 2008: 12) Compared to business entrepreneurship that seeks opportunities for commercial benefit, social entrepreneurship is based on a fundamentally different setup of motivations which make up the core of the entrepreneur's persevering drive to create a different world. Social entrepreneurship is also different from concepts of Corporate Social Responsibility (CSR) which discusses ethical questions and social measures of companies for doing commercial business. Light's study does introduce positions, insights and methods from researching business entrepreneurship but actually

describes the 'socially entrepreneurial activity' of non-profit or non-governmental organizational entities he subsumes under the term 'social benefit organizations' (Light, 2008).

From the numerous studies and positions reviewed by Light he extracts four components as central features playing a key role in social entrepreneurship: Firstly, the entrepreneur (whereby his study argues to focus on the heroism of entrepreneurship rather than the lonely inventive hero, which might be more a mystified symbol rather than actual reality), secondly a 'pattern-breaking' idea for change, thirdly the identification of opportunities in the external environment and finally the organizations as such.

In a paper on definitions of social entrepreneurship published in the Stanford Social Innovation Review Roger Martin and Sally Osberg ask what happens with entrepreneurs when they successfully change a 'suboptimal equilibrium': 'He or she creates a new stable equilibrium, one that provides a meaningfully higher level of satisfaction for the participants in the system. The entrepreneur engineers a permanent shift from a lower-quality equilibrium to a higher-quality one.' (Martin & Osberg, 2007: 34) The new higher-quality equilibrium the social entrepreneur successfully manages to create, secures better conditions for the target group aimed at or even society at large. Following this basic description of the social entrepreneur as somebody who tries to change an existing equilibrium into a new and better

one, Light develops his own preliminary logic chain of social entrepreneurship. His system shows a functional loop with an existing equilibrium at the beginning which becomes subject of intervention by a combination of the four components entrepreneur-idea-opportunity-organization. These components then become involved in successfully carrying out a set of strategies to actually achieve the intended 'pattern-breaking change' and advance the social issue addressed. Ultimately the new equilibrium then turns into an existing equilibrium again and becomes subject of socially entrepreneurial change efforts another time and so forth (cf. figure 1).

In another step Light then describes the overall socially entrepreneurial process in a dynamic 8-step model which looks relatively simple. According to him this model however requires the successful application of a complex set of strategies within each step and a lot of research on the actual nature and requirements for success on each layer is still missing: (Light, 2008: 58)

- Step 1: Imagining a new equilibrium
- Step 2: Discovering an opportunity
- Step 3: Inventing the idea for change
- Step 4: Launching the idea into action
- Step 5: Scaling up for high impact
- Step 6: Diffusing the idea
- Step 7: Sustaining momentum
- Step 8: Navigating the changing social ecosystem

A detail that makes Light's models also interesting in reviewing research on cultural entrepreneurship is the fact that the body of 131 social benefit organizations across the US that he covers in his study, also includes seven more or less classical arts organizations such as the Arts and Business Council Chicago or the Pittsburg' Centre for the Arts (Light, 2008). He nevertheless makes no distinction between culturally entrepreneurial and socially entrepreneurial organizations.



Figure 1: A first logic Chain of Social Entrepreneurship. Light, 2008: 54

### Researching culturally and socially entrepreneurial phenomena

As introduced above, international foundation programmes for contemporary arts in Central and Eastern Europe since the 1990s have been an important transition factor for breaking the artistic paradigms and changing the systemic realities of the former socialist state culture. The establishment of new independent organizations and the back-up of emerging autonomous communities in CEE helped to position an initially very weak contemporary cultural alternative next to the established (formerly socialist) institutions. This meant a radical change of the past cultural equilibrium. New methods, knowledge and highly entrepreneurial strategies had to be elaborated in order to allow a new generation of independent cultural players to navigate this change and to survive the turbulence of post-socialist transition towards a new cultural equilibrium (Dragicevic-Sestic and Dragojevic, 2005). The support of this cultural change on behalf of international donors was also intended to open and positively influence the new societal realities in the targeted CEE countries. This is why I would argue that many international and local players in the operational framework for CEE introduced here, may actually also be described as genuine social entrepreneurs who have been focusing a good deal of their entrepreneurial energy on processes of employing art for social change – whether these efforts turned out to be successful or not.

Comparing my practical insights from professional foundation work across many CEE countries with Light's analysis on the state of affairs in social entrepreneurship and his rectification of many popular but yet unproven research assumptions, I can furthermore presume that his aforementioned models might provide a suitable base for describing culturally entrepreneurial activity as well. This assumption however needs to be tested by reviewing a range of relevant cases of culturally entrepreneurial organizations and individuals from the countries concerned. As an initial step at the research agenda within the Creative Grounds programme (Hagoort, 2008), we will therefore focus on the collection and critical study of a significant sample of examples from local entrepreneurial practice across CEE.

### Truc Spherique

The case of the NGO *Truc Spherique* founded and based in the city of Zilina, North-Western Slovakia illustrates just one sample of the above sketched highly entrepreneurial practice. The conversion of a still continuously operating local train station into a highly creative community arts centre provides a highly suitable pattern for starting a test application of social entrepreneurship models in culturally entrepreneurial environments of CEE transition countries. Their mission statement describes the NGO as an '*open platform linking contemporary arts with social development*' (www.stanica.sk). Their mission statement:

*'We are committed to contemporary arts and culture which are more than just an extension of leisure time activities – they are the means of developing creativity, personal growth and discovering new forms of communication. We bring culture from the edge to the centre of public interest. For us, culture is more determining in creating new social visions than political or economical reasons are.'*

This mission statement could be a first indication for how close culturally and socially entrepreneurial ideas might actually interact and overlap in some contemporary arts organizations of Central and Eastern Europe. But will practical evidence, to be collected and analyzed in our newly planned research endeavour, provide sufficient evidence in order to make the case for a new academic concept; the 'socio-cultural' entrepreneurship?

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# COMBINING URBAN GIEP HAGOORT AND REGIONAL 7 CULTURAL ENTREPRENEURSHIP *The Urban/Rural continuum*

## Abstract

In this article the author acknowledges that culture is too much the preserve of cities, with the countryside being left in the shadow. This modest place assigned to the countryside is not justified. Using several examples, the author makes clear that cutting-edge art and culture is also burgeoning in a regional context. A pre-requisite is the condition that cultural entrepreneurs from city and countryside work together in creating new perspectives. In part thanks to the opportunities offered by a changing countryside for the rapidly growing creative industry, the author expects creative regions to begin receiving the attention of national government. A European initiative then becomes a logical next step.

## Introduction

Cultural entrepreneurship is rarely identified with cultural developments in the countryside. The landscape in which cultural entrepreneurship is able to prosper can, or so it would appear in the perception of many, only be an urban landscape.

Cultural entrepreneurship can be recognised by three core values:

- A clear cultural mission in which the entrepreneur adopts a cultural position. This cultural mission is a justification for the existence of the cultural enterprise and give direction to stakeholders;
- Striking a balance between cultural and economic values, with innovation in the enterprise's own cultural operations being a key word; and
- Ensuring a vital cultural infrastructure within which the enterprise functions in interaction with other organisations and companies. This latter value is

inspired by the notion of Corporate Social Responsibility, which reflects the responsibility of the enterprise in respect of the world in which it operates.

During the years the concept of these three values has been tested and analysed over time, both in the Netherlands and abroad, and has now acquired an empirical basis.

### **The urban misunderstanding**

The growing attention for the concept of cultural entrepreneurship was accompanied by the emergence of notions such as Creative City, Creative Industry and Creative Class. When studying these concepts it becomes apparent that the original writers gained their ideas and experiences in urban environments. For Landry (2000), who introduced the term 'Creative City', the identification between city and cultural entrepreneurship is an obvious one. Cities in the recent past were in need of an additional, innovative impulse in order to transform the impoverishment of neighbourhoods. An upgrade of underprivileged districts was needed, the 'improvement' of neighbourhoods in a way that lacked all imagination was forthcoming, and the lack of ambition into challenging plans based on creativity triggered the discussion.

Cultural amenities such as theatres and museums play a principal role in this approach. Landry's step-by-step approach is based on a strategic process such as that which is applied in the business community. The countryside is ignored, and what remains is the conviction that the cultural sector can be nurtured above all in vital cities.

The term Creative Industry is a product of the development of art and culture, media and entertainment and of creative services as a driver of economic prosperity (Rutten *cs* 2004, Thomassen, 2005). In the post-industrial society, the production factors capital, raw materials and labour have become outmoded and it is people's individual creative capacity which drives economic and social progress. Large municipalities, in particular, published numerous research reports on this Creative Industry, which made clear what the extent of the new industry was in terms of employment and businesses. (Innovatieplatform, 2005).

Finally, Florida (2002) initiated the discussions regarding the Creative Class, a notion which evokes a strong connection between city and cultural entrepreneurship, thereby obscuring all non-urban prospects for this entrepreneurship. Florida claims that economic prosperity in the cities is driven

mainly by the presence of large groups of creative people and other innovative professionals, who make the city an attractive place for businesses to establish.

Underlying these concepts is the (traditional) idea that true art (high art, avant-garde, internationally appreciated art) is created only in urban contexts. This idea is for example often found in the subsidy recommendations submitted to the government by the Dutch Council for Culture. The national importance of institutions and initiatives appears to relate only to the large cities (and generally to one of the four major cities of Amsterdam, Rotterdam, The Hague and Utrecht); the rest is of more regional importance. Hence in practice this means hardly any financial support and no inclusion in the 'four-year plan' of the Ministry of Education, Culture and Science. The fact that most politicians with responsibility for cultural affairs, members of advisory committees, funding boards and other influential figures mainly come from one of the major cities themselves reinforces the idea that art from the regions does not play a role of any genuine significance.

### **Regional culture, second rate?**

Is there then so little initiatives of interest to report from the countryside? If we take a look at the cultural agenda, it is striking that the idea that regional culture is somehow second-rate is not supported by the reality on the ground. We see vital initiatives at different levels.

1. There is the presence of sculpture gardens and sculpture trails. Local authorities, private individuals and provincial foundations have marked out art trails in virtually all provinces. One of the first high-grade routes was the Fort Asperen route meandering through the landscape of the Province of Zuid-Holland. In the 1980s, village residents (including Piet Cleveringa) began arranging nationally renowned art exhibitions with an explicit focus on the relationship with the river landscape.
2. Then there are other festivals and location events. We often dismiss them as local phenomena which only have meaning as entertainment for the local population. A good example which proves the opposite is the Oerol festival in Terschelling, where the initiator Joop Mulder has for many years fought for artistic recognition. Today, no one would dare to qualify the significance of this festival as a regional event of no artistic significance. Nowadays it is seen internationally as a unique trendsetter for small-scale theatre. Anyone who listens carefully in the provinces will hear comparable stories, though they are not all as spectacular as Oerol.

3. Another interesting – but as yet fairly unspectacular – assessment of the artistic significance of the countryside is based upon products of artists that portray and reflection upon life in the big city. I am not referring here in the first place to the 17th-century landscape genre, nor to the regional novels of Herman de Man, or the already somewhat mature documentaries which feed our nostalgic feelings (Fanfare). Rather, this aspect is concerned with themes that contemporary artists derive from the countryside and to which they then impart their own, contemporary interpretation. Examples include the documentary *Plastic Tulips* by Janine Prins, in which the images (from the early 1990s) make clear how radically and how rapidly the changes in the relationship between city and countryside are taking place. The 1998 film *De Poolse bruid* ('The Polish bride'), by director Karim Traïda is interesting because – among other things – it confronts the urban viewer with loneliness and interaction with the all cultures.

### **In the countryside**

The question then is what is happening in the countryside itself?

The Dutch countryside today is undergoing major changes. First and foremost, the agricultural industry is shrinking fast. According to a spokesman for the Alterra expertise centre (in *Platteland* magazine, summer 2005), around 25,000 of the current 75,000 farms will disappear in the coming years due to natural turnover and/or lack of succession. Of the remaining 50,000, only half will be able to pursue a viable business operation. In order to generate a reasonable income, the remaining 25,000 farmers will have to diversify into related (dairy) or unrelated activities. This latter group contains farms which would like to expand but for which no more land is available.

In its drive for a viable, living countryside, the Dutch government encourages agricultural entrepreneurship, supporting upscaling and diversification of the farm-income. This is giving rise to new opportunities for cultural entrepreneurship. The upscaling is expected to strengthen the economic viability. The 'farm in the midst of its land' is making way for an agricultural headquarters which runs a business with widely dispersed land and using high-tech aids. This upscaling is taking place within an economy which is distancing itself from the traditional production factors such as labour and capital and transforming itself into a creative economy in which according to thinkers such as Drucker and Toffler, innovative knowledge (human capital) is the dominant factor. According to the principles of the creative economy, the paths of these new agricultural enterprises and of businesses

which have creativity as their core business (artists, designers) will cross each other. The cultural entrepreneurs concerned, build networks facilitating communication. Strategists such as Pine and Gilmore (1998), active observers of the creative economy, indicate that it coincides with the 'experience economy' or the 'dream society', where economic transactions are packaged with theatrical and/or narrative experiences and stories.

If these opportunities sound somewhat abstract, that is not the case in situations where farms diversify in the direction of 'Art Farms'. These farms fulfil a cultural or geographical function in the production and distribution of art and culture. Examples might be farms which provide art galleries and space for creative business activity (the 'Cultural SME', Van Thiel, 2007). Other examples include letting off large barns to sculptors, setting up theatre venues in farms and cattle stalls, organising cultural courses and hosting exhibitions.

The examples given here are still strongly rooted in a focus on the farm, but other opportunities are also arising, as the following list shows:

- Redesigning farm production buildings (dairies, grain silos) for use by the creative industry.
- Creation of community centres

and specialist podiums in old rural buildings (country estates, village churches, convents, factories).

- Organisation of cultural events in striking and appealing landscapes with associated buildings (art trails, the Highway A1 project by Kunstenlab/Deventer, Kunstvereniging Diepenheim – art association – and Kunstencentrum Hengelo – arts centre –).

### **Back to the city**

When exploring the prospects for cultural entrepreneurship, cultural entrepreneurs and artists will have to take the lead in their own countryside when it comes to realising the development opportunities. They are local inhabitants or have set up their business there, and it is logical to assume that they know the area best.

In addition, the creative vitalisation of the countryside will have to be driven by cultural entrepreneurs and artists who have their home base in the cities. Undoubtedly, a number of them will remain of the opinion that their best prospects still lie within the urban context. For those who do show an interest, the first and foremost challenge will be to find the right entry points and networks in traditionally fairly closed agricultural communities. Creative mediators could be a way of bridging the gap, people who both know

the urban world and are at home in the countryside. It is important that meeting places are organised in the countryside where the different parties can come together to share experiences and ideas and to forge new plans.

Based on the Dutch experiences, the following conclusions could be drawn concerning cultural entrepreneurship in the countryside:

- There is growing interest in a lasting interaction between city and countryside, but at the same time the countryside is afraid of being 'used' by cultural entrepreneurs from the city.
- The originally urban concept of Cultural SME (the organisation of small-scale creative business activity) is also relevant for the countryside; alliances are needed between the business community, farmers, artists and academics.
- High-quality art is also being produced in the countryside; the image of 'primitive' and 'amateurish' is outdated.
- Guest studios in rural buildings, small-scale niche festivals, and experiments with landscape art offer opportunities relevant for the city.
- There is a need for a change in thinking at the Ministry of Education, Culture and Science and the

Council for Culture; the antagonism between the Randstad (the region in the west containing the four major Dutch cities, purported to be the only region that produces nationally recognised art) and Region ('non-national' art) must be eliminated.

- Increased involvement of creative brokers and mediators; and the joint launching of community art initiatives could foster the desire to develop a regional cultural entrepreneurship further.

#### Prospects and critical issues

It is imperative to ensure that the urban norms and values do not predominate. It makes absolutely no sense for urban cultural entrepreneurs to focus their gaze on the countryside if that countryside is then, as a result of the entrepreneur's arrival, shaped to match his or her image. This domination can be avoided by placing the main focus on the dialogue on perceptions and values.

The position of the government must not be forgotten in all this. The Dutch Ministry of Agriculture, Nature and Food Quality has played a positive role in the field of agriculture and culture, in bringing together artistic, cultural and rural values. Artists have been supported in developing their own language (in the areas of film, theatre and visual arts).

The Ministry has made it possible for artistic and cultural entrepreneurs to carry out interesting cultural projects at the interface of art and countryside.

By analogy with the policy document on culture and economics entitled 'Our creative capacity' (*Ons creatieve vermogen*) published by the Ministry of Economic Affairs and the Ministry of Education, Culture and Science, a policy document could be jointly drawn up by the Ministries of Agriculture, Nature and Food Quality, Education, Culture and Science, Housing, Spatial Planning and the Environment and Economic Affairs, aimed at ensuring that government policy on the creative industry in the countryside is successful.

#### European dimension

The government could also embrace the international – preferably European – dimension. Encouraging initiatives across national borders in search of promising collaboration is a matter of general interest (cooperation in Europe, vitalisation of the countryside in European regions). In the creative sector, such initiatives often involve relatively small funds.

It is not too premature to suggest that a vital and enterprising countryside as envisaged by the Ministry of Agriculture, Nature and Food Quality, will evolve ten years from now, in which the regional economy is stimulated from the basis of collaborative creativity between farmers and artistic and cultural entrepreneurs. It is a matter of national and European importance that we do not remain indifferent to this perspective.

**Giep Hagoort** (1948) is a cultural entrepreneur in the Netherlands. He is a professor of art and economics at Utrecht University and the Utrecht School of the Arts. His book 'Art Management Entrepreneurial Style' has been translated into five languages and is used all over the world. In his Inaugural Lecture on cultural entrepreneurship, he elaborated on the integration of artistic freedom and entrepreneurial freedom. Giep Hagoort did his PhD research on interactive strategic art management and is founder-dean of the Amsterdam School of Management.  
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Gerardo Neugovsen

# Entrepreneurs and Creative Industries 8

UNDER-  
STANDING  
THE HUMAN  
FACTOR

**Abstract**

The lack of information regarding the entrepreneurial competencies of the persons leading a micro, or medium enterprise at the Creative Industries, limits the growing potential of this economic active sector. In order to analyze opportunities and strengths, a research methodology is being developed. It aims to provide pertinent information for multiple purposes: education and training, policy makers, the financial world and the entrepreneurs self. This paper describes the process of developing the methodology, indicating the complex instruments used. The principal procedures and conflicts are described as well as the three fields of research: entrepreneurial motivations, strategies and competencies.

## Introduction

The 'Creative Industries' (CI) is being consolidated as a relevant economic and productive sector. At the average OECD-countries, between 5 and 6 percent of GDP comes from the Creative Industries. In the United States it raises till 11% of the national GDP (International Conference 2007). In Europe it has generated revenues for about 654 billion Euros during 2003 (EU rapport, 2006). It is also a relevant activity at less developed countries in Latin America, Africa and Asia (UNCTAD 2008).

Many different activities are brought together, linking in an innovative way economics, creativity, culture and development (UNCTAD 2008). Traditional cultural activities like book- and record-publishing as well as performing arts integrate with tourism, new technologies, design and media. Creativity and culture are a common and fertile ground for economic growth.

While relevant information about macro and micro-economics of the CI is published regularly, the Human Resources-aspects remain underdeveloped. The CI is populated by freelancers as well as by micro, small and medium enterprises, led by entrepreneurs. In Germany, the share of independent workers within the cultural sector was estimated to be 41% in 2003 (EU rapport, 2006). Similar facts are verified in many other countries.

The lack of pertinent information about their entrepreneurial characteristics constitutes a hindrance for further development of the CI. In order to identify entrepreneurial competencies and business modeling at the Creative Industries' entrepreneurs a research project started in 2008 with the support of *Tikal Ideas* ([www.tikalideas.org](http://www.tikalideas.org)), the Spanish and Latin American *Convenio Andrés Bello* ([www.convenioandresbello.info](http://www.convenioandresbello.info)); the *University ESEADE* of Buenos Aires, Argentina ([www.eseade.edu.ar](http://www.eseade.edu.ar)) and the *Faculty of Art and Economics* of the *HKU* in the Netherlands ([www.hku.nl](http://www.hku.nl)). In august 2009 the study was rewarded with the first prize at the '*Estímulo a la Empresarialidad*', given by the Argentinean *Empresa Global Foundation* ([www.feg.org.ar](http://www.feg.org.ar)) and the *Interamerican Development Bank (IDB) – FOMIN* ([www.iadb.org](http://www.iadb.org)). Concepts and modeling were developed together with Miss Sandra Albertocco, BA, an Argentinean sociologist specialized in statistical analysis.

The study is concentrating on the how's and about's of the daily practice of the micro and SME entrepreneurs at the CI. Its aim is to contribute to the maturation process of this sector. The expectation is that the information produced can be useful for education, policy makers, financial world and the entrepreneurs self.

## Research methodology – Building the instrument

In order to develop an appropriated research methodology, a three-phase structure was implemented. Because of methodological reasons, the universe to be researched was circumscribed to CI entrepreneurs of the City of Buenos Aires.

### First Phase: Pre-configuration

A number of particularities of the sector, that adds complexity to this activity, have to be taken in consideration.

- The main drive for the CI entrepreneurs is related to cultural and creative contents. '*everything else, including the economics, is subsidiary*' (Klamer, 2006, p. 13). Not having profit as main goal excludes this activity from the financial and politic mainstream. Economists, following orthodox criteria, find it difficult to understand and measure this activity.
- The sector generates wealth based on non-conventional and non-material primary resources (Max-Neef, 1991), like creativity, culture and knowledge. Besides economic, it also adds social and cultural value to society. While traditional and material primary resources are depleted by its use, non-material resources instead '*are lost only to the extent to which they are not used.*' (Max-Neef, 1991, 71).
- A consistent body of (managerial) knowledge has been built during

centuries of activity (Hagoort, 2000) following particular patterns of production, distribution, financing and communication, according to its own values and principles.

With those particularities in mind, our goal was to develop a research instrument that should connect – on a scientific base – motivations with strategies and competencies. This trilogy was inspired by our own experience on the field and found support at the ideas of Paulo Freire (Freire, 1970) and Chris Argyris (Argyris et al, 1985) regarding action research. Also the interactive dialogue-model developed by Giep Hagoort (Hagoort, 1998) was a source of consideration.

A first approach to the entrepreneurial reality of the CI has been done based on the ideas of Giep Hagoort (Hagoort, 2000) and Arjo Klamer (Klamer, 2006). Creative and cultural entrepreneurship is much more complex than just adding market-concepts to cultural management.

The ideas of Chris Bilton (Bilton, 2007) on managing creativity and the alternation between creativity and rationality at managerial processes were provided a framework for own observations. Adding to this the reflections of Alain Touraine about the paradigmatic shift from a 'social' society towards a 'cultural' society (Touraine, 2006), a philosophical context was added. Considering culture as a continuum

of dialogues established between oneself and the elements of the environment, postulated by the Argentinean anthropologist Ricardo Santillán Güemes (Santillán Güemes, 2004) helped to build a framework for this research that reflects the complexity degree of the subject. In order to gather data about the state-of-the-art of local entrepreneurial issues, a first structured working-guideline with basic questions was developed. This helped us to define and delimit the research subject. Then, a basic analytic structure was created, and a conceptual map was built.

#### **Second Phase: Configuration plan**

The ideas of Henry Mintzberg on designing effective organizations (Mintzberg, 2004) and Igor Ansoff on managing complexity (Ansoff, 1979) together with Michael Porter's theory on value chain and competitive advantages (Porter, 1985) were taken as reference for the managerial aspects. Further the definitions made by Schumpeter regarding the general innovative and disruptive character of the entrepreneurs (Schumpeter, 1968) helped us to understand more about the personality of those persons.

The City of Buenos Aires has published several books about value chain, business modeling, strategic scenarios and identity at the CI. (Cervini & Kaiser, 2004). The contribution of Miss Eugenia Campos, BA, on this point has been relevant. This, along with the innovative view of Ostwalder and Pigneur (Ostwalder and Pigneur, 2009) and their business model canvas, gave us concrete clues for understanding the way business models are developed.

In-depth interviews and surveys were used with thirty key-informants. They had to meet the following criteria:

#### **Eligibility Criteria**

- a. the enterprise must be at least 3 years old;
- b. they must be based at the City of Buenos Aires;
- c. it should clearly have a relevant activity at his sub-sector;
- d. it must belong to one of the following sub-sectors that represents the main CI activity in the city:
  - book publishing
  - record company
  - design (graphic, industrial, similar)
  - fashion
  - show-business
  - new technologies
- e. it should bring some degree of innovation in some of the entrepreneurial areas (market, product, management or resources).

#### **The Qualitative component: In-depth interviews**

The structured working-guideline allowed us to explore the history, attitudes and opinions obtaining valuable information as well as the earnings and degree of profitability of the venture.

The in-depth interviews lasted for about one hour and were recorded and photographed. Afterwards they were transcribed and scanned to identify key tendencies, relevant characteristics and common behaviors. This reading allowed us to optimize the method and reinforce the quantitative efforts in order to expand it to the complete universe of study in a later phase. Also it provided economic information regarding finances and economics.

#### **The Quantitative component: Survey**

The *constant comparative methodology*, developed by Glaser and Strauss (Glaser and Strauss, 1967) is used as base for this phase. Data is classified into intuitive categories which are grouped into meaningful units. As the investigation process progresses, the categories become more explicit and rules can be built (Vieytes, 2004).

The trilogy motivations – strategies – competencies are now described:

#### **A. Motivations**

Motivations are related to willpower and the consequent attitudes to start and to sustain the venture. An entrepreneurial act is com-

plex and it is influenced by cultural, economic, sociologic and psychological factors. (See William Gartner 1988, and Klamer, 2006)

The first part of the survey answers to the question: 'what were the reasons that motivated you to start your enterprise (...) years ago?' We are aware of the subjectivity of the answers, but, as it will be seen later, the obtained answers are consistent with the general results.

A list with seventeen motivations glued to small magnets was presented. (See figure 1). This illustrates also the way how the options are presented during the rest of the survey. They choose five of them and place it on a metallic board. The same list is used to choose five motivations for the present, answering to the question 'what are your motivations today to continue with your enterprise?'

Self employment	To take advantage of a business opportunity
To take own decisions	To contribute to economic development
To leave a non-satisfying job	Challenge/change
(entrepreneurial) family tradition	Social recognition/prestige
To put in practise knowledge/creativity	To become more mature together with other persons
To promote/communicate certain values	Independence/autonomy
To earn good revenues	Selfdevelopment
To contribute to culture/identity	
Ideologic commitment	



Figure 1: Motivations on magnets

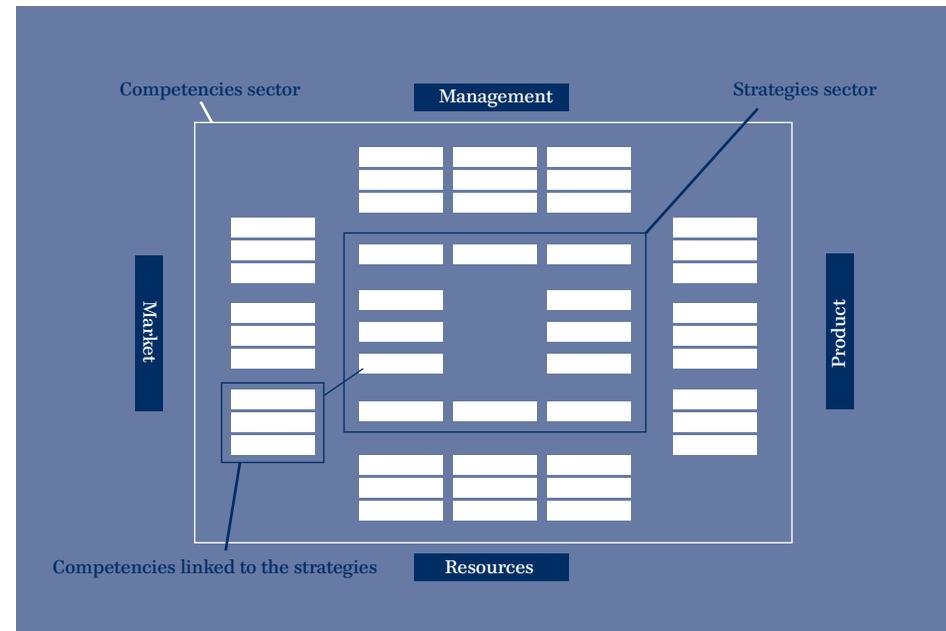


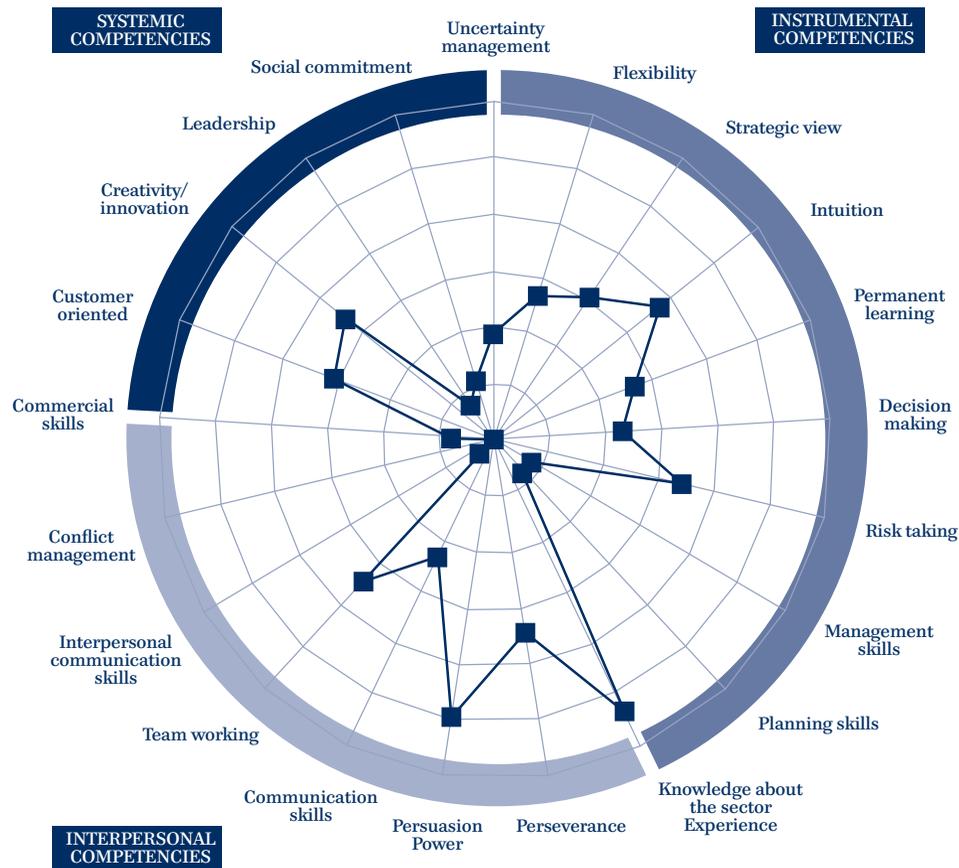
Figure 2: Board Game

By comparing past and present motivations, we can analyze the changes occurred in the length of time. As we observed later, a specific entrepreneurial pattern becomes evident. This will influence the choices of strategies and the sort competencies which will be developed.

The answers are processed in radial graphs, which allow comparing the differences between past and present. As it will be seen later, two typologies became also evident. The graphs allow comparing also both typologies.

### B. Strategies

A board-game was developed divided into 4 quadrants: Market, Product, Resources and Management (See figure 2). It gave the interviewee a certain degree of playfulness appealing to the intuitive election of the answers. The choices of those elements are based on the theories explained before. The board is subdivided into two central areas. The inner area is formed by a square of twelve rectangles, three of them fit into every quadrant. Those rectangles are used to identify strategies. The entrepreneur has to choose three strategies per quadrant



**Figure 3:** Example of a radial graph containing the sum of chosen competencies between the groups HCV and LCV related to the product. For each quadrant of the board such a graph is made. The relationship between the different variables is observable and comparable here.

from four different lists of concepts. See example on figure 3.

The external area is formed by a square containing thirty-six rectangles. Each quadrant contains three groups of three rectangles. Those rectangles are linked to each strategy chosen before.

The interviewee has to focus on one quadrant at a time and answer to the question 'thinking of (product, market, resources or management), which of these strategies do you choose?' Different lists are presented then. He/she has to choose three strategies per quadrant and place them on the board. A total amount of twelve strategies are chosen from a total of fifty-one options. The delivered information is processed also in radial graphs.

### C. Competencies

The analysis of competencies has proved its utility both at work and at educational environments. We have chosen the competencies-model developed by the Spanish Universidad de Deusto (Villa & Poblete, 2007). Competencies have been systematized into three basic categories: systemic, interpersonal and instrumental. Sub-categories were adapted to the needs of our research and placed also on a radial-graph that allows easy visual comparison between the different sub-categories and typologies. In order to select the competencies, the same routine is followed. A list with twenty one different competencies, glued on mag-

nets is presented on a metallic board. At least ten copies of each competence are presented, allowing choosing more than once the same competence.

The entrepreneur has to focus on each of the strategies he/she has chosen at the previous step, placing it in the right context (quadrant) and answer the question: 'focus on the quadrant, look at the first strategy you have chosen. Now choose three competencies that you have developed in order to implement that strategy. Repeat for every strategy on all the quadrants'.

Once the board is completed, a picture is made that allows processing the information in a later stage.

### Third phase - Analysis

A statistical analyses allows for integration of relevant variables like the years of activity, entrepreneur's age, to which (sub) sector it belongs and similar.

From the obtained information it became possible to deepen the conclusions and to identify forceful elements regarding the entrepreneurial competencies of micro, small and medium enterprises within the Creative Industries. A first progress report has been written and several adjustments were made to the research instrument.

### Preliminary results

- The research instrument revealed itself as a tool for self-assessment for the entrepreneurs. It allowed them to reflect about their daily activity. They

discovered strengths and weaknesses.

They had the chance to reflect about their general management style. This information was later used for consulting purposes, increasing notably the efficiency of the interventions.

- It also provided empirical evidence regarding the tensions originated between vocational desires and market oriented activities. This tension influences drastically the decision-making processes on different levels. It is important to point that no value judgments are made regarding the importance of making a choice on this level.
- The designed sequence (first the in-depth interview and then the survey) made it possible to validate the cohesion between the opinions of the interviewed person and the information provided by the statistics.
- Two typologies became evident at phase 3. On one side a group presenting a 'Low Commercial Vision - LCV' and on the other side a group with 'High Commercial Vision - HCV'. This implied a change at the research plans. Initially the investigation would focus on the diverse sub-sectors, aiming to identify similarities and differences. But the evidence of those two categories oriented the research into this direction.
- A strong consistency was tracked between the declared motivations, the chosen strategies and the developed

competencies, which adds reliability to the instrument.

- The specific characteristics of each typology can be visualized on the radial graphs. This allows identifying the different behavior-patterns and comparing them with each other.
- Different business-model configurations were evident, understood as the way how an entrepreneur creates and captures value (Ostwalder and Pigneur, 2009).

### Next steps

According to our planning, the research has to be finished by the end of the year 2009 or the first three months of 2010. Then a final report should be ready for publication. Once finished, his research methodology will allow to:

1. Generate objective information of the sector as a whole
2. Generate comparative data between the different subsectors
3. Perform comparative researches within one or more subsectors at different cities or regions.
4. Define entrepreneurial typologies
5. Predict the sustainability of an enterprise
6. Provide information for the educational sector regarding the competencies which should be strengthened in order to fortify the entrepreneurial qualities as well as the sustainability of the ventures.

There are several organizations that have shown interest in the methodology presented here. For instance, the Faculty of Economy and Arts at the Dutch HKU. Also the Banco Ciudad, the official bank of the City of Buenos Aires, where several meetings have taken place with the SME department. Finally, UNCTAD, the United Nations Conference on Trade and Development has shown its interest, foreseeing possible applications.

We conclude that the developed research methodology is effective at providing relevant and useful information about the entrepreneurial characteristics of the CI entrepreneurs. It can be useful at exploiting the potentials this sector has to offer to our society.

Creative Industries are for **Gerardo Neugovsen**, MA, a field where the best of many worlds converge: creativity, culture, economy, commerce, development, identity and human values. In order to deal with this complexity, Neugovsen has completed a Master Degree at the HKU's Faculty of Art and Economics in Holland. He is currently working as researcher at the ESEADE University in Buenos Aires, and is guest teacher at the HKU. His passion for teaching has led him to develop an e-learning methodology making use of modern technology; he teaches the essentials of culture and creative management online, to students all over the world. He published many articles, and is a consultant for governments in Latin America.

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# Cultural Entrepreneurship in context



ISJAH KOPPEJAN

# CREATIVE ENTREPRENEURS IN THE CREATIVE CITY *discussing the creative zone*

## ABSTRACT

This article consists of an exploration of current research on the model of the Creative Zone as a part of the project Xpert CMKB at the Faculty of Art and Economics (HKU). Although the popularity of the concept of the creative city is inevitable, an entrepreneurial view seems to be missing in present-day local arts policy. Therefore the entrepreneurial challenges of the creative industries are overlooked in art factories. The research of the Creative Zone focuses on designing a flexible framework to develop creative businesses in a networked environment and adds new challenges in building a creative and innovative city.

## THE CREATIVE CITY

The policy and planning approach on developing the creative economy has been a new and stimulating terrain. An increasing amount of studies of the creative economy

involves economical, institutional, technological and legal observations (Anheier & Isar, 2008). It seems that the creative economy is on the cultural policy agenda for many reasons. Globally this results in different approaches and results, and it looks like culture and creativity are at the centre of national and local redevelopment strategies again.

As a part of this resurgence, the last decade there have been an increasing number of studies on the concept of the creative city. Formerly, mostly capital and metropolitan cities like New York, Paris or Berlin could claim to be creative, but nowadays numerous cities call themselves 'creative' from rural Vilnius to industrial Leipzig. In city policy, developing a local creative economy has become equal to attracting the creative industries to your city. The thought is that cities, which attract entrepreneurs of the creative industries, attract tolerant, talented and technical people, which attract big companies, which will stimulate economic growth (Florida, 2002). So, although there is no hard evidence of the latter, the creative sector has become known as an important part of the local economy. The share in employment of the creative industries is significant and the creative industries have been growing.

## CREATIVE FACTORIES

Accordingly, the focus of Dutch policy makers on the creative sector in the city results in interesting activities to stimulate creativity.

In the Netherlands the most popular focal point of attracting the creative industries is the realisation of 'art factories'. Traditionally these places are old factories, demolition sites or redevelopment areas where artists can rent an inexpensive work place. Nowadays these places have become places for 'creative entrepreneurs' and accordingly are seen as the accelerators of city development in a much broader sense. Numerous examples exist all over the Netherlands, from the Van Nelle factory and the Creative Factory in Rotterdam in the south, to the Pudding factory in Groningen in the north. Creating work places for people in the creative industries has become not solely a terrain for policy makers but for private developers as well. These abandoned or ill-maintained sites in the city are, at first, not interesting enough for expensive renovations. However by attracting artists and other creative entrepreneurs who are interested in low costs, they attract inhabitants who will uplift these places. They generate an area of appealing and creative dynamism by attracting other businesses such as shops or restaurants. Consequent to this gentrification, the sites are more noteworthy for project developers, which in turn raises the prices of the land and real-estate, and eventually the artists, are forced to search for working places elsewhere.

In this shift of focus lies a barrier in the development of the creative city. The policy on attracting creative talent and developing these areas takes the limelight off the entrepreneurial dimension of the creative city. A shift of focus is needed: from using creative entrepreneurs as a tool for revitalisation of

old neighbourhoods, towards enhancing creative entrepreneurs in enabling their development.

Economist Florida puts creativity alongside traditional economic factors such as capital and natural resources. Nevertheless, unlike these traditional factors, creativity needs to be '*fermented and reproduced in the firms, places and societies that use it*' (Florida, 2002: 318). This is exactly where perplexity rests: attracting the 'creative class' seems to suggest that this makes a city more creative. But the socio-economic concept of the creative city blurs the view on the development of creativity itself. In this perspective I conclude that a little is known on the development of creative entrepreneurship in art factories and in the concept of the creative city.

#### **ATTRACTING CREATIVITY**

For example, *Bureau Broedplaatsen* is set up by the city of Amsterdam. Its role is to find and develop more affordable studios, living and working spaces for artists and alternative cultural entrepreneurs. The evaluation of *Bureau Broedplaatsen* results in an analysis of current and future uses of these spaces in Amsterdam to remain an attractive place for artists and creative entrepreneurs (Roorda, Nelissen, Blom, 2009). The report mainly focuses on the type and size of working places and for a minor part on the artists' development. In the research 87% of the responding tenants believe working in a collective working area with other creative entrepreneurs has extra value. This value is created in general by the presence of other artists or cultural entrepreneurs, and more specific in asking advice, reflecting and

working together. Interestingly, the inexpensive rent is mentioned by a surprisingly small percentage of the entrepreneurs. Although the development of the renters is beyond the scope of this research, the latter raises questions on the conditions for the professional development of these entrepreneurs. Suggested is that the creation of these areas have a positive influence on the creative industries, and therefore on the local creative economy, but what's in it for the creative entrepreneur? In what way can regional policy makers improve and increase the entrepreneurship in their creative industries?

#### **DEVELOPING ENTREPRENEURSHIP**

In this search towards a clear strategy a further look on the notions of 'developing entrepreneurship' and the 'creative industries' is required. The interest for the growth and development of entrepreneurship in general is related to the rise of the 'entrepreneurial economy'. This economy creates a desire for entrepreneurs and entrepreneurial employees. These intra- en entrepreneurs are open-minded to notice and create new markets, utilize opportunities and react on changing circumstances in markets and technologies. They dare to share knowledge and increase productivity and outlet by cooperation, are flexible and see the dynamics of the market as a challenge; dare to take calculated risks. Additionally, the entrepreneurial economy is characterized by a high level of innovation, combined with high level of entrepreneurship.

Businesses in the creative industries can be defined as the cycles of creation, production

and distribution of goods and services that use creativity and intellectual capital as primary inputs (Kooyman, 2009). The creative industries consist of different sub-sectors, depending on which definition is used, spanning from arts to design and from music to publishing. Each successful business in these subsectors has found, by generating creative content, the magic formula of creating income streams from their creative talent. On the whole a creative business in these sectors is by definition small, medium or micro enterprises (SME). Additionally, research suggests average businesses in the creative industries in Utrecht consist of less than 5 employees and are mainly self-employed (Van Aalst en Lubbers, 2007). Within the creative industries every subsector has its own dynamics, behaving and reacting differently. The differences across sub-sectors are to a degree the reflection of different supply chain practices. Furthermore, they behave according different attitudes, perceptions, aspirations and activities. Not just quantitative measures, but also qualitative measures of (subsector differences in) entrepreneurship are required to analyse the development of the creative industries.

#### **CREATIVE ENTREPRENEURSHIP**

The complexity of the entrepreneurship in the creative industries sector results in an indistinct image of the growth and development of creative entrepreneurs. What are the challenges to overcome and what opportunities lie ahead?

If entrepreneurship in the creative industries keep on being as important to the economy

as mentioned, then the continuing failure of policy thinking to adequately account for development of creative SMEs, indicates that fundamental principles require further research in this field. As a creative SME is in practice a micro business, research should bridge the distance between the micro and macro aspects of entrepreneurship (Hagoort, 2007:27). It seems that academic thinking on creative entrepreneurship (Wijnberg, 2007) (Hagoort, 2007) sparsely gets into the traditions of local cultural policy thinking.

Studies on entrepreneurial dimensions in general bring to the surface certain common characteristics for entrepreneurship. Generally five aspects are mentioned to accomplish improved and better entrepreneurial behaviour. These aspects for entrepreneurship include personal preferences, information, knowledge and skills, access to financing structures, terms of employment and institutional barriers (EIM, 2008: 9). In the discussion on the creative city these entrepreneurial dynamics are often overlooked. Adding this entrepreneurial framework to the concept of art factories, uncovers a need for a strategic framework on developing the creative businesses within. Designing a program to accelerate the successful development of entrepreneurial companies, through offering a network of business support resources and services could increase the development and sustainability of the creative entrepreneurs. It's time to shift the focus away from '*attracting creative businesses*' towards designing a supportive network, specific for the needs

of small and creative businesses. Changing the focus from an instrumental view to a nurturing view on creative SMEs.

#### **THE MODEL OF THE CREATIVE ZONE**

What are the underlying principles of this framework for the development of creative businesses, within art factories from an entrepreneurial point of view? What are the fundamentals of creating an art factory, which facilitates the learning of all its members and continuously transforms itself and its context?

Guided by the experience of art factories in the Netherlands and the experience of entrepreneurship development, these places can be designed from the outset so that it will provide nourishment for innovative and creative businesses. Four principles that are readily apparent can be used for (re) designing art factories: apply a learning system, find ways for supply chain enhancement, create flow, and improve financing structures.

First, a learning system enables organizations to continually expand their capacity, to create the results they aspire and remain innovative and creative. The benefit within the dynamics of a factory, is the combination of individual and networked learning to facilitate people to grow more quickly (O'Keeffe, 2002). Second, an enhancement of the infrastructure by filling in the 'gaps in the supply chain' (Kooyman, 2009:39) improves sustainable development of the entrepreneurs and the value of creative products and services. Third, creating a natural flow with an emphasis on diversity offers continuous

new impulses and avoids the creation of a 'non-commercial bubble'. By combining commercial with subsidised entrepreneurs, start-ups with established firms, or combining different functions (as meeting, window and temporary functions), and diversity generates a natural stream of new and spontaneous encounters. Fourth, there are a few alternatives between governmental funding and bank loans, due to the diverse nature of creative enterprises. Designing specific alternative financing structures, as *angel networks* to effectively share information and pool investment capital will accelerate the successful development of entrepreneurial companies.

Within the project *Xpert CMKB* the Faculty of Arts and Economics is researching the *Creative Zone* as a flexible model for working places for creative SMEs. With strategic partners the aim is to design a *Creative Zone* as a model to achieve sustainability for new, existing and growing businesses. Student start-ups and growing enterprises are selected for a vast period of time, and supported in their entrepreneurship by coaching, training and other networking activities. Clustering these creative firms can generate economies of scale to support practical business basics, such as inexpensive rent and help with accounting. But, more importantly, the model of the *Creative Zone* can build an innovative base for strategic partnerships, cooperation between enterprises in the supply chain or different subsectors in the creative industries.

In this connection between economic development, entrepreneurship and the creative industries lays a critical area of examination for understanding the development of entrepreneurship within and across the creative sector. The data of the characteristics and the development of entrepreneurship in the creative industries are fragmented and elusive. It is apparent that there is still much research to be undertaken to understand the growth and development of creative businesses. The following years the Faculty of Arts and Economics will be analyzing the growth and sustainability of creative SMEs in the region of Utrecht. How can businesses evolve from a survival to a developing ethos? How can Utrecht enhance the business climate for creative SMEs? By zooming in on the specific characteristics as personal preferences, information, knowledge and skills, access to financing structures, terms of employment and institutional barriers, our research will pinpoint the stepping stones for development and growth of the creative entrepreneurs.

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Building upon the experiences of past projects, *Xpert CMKB* stimulates innovation, networking and entrepreneurship in and with the creative sector.

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# CREATIVE REGIONS: *A Recipe for Success* Marijn Brummelhuis-Van Thiel **10**

## Abstract

Is there a recipe for the development of a creative region? This article examines the basic ingredients needed for such a region to succeed. Here, creative region is defined as clustering and collaboration to develop creativity and innovation in a specific, recognisable geographical area (whether a city, two cities, or a province). Successively an outline of creative milieus is given, as case studies the Utrecht Xpert CMKB and COCI are discussed, regional profiling and the different parties involved and their roles in the durable development of creative regions. The interaction between the regional and inter-regional context is discussed and a model for successful creative regions is presented.

## The Mix of Creative Milieus

Four different creative milieus may be identified within a region: the breeding ground; the production environment; the creative workplace; and the transaction milieu (Proeftuinen, 2006).

- a. The breeding ground. Typical of the breeding ground is the attention devoted to 'starters', internal interaction, affordable space and a variety of disciplines.
- b. The production environment. A production environment stands for a one-sided array of disciplines, a collection of separate businesses that produce knowledge and products.

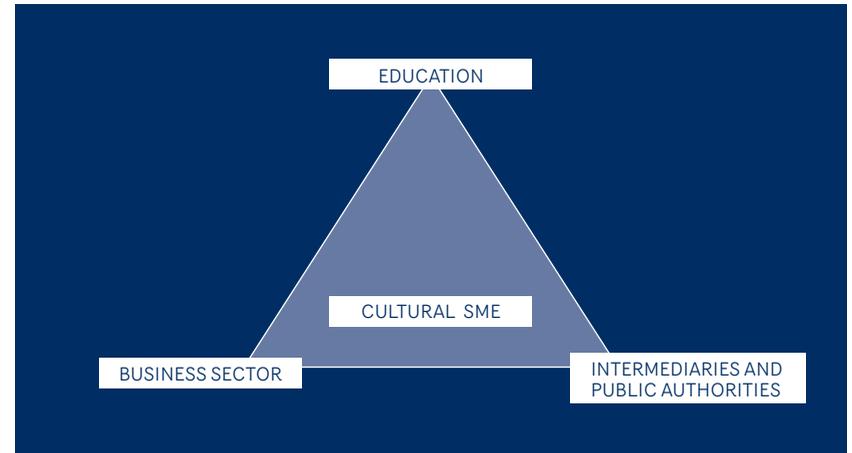
- c. The creative workplace. A creative workplace – a milieu in which creative businesses establish links with each other – focuses mainly on product development in the creative sense.
- d. The transaction milieu. Within the transaction milieu, the focus is directed towards one specific discipline and the convergence of supply and demand.

Most creative regions devote the bulk of their attention to the breeding ground: the support of ‘pure artistic’ talent in their region usually accompanied by a limited degree of growth. However, the third and fourth milieus are the most interesting for the creative economic development of regions. Collaboration, the sharing of knowledge, interaction and innovation are at their core. A combination of the transaction environment and creative workplace along with the parallel devotion of interest to breeding grounds constitutes a powerful mix for a region to achieve ongoing growth.

#### **Case study: Utrecht**

Utrecht has considerable potential to continue to develop as a highly creative economic region.

- a. The city has a large cultural SME sector. Research conducted by the Faculty of Geoscience in the University of Utrecht (Van Aalst, 2005) reveals that the city – with 295,000 inhabitants – has more than 2,500 creative businesses representing a total of more than 10,000 jobs; the sector accounts for 5% of all employment opportunities in Utrecht and for 15% of its economy. However, it also points at the small size of the relevant businesses: an average of 4.5 jobs per organisation as opposed to 13.4 in other Utrecht businesses.
- b. Education (cultural and otherwise) is well represented in Utrecht.
- c. Intermediary organisations, such as the Chamber of Commerce, Syntens (an organisation which supports innovation) and the Municipal and Provincial Councils of Utrecht have described creative business as a key element and have developed projects to ensure its ongoing development.
- d. There is a large ‘non creative’ business sector in the region of Utrecht. A growing number of businesses are acknowledging the added value produced by the use of creativity on different levels within their own organisation (see figure 1.)



**Figure 1:** Players in the Cultural SME Environment

A number of problems affect the four parties sketched above, such as limited managerial skills in creative businesses, a lack of interaction and collaboration between cultural SMEs, the business sector and educational institutions. In order to tackle these problems a dedicated development program was initiated in 2005. *Cultureel MKB Utrecht* was initiated by the Research Group Art and Economics of the Faculty of Art and Economics at the Utrecht School of the Arts. This programme was centred around the professionalization of cultural entrepreneurship on the one hand, and the ongoing development of and use of creativity within the mainstream business sector (Van Thiel, 2007).

A number of pilot projects were established between September 2005 and 2006 in order to tackle the problems sketched. In the first year of the programme (September 2005 to 2006), the bulk of the work involved the creation of an infrastructure for and the achievement of an understanding of the creative sector and Utrecht as a creative region. The second year (September 2006 to 2007) was largely concerned with the articulation of and response to questions of cultural entrepreneurship (professionalization being the key point). In order to exploit the region’s potential an increasing collaboration between the educational, cultural SMEs and mainstream business sectors in the region was encouraged.

The results of the programme *Cultureel MKB Utrecht* were used as foundation for two new programmes; *Centrum voor Ondernemerschap in de Creatieve Industrie (COCI*, Centre of Entrepreneurship in the Creative Industries) and *Xpert CMKB* (Xpert Centre for Creative SME's). *COCI* started in 2008 and *Xpert CMKB* in 2009 at the Faculty of Arts and Economics.

- *COCI* is a four-year programme that targets at all students of the The Utrecht School of the Arts (HKU) and recent alumni (<1,5 years after graduation). It aims at developing an entrepreneurial attitude by all students, inspire and encourage them for entrepreneurship and give support to those students that choose to set up a company during or after their studies. In addition to the extracurricular activities, the focus of *COCI* is to implement and integrate the entrepreneurial activities directly into the existing curriculum.
- *Xpert CMKB* on the other hand is targeted at all creative SME's in a wider area than Utrecht; also Amersfoort, Hilversum, Amsterdam and even Haarlem. It initiates activities aimed at supporting creative enterprises in their entrepreneurial activities; by doing so it supplies the Faculty up to date input on the growth and development of the creative SME sector, with all its issues implied. It creates the opportunity to improve both, but also it is vital information that the Faculty need in accentuating the curriculum.
- *Xpert CMKB* initiates, like *Cultureel MKB Utrecht*, all kinds of activities ranging from network and promotional activities, to consulting and an annual monitor. All activities are undertaken together with students, entrepreneurs (including alumni) and partners in the region. The programmes not only strengthen each one and other, they also contribute to the sustainable support of creativity and innovation within the region.

Supported by these Programs the Art and Economics Faculty positions itself as a regional facilitator. Throughout its duration, multiple spinoff projects have been initiated inside the faculty and beyond, that support Utrecht's position as a creative city. Utrecht's strength with regards to supporting creative business lies in the collaboration different fields of expertise. The faculty has taken on the responsibility for cultural and entrepreneurial expertise in this respect; e.g. at present educational, business and intermediary organisations are working on *The Creative Zone*. This initiative creates a new form of flex-location, an incubation zone, where the participants are selected from a variety of disciplines and stages in business-development (student companies included). They have to

network, cooperate, work together where possible, get support on topics like business development, but also coach each other in a peer to peer setting.

### **Clustering for Regional Profiling**

In the Netherlands every region is seeking to create its own identity in the creative arena, as an expression of the specific unique selling point. Increasingly, regions are focussing on a particular creative discipline. For instance, the Delft region focuses on industrial design; Arnhem associates itself with fashion and Eindhoven with technology and design. Utrecht, however, does not focus on a single specific discipline, but on the multiplicity of creative disciplines which educational institutions (cultural and otherwise) are serving up for the region. This is also known as the Utrecht model.

Unfortunately, the outside corporate image of Utrecht's – the idea that outsiders have of the city – does not seem to coincide with the identity and core regional values that it seeks to generate.

A number of policies could be implemented in order to improve the corporate image. A sound choice could take the form of placing greater emphasis on a specific discipline – e.g. the gaming industry. Utrecht has a rapidly growing gaming industry, which holds great economic potential and includes extensive cross-overs with several other disciplines, such as music, theatre and design. In addition, a number of important umbrella games organisations and professional associations are present in Utrecht, like Game Valley (Gemeente Utrecht, 2008). Serious gaming also represents a rapidly emerging market, which draws a wide range of businesses to the region and which, facilitates cluster formation and will profile Utrecht as a 'games city' nationally and internationally.

In addition Utrecht could strengthen its position not just by focussing on a specific discipline but could also support the growth and development of creative SME's in general. Utrecht could position itself as a nursery: local and regional talents get the opportunity to translate ideas to products, services and businesses.

Other regions have chosen this direction. They not only focus on promoting a specific creative discipline, but also emphasize the need for entrepreneurial support the creative development of the region. An example is the region of Deventer in which the *Amsterdam School of Management (ASOM)* and *Kunstenlab Deventer* have initiated expert meetings and projects combining these two factors (Hagoort, 2008).

**Roles in a Creative Region**

If a permanent creative region is to be developed, collaboration is required between different parties, each of which has its own role to play in this respect. In the case of COCI and Xpert CMKB, four major parties are involved: creative entrepreneurs (Creative SMEs), education (or knowledge institutions), the ‘non-creative’ business sector, and governmental and intermediary organisations.

**Role of Cultural SMEs**

Cultural SMEs play a key role in creative regions, but new graduates frequently lack the confidence to start up their own business (creative or otherwise) in spite of the growing attention paid to entrepreneurship. This void can be bridged for example, by giving students the opportunity to start their business already in the last year of their studies (Blijleven, 2007) or by introducing a buddy system: bringing students together with cultural entrepreneurs in the region. In this way, students can acquire more confidence and can develop ties with the region, thereby ensuring that talented people can be more readily retained.

**Education as a Mainspring**

In various Dutch regions, education acts as a catalyst for regional profiling. The educational institutions in the region supply on a permanent basis a large proportion of talented people, that can be used to improve the region’s profile. Examples of this are fashion at the HAN University, industrial design at the Technical University of Delft, gaming at the Utrecht School of Arts, and design at the Design Academy in Eindhoven. Research conducted by Florida confirms this driving role played by universities and higher education institutions in (creative) regional economic development.

**Intermediaries and Public Authorities**

Creative regions need to function well as regions – they need bottom-up policy, facilitation and support. The creative Intermediaries could be involved. In addition governmental initiatives could support collective profiling and promoting a creative region. The third factor open to governmental involvement is to facilitate the establishment of affordable accommodation and the development of a hot spot for meeting, and networking.

**‘Non-Creative’ Business**

Non-creative businesses can encourage the use of creativity on different levels in their own organisations. They can collaborate with talented people in their own region, creating a self-sustaining model: businesses are attracted by the presence of talent. Such clustering makes a region stronger in terms of profiling and promotes economic growth, with the result that highly qualified people find it interesting to move to such a region or to be educated in it (Florida). Thirdly, businesses can provide support for creative business and educational programmes in the region

<p><b>Creative Business</b></p> <ul style="list-style-type: none"> <li>- creation, and the production and distribution of creativity</li> <li>- buddy system</li> </ul>	<p><b>Educational Institutions</b></p> <ul style="list-style-type: none"> <li>- promote regional profiling</li> <li>- apply creative talent and perform a bridging function</li> <li>- conduct research and share knowledge</li> </ul>
<p><b>Intermediaries and Public Authorities</b></p> <ul style="list-style-type: none"> <li>- perform a managerial function</li> <li>- profile and promote regions</li> <li>- facilitate accommodation and hot spots</li> </ul>	<p><b>Businesses</b></p> <ul style="list-style-type: none"> <li>- use creativity on different levels in their own organisation</li> <li>- use talented people within their region</li> <li>- provide support for entrepreneurship</li> </ul>

Figure 2: Roles of Key Players in a Creative Region

**The Regional and Interregional Mix**

The promotion of innovation in one region can be boosted by sharing knowledge and collaborating with other regions. One way of doing this is by using a platform, such as ECCE (*Economic Clusters of Cultural Enterprises*), a collaborative venture in which seven European regions are creating and sharing knowledge for the purposes of developing their own region.

As a spinoff of Cultureel MKB Utrecht, the *Interregionaal Platform Creatieve Industrie Cultureel Ondernemerschap* ([www.IPCICO.nl](http://www.IPCICO.nl)) was founded in 2007. This is a national platform that connects a growing number of regions; at this moment (2009) more than ten regions

# CREATIVE REGIONS: A Recipe for Success

are involved. Participants are national and region developers of the creative sector; regional development centres like *Expertisecentrum Creative City*, research groups of educational institutes and expert organisations like *Kunstenaars & Co* and *TNO*. The four meetings that take place annually, form the basis of strengthening the participating regions by knowledge sharing and creation.

Such platforms are driven by five factors:

- opportunities for collective activity for creative regions
- innovative education
- employment opportunities
- social cohesion and integration (inter-culturalisation), and
- collective profiling based on regional profiling.

Creative business consists of a series of mainly small enterprises, that are often driven more by artistry than by entrepreneurship. In addition, a large number of cultural entrepreneurs have a poor knowledge of marketing, ICT, finance, and managerial skills such as leadership. Also, the small scale of most cultural SMEs implies that a single member of staff is often a Jack (or Jill) of all trades, doing marketing, finance, staffing policy, publicity, and even the cleaning. As so much time is taken up by day-to-day affairs, long-term strategy is often neglected.

A professional association could help with the development of long-term strategy, and offer additional benefits. The promotion of group interests through a professional association for creative regions would be the next step within this framework.

## A Model

Above we have detailed the basic ingredients required in order to ensure the further ongoing development of a creative region. Of course, local historical, economic and geographical ingredients will also determine the final flavour. Two specific recent examples are the development of the Sneek (northern region of the Netherlands which has a strong connection to water) and Heerlen (Southern region of the Netherlands which has a strong industrial connection). Each region has its own characteristics. A number of basic ingredients can be identified (figure 3).

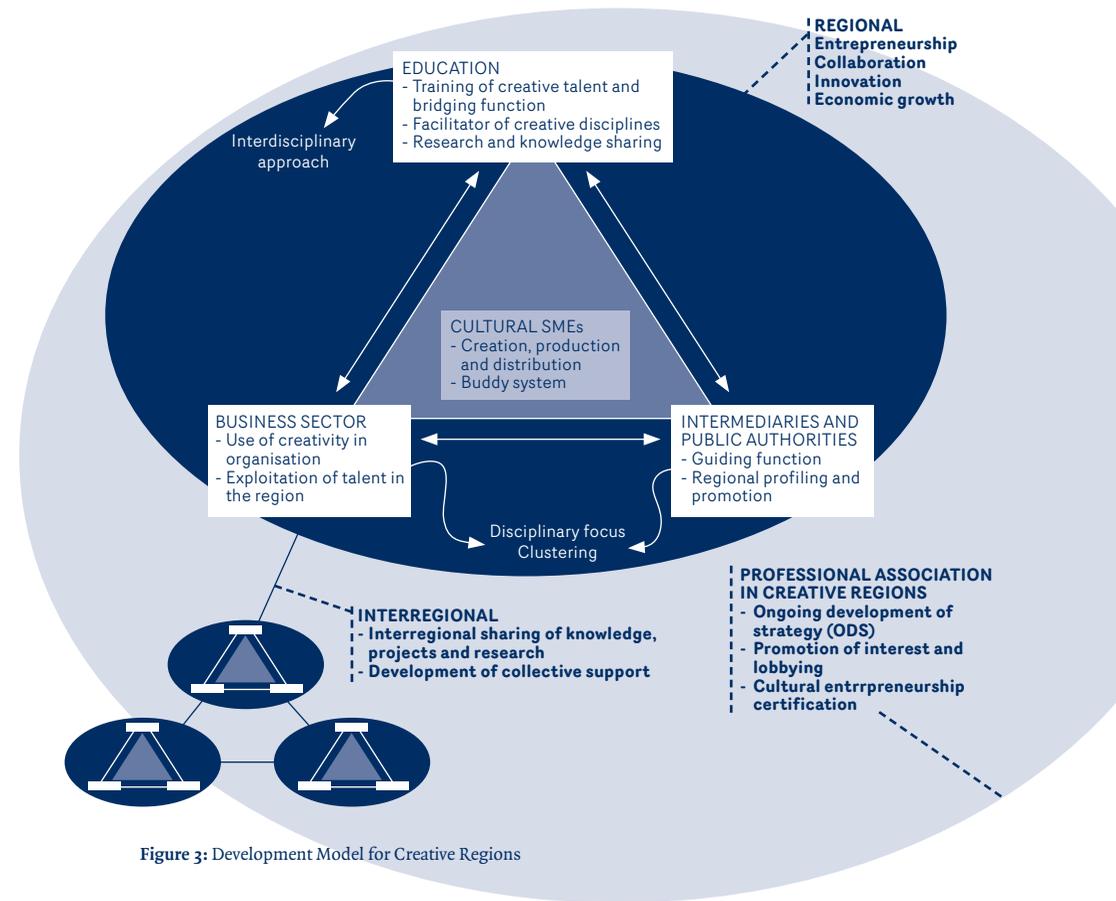


Figure 3: Development Model for Creative Regions

The essence of the creation of a strong creative region can be positioned at cultural SMEs and the collaboration between the educational, the creative and larger business sectors, local and regional government (together with intermediary organisations). Profiling a specific discipline is required, in addition to wide-ranging support for creative talent. Sharing knowledge with other regions enables accelerated development. Finally, an outer circle has been created around all the regions. The small scale of cultural SMEs demands collective action, while maintaining respect for individual parties.

Last but not least: test the recipe by adding your own experience and ingredients that are specific to your own region. Hopefully, you will be able to enjoy the results for years to come.

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# connect the professor erik uitenbogaard 11

abstract

Universities of Applied Sciences (HBO/Hogescholen) score badly when it comes to their connection with the creative industries. Thus were the findings of the *4i-Primo Research Project*, which was carried out in the beginning of 2009 for SIA (Foundation for Innovation Alliance focused on higher education) by Via Traiectum in association with the Research Group Art and Economics of the Utrecht School of the Arts (HKU) and a large number of external parties.

The creative industries accounted for 255 networks or forms of regular interaction that can be used by creative professionals to profile and develop their business. The presence of Universities of Applied Sciences in these networks is poor. This Article draws some conclusions, relevant to this issue, with additional suggestions for the maximisation of the connection between Universities of Applied Sciences and the Creative Industries.

## introduction

The relationship between Universities of Applied Sciences (HBO/Hogescholen) and the Creative Industries (CI) is poor. This conclusion can be drawn from a study into the formulation of a strategic agenda for the creative industries. There are about 255 forms of regular exchange active for the creative industries, but in these interactions the role of the Universities of Applied Sciences is negligible.

In the last few years in the Netherlands there has been an increasing focus on the creative industries. Ninety percent of these industries are formed by small-scale ventures or creative SMEs (C-SMEs). Creativity is, according to the Dutch government, an essential element in a modern knowledge-based economy and that Dutch businesses can give an impetus (Ministry of Economic Affairs and Ministry of Education, Culture and Science, 2005). Two factors are emphasised: businesses create a more profound visibility by using the possibilities that the creative sector offers, and the creative company branches are stimulated to get a better grip on their market possibilities (Creative Challenge Call, 2008).

## context

On request of the Innovation Alliance Foundation (SIA: Stichting Innovatie Alliantie) a research project has been completed, aimed at creating a realistic strategic Knowledge Agenda for Cultural SMEs.

In short the study offers the following findings.

- a. The Netherlands has a strong creative offering, according to both domestic and international criteria. For the economy this means that the Netherlands has an important trump card. Besides creativity, innovation plays an important role, because innovation is considered as the critical success factor, imperative to tackle social and economic issues.
- b. Innovation and creativity interconnect. If traditional solutions no longer satisfy, e.g. when questions become too complicated, it is necessary to develop new ideas and create new organisational links (Berendse, 2008). From this innovation the explicit interest in the creative industries is explained. To attain successful innovations, the creative industries with its imagination can be a prime mover for a new economic perspective in which the global interests

(sustainability, cooperation, co-creation) take central stage. (Kadervisie Creatieve Industrie, IPCICO, 2008)

- c. Countries such as Finland and the United Kingdom have active Creative Industrial Policy. We mention Creative Industry Initiatives such as *NESTA*, *Creative London* in UK or *Design 2005!*, and the *Creative Industries Management Venture Fund* in Finland (Steenhoven c.s 2005). C-SME is considered here as a revitalising engine for businesses, for social sectors and more; in general for the knowledge-based economy. According to IPCICO (Interregional Platform Creative Industries Cultural Entrepreneurship) the commitment of the imagination of the C-SME for successful innovations in the Netherlands have however split up and get especially at regional level the relation creativity and technology the attention. An overall strategy to exploit the strength of the C-SME in a affirmative and energetic way, does not exist.

A substantial part of the C-SME, e.g. the latent ability to innovate and co-create, is lacking a fruitful connection to the knowledge, research and development areas of the business. Hence a suboptimal result is realized at the existing levels of cooperation and networking. Characteristics which are essential, if the sector is to contribute to economic and social innovations. A central role for the Universities of Applied Sciences is urgently needed here.

## research

The research here discussed has carried out an exploration of factual material for the elaboration of a strategic and at the same time practically-oriented agenda. This agenda is necessary to map the most important questions from the field of action of the C-SME. This Agenda would observe and highlight the need for specific understanding and awareness (Knowledge) for companies and institutions within the C-SME, the Universities of Applied Sciences and public knowledge institutions.

We have developed a substantive analytical framework based on preliminary analysis. In order to explore a strategic exploration, we organized several expert meetings. The preliminary analysis has been finalized by constructing the final Strategic Agenda.

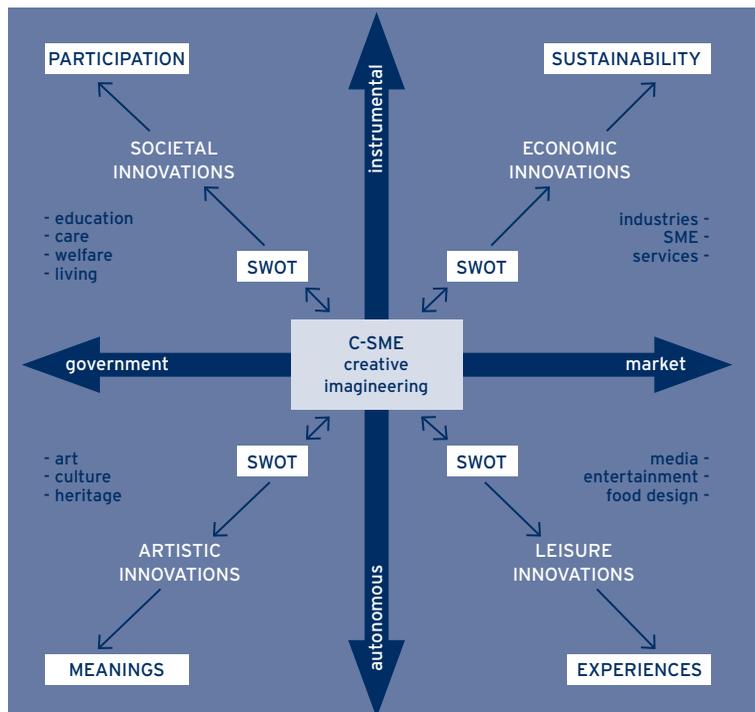


Figure 1: Source: 4i-Primo research report, April 2009

### the strategic analytical model

For the study into the strategic options of the C-SME the 4i-model of IPCICO forms a substantive point of departure (Kadervisie IPCICO, 2008). The model is based on the vast diversity of the creative industries, and visualises the outlines for an innovation engine. It postulates a model with which the creative industries are distinguished on the basis of a coordinate scheme with four variables:

- a. autonomously versus instrumental (vertical axis), and
- b. government versus market (horizontal axis).

In the model the distinction is made between autonomous driven creative ventures (aimed at artistic and experimental innovations) and instrumental driven creative ventures which are aimed at social

and economic innovations. This last group forms the central issue of the 4i-Primo research with the principle question: *Which interactions can be found between the C-SME and the non cultural sectors of society?*

Based on the model it is apparent why knowledge and experience are shared, sometimes painstakingly between the different occupational groups and types of activities. In spite of that, the creative industries by definition can be characterised as interactive.

From the inventory executed it shows that:

- There exist approximately 255 networks or forms of regular exchange for the creative industries (qualifying date 31.12.2008)
- The creative industries are often considered as a strength for innovation
- Many (especially spontaneous) examples and organisations can be found which are busy with the same subject.

A supportive framework with regard to the treatment and cooperation of the creative strength of the C-SMEs, in relation to innovation, is lacking however. Social institutions and businesses can hardly imagine how to make use of the C-SME. And with the current experience the C-SME is frequently not able to handle questions or to explore the possibilities in an operational business perspective.

In our findings important issues for the creative industries remain vague:

- It is not clear to what extent the C-SMEs use the existing networks effectively and if the capacity of those networks is well exploited.
- From the governmental and research reports there is no common understanding about 'creativity (of the C-SME) as innovative strength'.
- There is no unambiguous definition concerning the 'creative industries' and the demarcation of the related professions.

It's quite clear, however, that the role of the Universities of Applied Sciences in the field of the C-SME is underdeveloped:

- There is (often) no effective alumni policy.
- They are not involved actively in the C-SME networks.
- They are not involved actively in exploiting creative capital.
- They are not involved actively in the matching of the C-SME and remaining businesses.

In the centre of the gap between the Universities of Applied Sciences and C-SME we find a weak perception of the large diversity that exists within the creative industries.

## practice

Interaction is in the first place based on successful networking to exchange knowledge, experiences and information, needed to be able to develop or to generate a better reputation and cooperation - or even better: co-creation.

The findings show that on local and regional level there are sufficient possibilities for the C-SMEs to encounter each other. It appears that, most of the 255 agencies or initiatives that the C-SMEs can use to develop activities, have been aimed at the local and regional creative industries. There exist national and international initiatives but they are hardly visible.

The role of the Universities of Applied Sciences in these activities is underdeveloped. The report shows that analysed from several different perspectives a bad or non existing connection with these activities exists. *Research and distribution of knowledge, Networks and meeting places, Support for new ventures and starting entrepreneurs and Congresses and events*, are hardly elaborated.

On the basis of the results the research has created the first step for the development of innovation indicators for successfully creative entrepreneurship. Recommendations have been made in the form of a strategic agenda for the creative industries, consisting of three levels:

- Creation and exchange of knowledge which is important in the near future for companies and institutions belonging to C-SME, with emphasis on mutual and cross-sector cooperation;

- Improvements in the knowledge position which Universities of Applied Sciences can take on these topics, with emphasis on the shaping of opportunities; the role of the Universities of Applied Sciences in matching C-SME and SME; and a successful student policy for C-SME;
- Improvements in the way in which Universities of Applied Sciences and public institutions can contribute to the connection between knowledge development in the market and the validation of innovation indicators for C-SME, particularly in those cases where research is focused on the link between creativity and innovation.

## maximise connections

Over the years in several research projects, it has been concluded that a positive link exists between entrepreneurship and economic growth. Especially in start-ups and young companies, the entrepreneurial employees have a positive influence on the economic growth and innovation (Voortgangsrapportage 2008). An important result of the research is the vital role of the Universities of Applied Sciences to contribute towards the increase in innovation strength of the creative industries.

There is a rising attention at Universities of Applied Sciences for the entrepreneurship but these remains still frequently limited to adjusting the curriculum. The gap between education and practice proves to be too wide for many young professionals, after gaining their degree, particularly in the creative industries. Effective connections between Universities of Applied Sciences and successfully creative entrepreneurs are scarce.

Our research has outlined a strategic agenda of the research at the Universities of Applied Sciences (among others). On the basis of this outline four concrete perspectives can be indicated.

## Effective alumni policy

Many faculties in Universities of Applied Sciences have no, or a very poor, alumni policy. Often alumni cannot be traced. An active alumni policy could e.g. develop a digital portal, in which work, CV and personal

data of alumni are collected; workshops for maintenances of entrepreneur-specific skills; exchange between students and alumni; following and exploiting activities of alumni, etc.

#### *Mobility of knowledge*

For successful entrepreneurship research and development are required. In the creative industries an inherent form of renewal exists, owing to creativity. However, insights which are important for the entrepreneurship, are frequently missed.

The main reason for missing such insights is the size of many creative ventures. Ninety percent of C-SME are formed by small-scale ventures with between one and the forty employees. Just like the SMEs in other sectors, time and money are important obstacles to research and development beside the daily routine.

Cooperation between C-SMEs is here an opportunity and in the case of the creative industries a permanent flow of knowledge from the Universities of Applied Sciences can be mobilised. Universities of Applied Sciences can – especially in the creative industries – participate actively in this cooperation as a supplier at the operational level.

Initiatives in this area can be found, but are frequently insufficient, still groping and by its own surroundings (education and market), badly understood and exploited. Good practices are the *Expertcenter* of the Hogeschool Zuyd and the *Expert-CKMB* and the *COCI* programme of the HKU.

#### *Active presence at networks*

It has been confessed: networking means give and take. In respect of the 255 networks in the creative industries the Universities of Applied Sciences are scarcely (visibly) present. On the principle of mutuality, it will be necessary for the Universities of Applied Sciences to invest. It is obvious here to think of the mobility of knowledge as a good investment: constituting research and development for operational use, but also knowledge and insights concerning effective cooperation, cross-disciplinary and cross-sectoral initiatives. Implementing such knowledge within creative networks, will be rewarded with new insights concerning successful practice and the reinforcement of skills.

#### *Return on creativity*

What is the impact of creativity on our economy and society? This social aspect has to be examined and communicated by Universities of Applied Sciences. Vision on the ‘colour’ of our society is to a great extent a responsibility of Universities of Applied Sciences in the creative industries. To these Universities of Applied Sciences the challenge is to make that vision visible, and to involve entrepreneurs in the creative industries.

The outlined perspectives above are close related. The *4i-Primo* research has shown that these relations can be identified as problematic and refractive. Because everything coincides with each other it seems that little progress can be made. This becomes painfully clear by the absence – or at least the poor visibility – of Universities of Applied Sciences within the vast quantity of interactions that take place in the creative industries. For Universities of Applied Sciences it is urgent to leave the comfort zone, and to make an active connection with the creative industries.

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# It takes all talents to make art

## Abstract

The author puts forward a reflection on the routes of creative, non native, non middleclass talents to the public arena. The author offers an analytical framework for understanding the Dutch concept and practice of *talent development* in the cultural field. To understand the different viewpoints in the practice she notices differences in motives and in structure. She distinguishes the motives 'access' and 'artistic renewal' used by policy makers. In addition she distinguishes between the formal and informal educational approach. This leads to four art segments that are different in their grounding philosophy: 'catching up' (*access, formal*); 'doing your own thing' (*access, informal*); 'avant-garde' (*artistic innovation, informal*) and 'changing the methods and structure of the established circuit' (*artistic innovation, formal*). Additional research on these four seg-

ments of the *talent development* field will assist talents and their coaches to professionalize and to collaborate in the field.

## Introduction

At the expert meeting *Diversity of Talents: NoLabel*, on 27 October 2008, a Diversity Art Lab was held in Utrecht. The central theme of this lab was the development of knowledge on how creative non native, non middleclass talents finds its way to the public arena. The focus in the lab was not the practice, but its research.

The expert meeting was the fourth step in a program on knowledge development on *talent development*. The Utrecht School of the Arts (HKU) has set up an institute – *Mira Media Centre* for Intercultural Studies (CIS) – for advocating diversity in the media.'

*Mira Media* noticed that in emerging Dutch creative cities non-native, non middle-class creative talents did not take the traditional roads of BA grades in higher art education or universities. Instead they developed their own networks, groups, stages and talent routes. *Mira Media* and CIS seized the opportunity of 2008 as the 'European Year of Intercultural Dialogue', to give an intensifying boost to professionalization and cooperation in the field of *talent development* and diversity in the cultural sector.

A project has been developed, focussing on links between formal and informal *talent development* organisations. The project concentrates on professionalization and network-creation by *talent development* organisations as central focal points. The students in Art and Economics assisted in developing the activities. They made an inventory of the field of formal and informal *talent development*, helped organizing the first expert meeting, and analyzed the outcomes of the second meeting.

#### ***Diversity Art Lab***

In the *Diversity Art Lab* twenty-five participants – creators, policy developers and researchers – define *talent development* in the arts as an artistic practice with specific characteristics.

- The first characteristic is the individual (insufficiently documented) history and heritage from which makers in the circuit draw. This includes urban arts and hip hop, but also often district-related community art, which, for some participants, contributes as a side effect to the development of their talent.
- A second characteristic is the dilemma the creators came up against; they apply different (intuitive) criteria for excellence and quality than those used by governmental and other funding organizations. Communication between the two sectors requires a larger and more appropriate vocabulary. In principle artists use their widely-accepted terminology concerning their field. When intensifying communication with governmental and funding organizations, journalists and critics discussing the value of the products a 'lingua franca' is needed in order to exchange ideas.
- A third characteristic of *talent development* is the unbreakable connection between learning processes and artistic processes. That relationship results in a specific learning process and a specific way of coaching, which has been insufficiently described and defined. The participants concluded that there was

a lack of fitting the vocabulary for the *talent development* field.

In the publication *The Bridge belongs to Nobody* (2009), a dynamic qualification for understanding the Dutch concept and practice of *talent development* in the cultural field is offered. Before discussing the topic it has to be noted that the Dutch case is different from other European approaches. *Talent development* in the Netherlands is primarily focused on making the professional cultural sector more inclusive, less on civil society, community arts or European citizenship (Koleva, 2009). There is a growing independent cultural sector in which interdisciplinary, hiphop, and urban and personal experiences take central stage. The cultural background of the artist is taken as a source, and seldom seen as an aim.

#### ***The origin of Talent development in the cultural field in the Netherlands***

In the early 1990s, in the wake of youth and young people's theatre and multicultural theatre, a practice emerged in the performing arts that, over the years, came to be referred to as '*talent development*' (Klaic in Meijer and Buikema, 2004). It entails creating productions for young people with young people. These productions attract new, young audiences and the performers themselves

originate from the same cultural age group. Many of these productions aim explicitly at young people from culturally diverse backgrounds. The productions are linked to training projects, some of which serve as foundation courses for drama schools. This linkage is not without its snag. There are differences in acting style, training level and the position of talent and/or educational material upon which the different educational activities were based.

The general criticism is that the usual approach of art education has too limited a reach amongst young people with a double cultural background. This is blamed on the acting style (focus on high culture and western culture), the costs and the image.

Higher art education has three obstacles to overcome in order to attract newcomers: the cognitive educational level required (A Levels), the high level at which the art has to be practiced at the start, and the expectations regarding the acting style or cultural references used. *Talent development* can be seen as a reaction to these deficiencies in the field of art education.

#### ***Music***

In the music field, a dynamic situation occurs. New styles don't automatically find their way to the academies and con-

servatoires. The often interdisciplinary commercial music culture has little in common with the curricula offered at the Institutes of Higher Professional Training. These Conservatories of Music offer normally mono disciplinary courses. There is little reflection in the established conservatoires of the wide scope of R&B and hip hop, the culture of primarily young people of culturally diverse backgrounds.

An alternative practice is therefore developing in the club and festival circuit, with associated talent scouting. *Roots & Routes*, for example, starts offering master classes in the summer weeks. These courses culminate in stage performances at festivals.

Yet a number of Intermediary Professional Education schools are reorienting their professional profile. They see the creative industry as a new opportunity.

In 2006, due to the pressure in and outside the formal education on music and film/clips, the artist profile at Intermediate Professional Education level became a degree level profile (De Bussy, 2007).

In the musical arena *talent development* a mixture of curricular and informal art education practices. Those practices devote special attention to Urban Arts. This multitude of practices makes the term '*talent development*' a diffuse concept. Herewith we will concentrate on the consequences of the underlying interpretation of the conceptualization of talent. (Van der Geest, 2009)

### ***What is talent development?***

In general, the various thinkers agree that the concept of *talent development* is founded on the idea of growth. This is concretized in a phased process. A frequently used model in *talent development* can be introduced (Laarakker, 2007):

1. Initiation; art education, a few dance classes during secondary education or further education
2. Exploration; a drama or photography course
3. Dedication; selection classes such as the 5 o'clock and the DOX theatre group
4. Professionalization: via art courses or directly in the field.

The elaboration upon this growth idea in the educational field differs from that in the cultural field.

### ***Education: demand-oriented, cultural field: first generation***

In principle, *talent development* should be the core of the process in every form of education and in art education in particular.

In the 1990s, ideas in education in the Netherlands began to turn towards a demand-oriented and therefore probably more talent-oriented way of thinking. In common parlance in education, the term *talent development* is used to specify this individually focused, demand-oriented education. The accent is on offering a framework for what the student wants to learn. In art education at the intermediate professional level, that framework is sought in the professional practice.

The practice of *talent development* in the cultural field is aimed at participants from groups that have not participated in the cultural field before. It is within this 'first generation', in particular, that *talent development* is a topic for discussion. This target group has proved central in the discussion of the Dutch concept of *talent development* in the cultural field.

### ***Formal and informal learning environment***

The Rotterdam Council for Art and Culture has observed an informalization of education and a formalization of the talent developers in the cultural sector (Streuss, 2007). The informalization of education is attributed to the use of practically-oriented teaching methods focusing on 'doing' as a central part of learning. The formalization of the *talent development* organizations is attributed to their ambition to compete with the courses.

The distinction between a formal and an informal learning setting could clarify the differences between *talent development* in the cultural field and in education (Mak, 2007).

Formal teaching takes place in academic situations with explicit knowledge based on an accepted and underlying unity of expertise. This is linked to qualification, that entail explicit testing of knowledge and skills. Informal learning takes place on the other side of the continuum: it's learning through doing, where experience is central and the knowledge and skills acquired are implicitly retained and don't need to be tested. The legitimacy of informal learning lies in the student's desire to learn.

Despite the fact that education is informalizing and wishes to be more

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demand-oriented, talents are ultimately measured against a standard, which is legitimated externally and which initiates them as professionals within the discipline. This is where *talent development* via a formal learning setting, such as art education, distinguishes itself from *talent development* via an informal learning setting, as in *talent development* organisations.

Apart from the fact that the concept of *talent development* covers two basic forms (formal and informal learning settings), the term also becomes unclear because two separate motives deriving from the criticism on the openness of the cultural field, play a role in *talent development*.

### *Access or artistic innovation?*

The stimulation of diverse talent has been driven by two separate forces since the term '*talent development*' came into use in the 1990s. The first driving force is a democratic motive. Culture and art are a collective commodity and representatives of all sub-groups from society should be enabled to make use of and contribute to that commodity. A visible representation is seen as a criterion for the degree to which art and culture are inclusive. This democratic driving force focuses on access for diverse talent.

The second driving force for stimulation of diverse talent is the artistic innovation these creators (can) bring. They contribute to hip hop, street culture, vitality and the interdisciplinary mixture of high and low culture. They should be supported on the basis of the innovative potential of urban culture. 'Inclusivity' is measured by the degree to which the style forms and themes of culturally diverse youth culture are accepted as an innovative contribution to the cultural field.

These two different approaches constitute a major distinction in the conceptualisation of the term *talent development*.

### *Mapping out research focus*

Given the analysis above there are four separate fields into which the practice can be mapped out. For the sake of convenience, I will allocate each field a key concept to more explicitly indicate the ambitions of the players in that field.

- 'catching up': access and the formal learning setting
- 'doing your own thing': access and the informal learning setting
- 'avant-garde': artistic innovation at an informal setting. The key concept here is the innovation the *talent development* field has to offer the art practice.

- 'substantive change of the established circuit': artistic innovation at a formal learning setting.

More insight into the individual place in these fields can sharpen insight into the differences in approach and interests of other talent developers. We have to note that the outline presented here does not present full justice to any practice. Herewith we categorise the practice based on a *talent development* table as an indication of actual trends. An individual policy and research focus evolves, depending on the position in that field. Herewith we will elaborate a research focus.

### *Research focus*

Basing the philosophy on 'catching up' (access, formal) the focus is on a democratization of the cultural sector. This fits into the renewed attention to culture participation or 'new cultural citizenship'. This last term has been embraced by the Dutch Council for Culture. The council recognizes *talent development* as an art educational tool, so the new cultural citizen '*can consciously, critically and actively relate to and participate in the current complex, changing and fundamentally media-tised society*' (OC en W, 2008). Cultural citizenship implies the right to cultural participation, exchange and recognition. Core values of cultural citizenship are the active, symbolic

<i>Talent development</i>	Via a formal learning setting	Via an informal learning setting
Based on access	<i>Catching up</i> Intermediate Professional Education Higher Professional Education	<i>Doing your own thing</i> <i>Talent development</i> field organisations Focused on introduction & exploration and dedication phases.
Based on artistic innovation	<i>Changing</i> Higher Professional Education	<i>Avant-garde</i> <i>Talent development</i> field organisations Focused on dedication & professionalization phase.

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concretisation of identity or identities, and the aim for cultural inclusion. The research focus lies on the contribution *talent development* makes to identity issues. It fits in with the collateralisation of society, a development with which the creative industry is also interwoven.

Basing the philosophy on 'doing your own thing' (*access, informal*) the focus is on building up an independent subculture, with its own structures and criteria.

*Talent development* is then the schooling process in that subculture.

The policy issue behind this form of *talent development* concerns the question of whether to build bridges or not. Do the talents in the subculture also want recognition outside their own circle, or is it enough to excel on your own stage? Is doing your own thing a phase, in other words temporary and locally based, or is a new target group emerging with its own art?

Research accents in this segment are placed on describing the individual characteristics of the subculture where coaching and organisation partnerships are concerned.

One precondition for building bridges is increased attention in the formal learning setting to contextual *talent development* (and the associated coaching methods) and more agreement within the informal route concerning the way in which talents are recognized, coached and validated.

Basing the philosophy on 'avant-garde' (*artistic innovation, informal*) the informal *talent development* field is the innovating engine for the continually ossifying formal learning setting. The informal field is the continuing spawning ground for change in artistic practices. The informal practice of *talent development* is the spawning ground for the arts for the 21st century.

The research focus therefore comes to lie on innovative processes: how does innovation generated outside the established circuit succeed in continually challenging and transforming artistic practice?

Basing the philosophy on 'change' (*artistic innovation, formal*) the focus is on substantively changing the methods and structure of the established circuit. Existing artistic domains should be enriched with heritage from the urban arts, for example. The division into low and high culture should also be eliminated. Research will contribute to urban culture, community art and other so-called 'low' cultural practices being absorbed into the pores of the arts.

The effects on the degree of significance commercial and subsidised art practices place on these cultural practices, which helps form the watershed between low and high art forms, is therefore becoming a subject for research. That research focuses on crossovers and on documenting and defining 'new' heritage. In my view heritage refers not only to the past or to products, but also to contemporary, immaterial artistic expression and processes.

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# Fair cultural markets: without copyright, without conglomerates A CHALLENGE FOR EUROPE 13 Joost Smiers

**Abstract**

It is no longer possible to take a neutral position on the topic of Copyrights. Cultural markets, particularly in the digital area, are dominated by a handful of conglomerates that try to enforce IPR and Copyrights. Based on this principle only a few stars, and their industries, are at spinning yarn. Winner takes all.

In our digital era the system of copyright has come under debate. There are desperate attempts to reanimate the system. Abolition of the copyright system would fundamentally change market conditions. Probably this is beneficial to the public visibility, and therefore for the income of many artists. In order to evaluate these kinds of perspectives a number of questions will have to be answered.

**The Copyrights Debate**

Who in the year 2009 brings the issue of copyright to the table can rely on heated debates. This is understandable because, the – quite different – interests at stake are considerable. A topic that generates less emotion is the fact that cultural markets, particularly in the digital area, are dominated by a handful of conglomerates. This lack of emotion is less well understood. About copyright it is no longer possible to take a neutral position. Due to digitization implementation and enforcement of copyrights have become less

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obvious. Once the discussion is initiated, it is hard to stop. What is this copyright instrument anyway, is an often heard question, and whose interests it serves? Does it still have reason for being in the twenty-first century?

These questions act as particle accelerators. Soon, the gaze has become directed at the environment in which copyright works; the cultural markets. These markets have been shaped by whether copyright exists or not, and whether or not they are enforced. Clear is that in those markets, in all branches of the arts, a few gigantic firms are dominant; too, and even especially in the digital domain. It is useful to consider this phenomenon in conjunction with copyright issues, and, as necessary to draw from this political and policy conclusions.

## Dominant actors

The most difficult topic to discuss is the indisputable fact that in cultural markets some companies set the tone and dominate markets. Is this a problem? Those who take this lightly will remark that an incredible number of artists write books, make music, theatre, games and movies, paint, and design in all possible combinations, and in the most unexpected places and contexts that surprise. This is true, and this is gratifying. Nevertheless the major streams of artistic expressions – including of course, for example, mega shows and blockbuster films – are controlled by a limited number of conglomerates. In the internet one sees as dominant players Google, Amazon.com and the businesses of Rupert Murdoch.

What does this mean? Owners of the means of production, distribution and marketing of cultural expressions choose what they will put on the market, and define the atmosphere in which all that beautiful, attractive or repulsive will be enjoyed. That gives rise to a number of problems. In a democratic society it is intolerable that our cultural communication, and the contents thereof, to a large extent is determined by only a few companies, individuals and their shareholders. Through the use of ongoing flows of marketing the public gets the notion that the offer of those huge companies is fascinating and not to be missed. One consequence is that many other artists, who have to do without this marketing violence and without the possibility to establish integrated production and distribution channels, are excluded from the sight of the public, day after day.

Thus, there are three problems. First, decisions on most of the cultural offer are in too few hands. Second, the actually existing cultural diversity remains virtually invisible to most people, so they will not use it. Third, citizens have not enough to choose.

## Copyrights and violation of human rights

Let us now turn to look at copyright. It is obvious that this is – in the first place – a means to safeguard investments. This is the way it works anyway. The company that pays hundreds of millions of dollars to produce a blockbuster film, likes to see his investments protected. From a broader social perspective, the question is whether it is wise to allow such investment protection.

Indeed this large investor wants nothing more than that a lot of public, all over the world, will watch his film, and no longer will have an eye for other movies (and indeed the same applies to the other arts). In addition this large investor pays at least half of the production budget on marketing, and thus distorts competition. Hence, the existence of its product goes, to put it mildly, not unnoticed.

For medium and small cultural entrepreneurs it is difficult to fight against this phenomenon. With this amount of overwhelming marketing power, it is nearly impossible to beat it.

There is thus a direct link between copyright and dominant positions in cultural markets. The one reinforces the other. Because of the system of copyright, very large companies can make products, with which they can dominate markets - they basically do not have to fear that others run away from them or change their impact. On the other hand, companies can be so large and dominate markets because their investments are protected. The big loser in this whole 'game' is cultural diversity, a quality desperately needed in present society. Of course, market dominant cultural enterprises appear to present a huge offer, but – again – they determine what is offered in the cultural field, and the ambiance and atmosphere in which this occurs. For democracy this is inadequate, as it is for the free human communication. It is a basic human right that nobody controls largely our fields of communication and expressions. Through market dominating positions this human right has been damaged.

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## Proprietary rights

This ties in with another problem that copyright carries with it. It is a proprietary right. The owner is the only one who may exploit it. Consequently the owner is the only one that may determine whether a work may be changed, and in what context it is allowed to function.

This seems logical, but it is not. Logically it is from a recent Western perspective: the creator of a work has created something unique that completely belongs to him or her. In most societies, however, such a ban on changing creative work never existed. One could say that an advance in the history of mankind is that an author can expect his or her work not only to be respected, but also by others not be affected. However, respect depends on the public debate.

As a consequence infringement on artistic products is prohibited. Hence, in our society we have many, many millions of works that we are not allowed to respond to. Of course, we may discuss the works. But we cannot change them; we may not, for example, change a melody. Contradiction on the works presented is not tolerated.

From a democratic perspective, the prohibition on making your opinion known through steering the work of someone else into a different direction, is at least problematic. For us, as a society, it is a shortcoming that we, as citizens, are sentenced to live as passive consumers of cultural products.

This situation has become reality. This reality is the more bitter as we realize that most of the artistic creations in this world are protected by copyright in the hands of a very limited number of cultural conglomerates. As owners they have the freedom to change works as they desire and bring them on taste for their commercial intentions. And we are not allowed to respond in the same way. This is strange.

## Copyrights and protection of income

Facing this reality a number of complications arise. One is that many artists are anxious that their work remains intact and untouched. We will discuss their desire. But first we must consider that one of the objectives of the continental European idea of copyright was to idea that authors of artistic work could make a living from their work. Therefore it was called 'authors rights'. The Anglo-Saxon concept of copyrights stems from a different source; it was intended from the start as a basic protection of investment. The harsh reality is that most of the artists make little or no gain by copyright. Only a few stars, and their industries, are at spinning yarn. Winner takes all.

## The digital era

Who is no stranger in Jerusalem knows that, by digitization, the system of copyright, and in particular its maintenance, has come under discussion. There are desperate attempts to reanimate the system of copyright by implementing more rigorous policies, dubious forms of legislation, reversal of proof, overload of courts, and closure of the use of internet. But there is no antidote. Rightly we must ask ourselves whether we, as a society, must make available so many investigative resources in order to counteract private companies that, as shown, dominate cultural markets and thereby damage the freedom of our human communication. It seems self evident to use those resources for the fight against trafficking women and children, against illegal arms trade and against black money and corruption? Policy making is all about putting priorities!

## Perspectives and remedies

What to do, now it has become clear that the system of copyright has a considerable number of disadvantages from a social, economic and cultural perspective, and the market dominance of a few cultural conglomerates create a sham of competition policies and are harmful to cultural democracy? It is not difficult to imagine that the abolition of copyright and the division of cultural giants into many pieces – through the use of competition policy – would fundamentally change market conditions. Probably this is beneficial to the public visibility, and therefore for the income of many artists. The cultural market would become a level playing field where they are no longer pushed to its margins by otherwise market dominating forces. The audience gets much more to choose from, and will choose from a much larger pool offered by much more cultural entrepreneurs. It is also permissible to change work and to respond in the work itself. This will make the cultural landscape extremely lively.

From a societal perspective, this sounds all attractive. But of course it isn't that simple. Much further research is needed to get to grips with the changing panels. What should such an investigation include?

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First, the above mentioned description of the problems related to copyright and market dominance should be challenged in a fierce, critical analyses.

With quantitative, tentative predictions, scenarios should be developed, identifying what the market will look like if the proposed interventions are achieved. Predictions on how markets will develop are always difficult to make. This is the more difficult when it comes to a totally newly constructed market place. Yet there are different economic approaches that can provide a reasonable understanding. The questions indicated in the dispute include nature and scale of cultural enterprises operating in this new market.

- How do they relate to the artists who deliver the work, and how can they obtain a reasonable income?
- It is unlikely, indeed, that – under these new circumstances – best-selling books, blockbuster movies and stars still will be produced? Probably again a handful of well sellers will appear.
- Should the creators and producers fear for free rider behaviour, or is this a phenomenon that belongs to the new market relations if there are realised already substantial earnings?
- Probably this translates itself into greater fame and additional ancillary revenue?
- How do we process the orderly termination of the copyright system?
- What interests must be weighed in decision making processes?

A perhaps more complex quest is the reduction of the big, horizontally and vertically intertwined cultural enterprises to much more modest proportions. In itself it is the basic principle and purpose of competition policy, in the Anglo-Saxon world covered under the anti-trust laws. But then? New questions arise.

- How to identify what is the right scale of cultural enterprises, of their branches?
- Is every form of foreign ownership unacceptable?
- What standards can be developed for those questions?
- How can possible interventions be effectuated?
- How can we prevent that possible measures are not harmful for the economy, but rather be positive?
- Such drastic measures cannot be established on national level alone. How can alliances of states be created that would push such policies?
- What role should civil society play in this?
- If it is unlikely that under such new market conditions no longer blockbuster films, books and stars purchaser made will be made, is this not patronizing the public?
- How can the debate be conducted on such matters?

## The freedom of change

It is conceivable that some artists might have difficulty in seeing their work changed by others. This freedom to change is the situation as it exists in many cultures all over the world, but that would be a poor, non-reassuring argument for artists in our strata.

The digitization offers a more convincing reality. Changing work is a piece of cake. There is no cohort police to cope with it. The debate, therefore must be about how give due respect to artists and their work, without giving them a proprietary right.

One may wonder whether Creative Commons-like approaches are an adequate response to the problems we face. The idea of Creative Commons is that it accepts copyright as it is. From this acceptance on, artists can give users of their work the permission, a licence, to use it for free. Thus, it shapes a niche for those artists that want to make their work freely available. Criticism on the Creative Commons approach may be:

1. Disney and other cultural conglomerates will not participate in Creative Commons. It stays a niche indeed for a relatively small group of artists.
2. Free availability is great, but it does not provide an answer to the urgent need to ensure that creators of artistic works should be able to derive an income from their efforts.
3. Moreover, present market conditions – and dominant practices – are not in the least questioned by the leaders of Creative Commons: they accept the market as it is. As said, from a democratic perspective this is unacceptable. Thus, there are many reasons to doubt whether Creative Commons is the solution.

We have presented a series of questions that are exciting and will evoke emotions. Unbiased research may shed light on how we, in the twenty-first century, can help ensure that our field of cultural communication and artistic expressions will not be privatized, and that many artists, and their business, can earn a decent income with their work. It is clear that such research and such debates should have a European dimension. First, one might think of raising awareness about the topics that have been analysed and proposed

## Fair cultural markets: without copyright, without conglomerates A CHALLENGE FOR EUROPE

here with Members of the European Parliament and their parties. Second, there should be forged a Europe-wide coalition of NGO's that think critically about the present system of copyright. But, third, maybe most important is to bring together several research institutes from different parts of Europe that will undertake as a common effort to enhance economical research about how cultural markets would look like in a world without copyright and without market dominating cultural conglomerates. What are the effects for many artists and their entrepreneurs and their incomes? What will be the consequence for the promotion of cultural diversity; and how will it impact economic life in Europe?

**Joost Smiers** (1943) is a political scientist and a research fellow at the Research Group Art and Economics, Utrecht School of the Arts, the Netherlands. His *Arts Under Pressure. Promoting Cultural Diversity in the Age of Globalization* has been translated in ten languages. With Nina Obuljen he has edited the *Unesco's Convention on the protection and promotion of the diversity of cultural expressions. Making it work*. Together with Marieke van Schijndel he has written *Imagine there's no copyright and no cultural conglomerates too*. It is a 'print on demand e-book' that can be found on <http://networkcultures.org/wpmu/theoryondemand/> about. Joost Smiers lectures in all parts of the world at conferences and in universities on the topics of this book. He lives in Amsterdam.  
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Creative Finance as a new knowledge domain

Giep Hagoort & Gabriëlle Kuiper

### Abstract

There is enormous interest for the added-value of creativity. The added value of creativity and the costs involved, however. There are instances when 'added value' cannot be expressed in figures but suggests a return nonetheless.

The article explains the principles of a newly developed concept; 'Return on Creativity' (RoC), and the research executed to develop a more detailed picture of the term.

### Introduction

At macro-level there is enormous interest for the added-value of creativity. As a rule, it concerns economic returns of what is called the creative industry, a collective name for art and culture, media and entertainment and creative business services.

A 2008 UN report on the creative economy includes considerable statistical material on the added value of this creative industry. This approach has been adopted in many national and municipal policy documents that advocate a focus on creative potential. It is also a dominant interest of the EU, that stimulates and finances research insofar the cultural and creative industry promotes the innovatory strength of the European business community (Lisbon Agenda).

At micro level, the level of the individual creative company and that of business transactions revolving around creative concepts, it's a more complicated matter. Here, the added value of creativity and the costs involved, need to be stated in concrete terms. When it concerns familiar creative products, the market behaviour of established parties serves as a guideline. The buyer pays a certain

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price for a certain artwork, the distributor pays a certain buy out fee for a certain production, and the festival visitor buys a ticket to visit a festival. The market prevails despite its imperfections, on the one hand because artists and designers are not reimbursed for the full extent of their labour (a lot of studio work can be defined as 'hidden costs'), on the other hand, the government acting out of cultural- political interest, finances production and distribution via subsidies to theatres and museums.

It's even more complex when it comes to 'added value' that cannot be expressed in figures but suggests a return nonetheless.

We see the following two categories:

1. The return on creative concepts used in the events branch, and the advertising sector.
2. The return on creativity used in innovation processes by the business community, social institutes and the government.

In this regard, a Dutch policy document by the Innovatie Platform (2005) speaks of creativity as an 'invisible fuel'. Without creativity, innovation is impossible but the added value of this production factor remains literally incalculable at an individual business level.

Is it desirable that the creative industry makes the invisible more visible? Would

a certain creative input lead to a better insight in the economic functioning of creativity? Would parties (clients, suppliers, financiers, government) communicate more effectively if we were capable of supplying more clarity about the financial significance of creativity? Is it possible that investments and expenditure for creativity at micro level would increase if its potential could be described in economic terms? In past years we have been increasingly occupied by these and similar questions.

### Creative Finance

Our research, under the title '*Creative Finance*', is based upon two pillars. The first pillar investigates the financing of cultural and creative businesses as such. This investigation began in 2004 with the drawing up of a list of income sources for creative organizations. The so-called CBM list (Cultural Business Modelling) offers managers and project leaders the possibility of registering income sources in a much more detailed way (see the CBM-list in the appendix). Much to our satisfaction the list is included in a report by the Commissie Cultuurprofijs, set up by the minister of Education, Culture and Science. The commission presented its findings in 2008 and in the mean time the minister has adopted the report's general guidelines. Various organizations have already practically implemented the CBM method. (Master) students have further

refined the method through their own academic research.

This line of inquiry will be continued with the development of a method for Creative Business Modelling that will also highlight the costs (CBM 2). This CBM 2.0 is based on three components:

- a. Meanings, in which the organization, mission and entrepreneurship are made explicit
- b. Methods, which indicates what the organization's earning model is (on the basis of the CBM list) and
- c. Money, which balances income against costs and monitors cash flow.

This CBM 2.0 on the basis of MMM is currently being tested in various sectors of the creative industry.

### More about Return on Creativity (RoC)

Creative Finance's second line of research strives to give a more detailed picture of what we have called a Return on Creativity (RoC). On the basis of a preliminary specialist literature survey, ten interviews were held with managers and academics. A first impression of these interviews, that precedes a more systematic essay, is given in this article. We will conclude with a number of suggestions that will be studied in greater depth during the investigation's continuation.

Starting point for a RoC inquiry is the Return on Investment (RoI). This financial RoI indicates the yield of invested capital expressed in a certain percentage. It is a formula that is used as a financial indicator; not a model to improve financial management.

An investigation using Google reveals that application, operation and duration of the formula is not clear. It can however be said that the result (a percentage) is dictated by the invested capital, individual business return and incorporation of costs incurred, whereby the term 'costs' should be unambiguously defined. Such a percentage can be used for example, to compare interest payments in different financial transactions with a constant sum of capital.

A formula based purely on figures linked to the subjective concept of creativity is perhaps hard to imagine. Various people interviewed made remarks regarding the concept. Managers were optimistic about the discovery of a formula whereas the academics reacted more sceptically. This is due to the fact that managers in their work already use various economic strategies when dealing with clients (see below) and on the basis of these, could make concrete suggestions.

All those interviewed were curious about the investigation's progress even though the RoC formula might not be found. An

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important reason (according to the academics) is the fact that the concept of creativity, because of its subjective (emotional) charge, cannot be unequivocally defined. This as opposed to the components of the RoI formula. One of those interviewed called it 'breaking open the black box of creativity'. The concept Return on Creativity (RoC) has previously surfaced in Canada in 2005 when the minister of Economic Affairs at that time, organized a conference about the relation between creativity and knowledge development. The aim of the conference however, was not to develop a RoC formula. Because we are focused specifically on creativity - man's power of imagination, in this case artist, designer or creative individual – we have abandoned other terms to be found on internet like Return on Ideas, Return on Innovation and Concept to Cash. Moreover, we noticed to what extent the creative world is dominated by opinions ('creativity as basis of innovation') instead of tested opinions. An additional goal of our quest for a RoC formula is therefore to emphasize evidence-based research when it comes to the relation between creative and non-creative issues.

## The first results

The managers indicated that in their contacts with clients and project leaders, a potential return on creativity was concretized in the following ways.

- Retaining a zero measurement with regard to deployment of creative means (in the case of events or innovations), compared with situations where this doesn't occur
- Gauging satisfaction surveys, related to the functioning of the creative means
- Mapping the opinions of stakeholders with regard to the creativity of a certain activity.

One manager from the events branch pointed out that a so-called RoC can also be determined by the side effects of the creative means. And that these side effects can be measured: popularity of cultural attractions compared to that of non-cultural attractions (like sport), appealing to target groups by setting up cultural facilities, stemming the loss of participators from a certain target group by introducing culture and creativity, surfing internet sites and voicing a preference for cultural campaigns.

During the interviews analogies were given that might possibly help in comprehending the returns of creativity. In short the following analogies were mentioned:

- Strengthening brand importance by using a creative approach
- Strengthening goodwill by using creativity
- Enhancing the sales value of a product through a creative aura (design).

The academics suggested that as alternative for RoC as a potential 'mission impossible', it would be better to apply it to more specific areas: creativity and Human Resource Management, for example. Such applications are concrete, give less definition problems and make the investigation more manageable and trustworthy.

## Indicators

For a RoI, investment, yield and costs serve as indicators. In our survey of specialized literature, with the concept of creativity as basis, we found the following components that could possibly serve as indicators:

- Aesthetics
- Emotional experience

- Inspiration
- Breaking with tradition

To determine the added-value of these creative components, we looked at categories of effects that have caught on in general management functions. Essentially it concerns four management functions with accompanying categories that are enhanced by creative components:

- a. Strategy: strengthening an image
- b. Marketing: strengthening motivation
- c. Finance: strengthening financial value
- d. Style: strengthening problem-solving potential

Despite operationalizing these management categories, no hard and fast formula has evolved that could lead to a result. The idea is to consult with the client or innovation manager in order to establish what value should be ascribed to the indicators, weighed against the management categories. For this the matrix below can function as a helpful tool:

Management categories/ Returns	Image	Motivation	Financial value	Problem-solving
Aesthetics				
Experience				
Inspiration				
Breaking with tradition				

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During the interviews the result of our thinking as a concept was considered. The majority of those interviewed were not enthusiastic about our chosen method.

A summary of the reactions:

- Measuring effect could be 'cultural capital', with creativity as nucleus, but there is also such a thing as 'social capital' (networking) next to 'economic capital' (financial returns)
- A creative concept or a creative innovation must be judged on the basis of three values: functional value, emotional value and financial value
- The connection between the four returns and the four categories is not clear (cause and effect?)
- From an academic perspective RoC is as yet untenable because definitions are unclear and the field too broad. The entire force field still needs to be charted
- A distinction should be made between the creative entrepreneur and client regarding their need for knowledge. In addition the client must allow for visitors with their own expectations, experiences and judgments
- Several elements from the matrix are already in use for the evaluation of assignments and applications. But these are not expressed in values
- A RoC only has significance and

purpose if the method is not doubted and enjoys a broad basis of support (compare with the Balanced Scorecard).

Conclusion: a RoC Index?

From the interviews it emerges that, among other things, a distinction must be made between research into the economic returns of creativity at micro level and the design of a RoC index.

As we have noticed, the latter evokes little enthusiasm. On the basis of results up till now, we want to design a RoC Index that can be used to communicate the meaning of creativity for events and innovations at micro level. With the matrix described above as departure point, in combination with the results from the interviews and supplemented with new studies of specialist literature (including the design field), a RoC Index can be drawn up that is particularly useful for case study research.

In conclusion we make the following observation.

- a. The research into developing a RoC remains relevant. Managers already work in part (implicitly) with a RoC. Further research into these RoC's is necessary. This research also applies to the side-effects generated by the deployment of creativity. The academic viewpoint is that much more attention should be devoted to the study of case histories.

- b. The next step is to work out the interviews more fully so that a RoC Index can be designed that represents the most important RoC components. This RoC Index, as conceptual framework, is indeed necessary to describe and analyze case studies.
- c. There is every reason to continue the investigation. Not only out of academic curiosity but especially because of the strong involvement we noticed among managers during the formulation of our research queries.

One of those interviewed confessed to being inspired by the discussions about RoC, in which theory and practice come together in an invigorating way. To our mind, the search for a RoC is one of the most interesting aspects of the new knowledge domain; Creative Finance.

Giep Hagoort (1948) is a cultural entrepreneur based in The Netherlands. He is a professor of art and economics at Utrecht University and the Utrecht School of the Arts. His book '*Art Management Entrepreneurial Style*' has been translated into five languages and is used all over the world. In his Inaugural Lecture on cultural entrepreneurship, he elaborated on the integration of artistic freedom and entrepreneurial freedom. For his PhD Giep Hagoort carried out research into interactive strategic art management. He is founder and dean of the Amsterdam School of Management (ASOM).

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Gabrielle Kuiper (1977) is owner of GAB, in which capacity she advises and develops concepts and perspectives in the field of corporeal gatherings. She is also Head Lecturer Event Management at the HKU and Editor of the recently published Basisboek Eventmanagement which has quickly gained popularity among many event management courses in The Netherlands. Gabrielle Kuiper is also active as coach and trainer in the education field and the business sector.

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Appendix: Cultural Business Modelling (10 income sources for cultural and creative enterprises)

### Internal sources of income

1. Product-market combinations
2. Property and letting
3. Merchandising

### External sources of income

4. Sponsoring
5. Matching
6. Co-funding
7. Own funds

### General interest incomes

8. Mecenat
9. Public facilities
10. Subsidies

# Faculty Issues



# TEN BOLD STRATEGIC CHOICES

**Abstract**

Higher education has a vital contribution to make in realizing a Europe of knowledge that is highly creative and innovative. The Faculty of Art and Economics has had the satisfaction of registering a continuous growth in its number of students. The Faculty has decided to implement ten bold strategic choices, ranging from a limitation on the influx of students, endorsing excellence, creating a market-oriented structure around specialist role models, to endorsing a focus on research and international exchange.

**The Faculty Strategy 2009 - 2012**

Higher education has a vital contribution to make in realizing a Europe of knowledge that is highly creative and innovative. (Van Vught, 2008) The system of higher education faces major challenges, following the subsequent opportunities of globalization and accelerated technological developments with new providers, new learners and new types of learning. Higher education has to help students develop the competences they need in a changing labour market in order to cope with continuous changing societies.

The Faculty adopted a new strategic four year-plan (2009-2012) defining its new mission and focus. New policy raises questions as to in which extend former policy choices are still valid and in which ways they are incorporated in new policy.

The Faculty of Art and Economics (A&E) is part of the Utrecht School of the Arts (HKU) and its mission is to offer the best possible education and research at three levels; Bachelors, Masters and PhD level. It positions itself as an international platform for knowledge development, dissemination and services for Management and Entrepreneurship within the creative sector: Arts & Culture, Media & Entertainment, and Creative Entrepreneurial Services. (Rutten 2005). In the board's vision the Art and Economics students are taught to make the arts profitable in all possible ways, applying knowledge of and respect for artists, creative processes and sound business models. (Communiqué, 2009)

The Faculty of Art and Economics has had the satisfaction of registering a continuous growth in its number of students. In 2009 the number of applications outnumbered the available capacity almost fivefold. That may be seen as an indication of success. It is the fruit of the activities of dedicated staff, and the strategic choices made in positioning the educational programs.

The policy choices made in the past deviate strongly from popular trends in Dutch – and sometimes international – higher education. They were made under often complex circumstances, during continuous organizational expansion. The newly formulated policy raises fundamental questions; how rugged are these strategic choices made in the first eight years, will they suffice, given the new trends and changes in the creative industries and in higher education? Will they be sustainable in time? In what way can the Faculty – in its current stage of development – optimize its choices? How can research, internationalization, alumni-relations and marketing-communication play a role in the next four years? Time to take a closer look at what choices helped shape our young Faculty.

## TEN BOLD STRATEGIC CHOICES

### Ten bold strategic choices

The most important choices (in light of growing interest by students) made in the previous eight years:

#### 1. A limited student population

In spite of the vast number of candidates each year, the Faculty has always maintained a fixed influx (now about 200), to avoid a flood of students.

#### 2. Strive for excellence: selection where possible

The Faculty in 2005 decided to apply a threshold of 55 out of 60 credits at the end of the first year of the bachelor program and to use the maximum allowed space (50% of the enrolment) to select students 'at the gate'.

This means that once they are admitted, students have limited time to prove themselves worthy and capable to make the sometimes difficult choice between the available pathways.

#### 3. Specialists (of creative processes) versus (arts management) generalists

The creative industries demand high expertise as work is being acquired through reputation, specific skills and knowledge for collaboration with creatives in a business context demands a combination of specific competencies. In contrast with the trend within higher education the Faculty of Art and Economics has therefore chosen to educate students to become specialist managers. A student therefore should be able to live up to a substantial part of these expectations by the end of his studies, which would be impossible to ascertain through a generic academic program.

#### 4. A market-oriented structure around specialist role models

A few selected professional managers (role models) play a pivotal role in connecting the educational programs and the professional practice. These professionals are sheltered against the burden of the usual administrative affairs, that normally prevent professionals from participating in higher education at a more strategic and structural level.

This separation of educational and administrative tasks has led to severe organizational changes and redistribution of budgets.

#### 5. The managing entrepreneur: business skills and creative start-ups

The role of the manager of processes in the creative industries is hardly ever limited to management only. The manager is often part of something new that needs a business context / approach in which the manager is often busy bridging the gap between artistic and creative ambitions and economics laws (see also article Tjaard Horlings on valorisation). Familiarizing management students with business cases and modelling preferably in the context business start-ups has a significant share in each program.

#### 6. Project-based learning in creative contexts

The self-steering and entrepreneurial characteristics of the successful creative professional have also become the fundamental *didactic* principle.

The Faculty caters for an optimal development of self-steering attitude, knowledge and skills. Each student in its third and fourth year is now participating in educational projects that mimic the reality of the managerial profession. A large proportion of the professional creative processes can be found at the related faculties at the HKU; the Faculty of Theatre, Music, Art, Media & Technology, Visual Arts & Design. Hence, the Faculty has invested heavily in the interaction between its students, studying Managerial aspects of the Arts and Economics, and the other Faculties.

Often the project groups mentioned above consist of students from the adjacent Art Faculties; be it filmmakers, directors, interaction designers, musicians and music designers, game designers, etc, completed with students from the BAE. The students from the Art en Economics Faculty are responsible for the managerial aspects of the project; the organizational structure, communications and networking, financial planning; all roles that you will find in the professional reality of the Art Manager. This way the professional requirements have become an integrated part of the curriculum.

#### 7. Student-centred versus student-based programs

Although the student is placed at the centre of attention (a student centred curriculum) and programs are built around the development of an entrepreneurial attitude, it is our conviction that the responsibility for the educational profile and programming lies with the program management instead of with the student (such as would be the case in a student-based program).

Hence the Faculty has adopted a number of educational principles, based

## TEN BOLD STRATEGIC CHOICES

upon the belief that development of new behaviour has to be triggered by external stimuli. (Vermunt 2007). To this end the Faculty seeks a permanent and lasting confrontation with the professional sector (see previous paragraph).

### 8. Research focus

We implemented a strong focus on the micro economic aspects of cultural entrepreneurship of creatives in research and in adjacent activities. The Faculty has profited from the rising attention for the Creative Economy during the past period. (UNCTAD, 2008) We have invested in findings, implemented new networks, a stronger reputation, and gathered experience with large activity and research programs.

### 9. Types of research

Usually research aimed at the practice of creative SME's is limited to description and explanation on more abstract levels. Research done by members of the Faculty of Art and Economics though caters for a different strand Through strict application of these practice-oriented criteria, research done by researchers of the Faculty of Art and Economics aims to overcome challenges faced by creative SME's (a), caters to create new chances for innovation of creative SME's (b) and drives didactical innovation (c).

### 10. Participation in international networks

Initiated at the end of last century there has been a clear focus on participation in international networks, both in higher education (AAAE and ENCAT) and theme-based (ECCE). A lot of ground work in this context was done successfully by Ad Huijsmans (teacher), Marijke Faber (tutor and trainer) and Marijn van Thiel (program manager).

Additionally the Faculty's most senior researcher, professor Giep Hagoort, has developed a strong and worldwide network of fellow scholars within the field of arts management. As a result of the and other activities the Utrecht School of the Arts and the Faculty of Art and Economics are widely known and has often been approached to participate in exchange of students and staff and to combine forces in research and other activities.

### Challenges for the upcoming period

Together with many other developments and the commitment and energy of its staff these ten strategic choices have laid a sound foundation on which the Faculty can continue building its organization, new educational and research programs, networks, and exchange. With this foundation the Faculty of Art and Economics has developed a potential unique position in Europe. So what to focus on next? Are we prepared for developments in higher education and within the creative industries? Will our ten strategic choices still attract enough students and prepare them as well as possible for their positions in the creative industries in let's say four years?

### Trends and developments in Higher Education

A number of trends can be identified that will guide the upcoming developments in Higher Education in the Netherlands.

- **Student population**

In general there is a diminishing influx of higher educated students into the HBO/HEE. The (cultural) body of knowledge of future students shows an overall increasing move into up-to-date IT literacy ('digiwise'), yet diminishing knowledge of content ('contentstupid') and diminishing proficiency in writing and math.

- **Market**

The competition for Art and Economics in the student market is fierce and will increase in the coming years.

There is a growing number of educational institutions that offer management courses and education geared towards functions in the creative sector, such as Cross Media Design, which mimic both the management and some design programs of the USA. Second, there is a growing number of institutes that successfully attract (more) talented students with clearly defined and appealing programs / tracks for excelling students (University College). Institutes in HEE will most likely be faced with shrinking budgets per student as a result of growing student numbers in Higher Education and an (so far) unchanged total budget. The system of accreditation will change dramatically which requires a timely preparation (2012).

## TEN BOLD STRATEGIC CHOICES

- **Trends and developments in the Creative Industries**

A number of recent developments can be identified in the creative sector that will influence (or has already influenced) the activities of the faculty, such as

- (1) an increase in multi-disciplinary activities
- (2) a growing interaction between the creative sector and enterprises in the 'non-creative', industrial and service sector, and
- (3) the impact of ICT and cross-media / web-based techniques on the process of creation, production, distribution and consumption of creative products.

- **Status A&E concerning Higher Education / student population**

The growing competition (market trend) has up to now not lead to diminishing student influx, which suggests that the choices in our educational principles are still valid. These principles aim at a specific managerial profile, which requires a specific qualitative influx though.

Our marketing has been quite successful and should continue to focus on specialized profiles. Our internal communication though with students has been an Achilles heel from the start (as student polls show) despite several investments in frequently used on-line communication tools (keweb.hku.nl, Nieuwsgierig). Also students feel 'underchallenged' individually in the second half of the program.

- **Status A&E in light of developments in the creative industries**

The pathways that are embedded in the flanking faculties offer multi-disciplinary learning environments. They are in the process of developing their own environments inside and outside of the Utrecht School of the Arts. These pathways, that are in fact embedded elsewhere, often lack specific management theory and models (project management, leadership skills, etc.)

It leaves the students without the required capabilities for working in and around specific creative processes and teams.

Considering the importance and (innovative) character of these tools, research could have played a larger role in its development. Therefore the alignment of choices 8 through 10 with the first seven strategic choices can be considered suboptimal.

- **Considering cross-media developments**

Although several pathways have implemented cross-media developments in their curricula ('New and old technologies') – with many appealing examples of good practices, the program lacks a clear and overall vision on how to translate this continuous stream of examples into (new) grounded and

tested methods (e.g. strategic marketing communication plans, new business models, and changes in cultural value profit chains, etc). Our program is so to say not yet 'cross-media proof'.

### Strategic choices 2009 - 2012

The conclusions drawn so far show that the first seven of the ten mentioned strategic choices prove adequate in light of the developments in the creative industries and in higher education. Yet several of these first seven choices will need more time to mature, and will have to be improved by means of small, yet crucial fine-tuning in order to reach their full potential. Making time and effort to secure this potential ('Borgen' in the Faculty's Policy 2009-2012) means aligning subsequent strategic choices and activities with this potential. Although this sounds like a clear and broadly applicable strategy for 2009 through 2012 it lacks one crucial element: a focus point on the horizon for alignment of new strategic choices.

In this respect the faculty's current mission points clearly towards strategic choices number three and six, hence the combination of a strong focus on (3) *management and business development of creative products, processes and teams* and (5) *entrepreneurship in the creative industries*.

The policy choices regarding the influx, the positioning of professionals as role models within the programs, the supportive structure around them, and the didactical vision, not only underpin these two fundamental choices. They also leave plenty of room to anticipate or react more professionally upon changes in the creative industries (such as the demand for skills to manage multidisciplinary creative interaction, etc).

As analyses show choices 8 through 10 concerning research focus, methods and international networks have supplied (and is still bringing) the faculty many innovative insights, a strong (inter)national reputation on subjects concerning SME's, and subsequent opportunities for externally funded activities. These results are relevant in the context in which the A&E manager has to be able to work, and should remain an important part of our perspective. Research and other linked activities and networks though clearly need realignment, so as to connect stronger with the faculty's mission and strategic choices 3 and 5.

## TEN BOLD STRATEGIC CHOICES

### Gearing innovation towards two goals

As the success of the ten strategic choices and other achievements show the Faculty's staff has been quite constructive and capable of innovation. And, despite the fact that room for innovation still can and should lead to unexpected and interesting ideas in the coming years, and that we should reserve room for a wider perspective, the focus in the next four years will be strongly on the development two goals:

1. Creating a specific and 'cross-media proof' knowledge-base under each pathway
2. Building a stronger working and learning environment, for rapidly succeeding generations of students and professionals.

A lot can happen, once research activities, (inter)national networks, interaction with alumni, international student and staff exchange, etc. are aligned explicitly with the two focus points. However, a lot of imagination and collaboration is needed from the board, the management, the teaching staff, students and parties in the creative industries, in order to find new ways, methods, financing and partners, realizing the goals stated under the present, complex circumstances. The educational staff will have to develop new ways to develop interaction and learning with – and for – new generations of students. Former, outdated ways of developing strategies and policies have to make way for more interactive and collaborative forms of interaction, in order to succeed in reaching our two main goals.

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# 16

## Guiding students to act and reflect as cultural entrepreneurs

A new impulse for the Art and Economy study career planning program

Paul van Amerom and Corrie Nagtegaal

### Abstract

The Faculty Art and Economics (A&E) is continuously developing its Study Career Planning Program. This article describes, after an introduction and a description of the current situation, a number of recent insights and perspectives on the effectiveness of this instrument.

Some researchers call into doubt the underlying assumption of students as individual actors, that consciously reflect on and select their career path. They demand more attention for training students to recognize and respond to opportunities and possibilities: the coincidence. They also focus on overview and discipline. This article explains the A&E position, and challenges a number of questions that can help to shape our study career-planning program in the future.

### Introduction

The Faculty Art and Economics (A&E) educates professionals to manage and market creative processes, products or services. In the Study Career Planning Program students explicitly reflect on their process, developing themselves into independent reflective practitioners (Prins, 2006). With this program A&E follows a tradition started in the 90s in the Dutch higher professional education: *'it is used by all colleges as the main tool for students towards greater self-reflection.'* (Kuijpers & Meijers, 2009)

That does not mean that study career planning, as an educational instrument, does not raise any questions. Luken demonstrates his inaugural lecture *'The astray of the right choice'* the, what he calls, failure of the current practice of study career planning programs and the risks of too much emphasis on conscious reflection (Luken, 2009).

If we look at the existing practice of study career planning, it turns out to be used as a container concept. Often it covers a mix of activities, that deal with academic study, supporting choices, self-learning and guidance in personal problems. Kuijpers concludes that study career planning mostly will focus on the reflection qualities and motives of students. Plans and program objectives offer magnificent views, but the harsh reality offers a different picture, with much less attention for professional, career and network development. (Kuijpers & Meijers, 2009)

We show in this article a few new insights and experiences in the hope they will inspire colleagues to continue to develop Study Career Planning Programs in the right direction.

### Current Practices at A&E

It is not easy to summarize almost twenty years of experience, but we can distinguish two major developments

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in the way we organize study career planning at A&E.

Our first landmark is the start in 2001, when the Utrecht School of the Arts (HKU) A&E became an independent Faculty of Arts and Economics within the Higher Economic Education (HEO) strand. A consequence it developed a course program that covers a curriculum of four academic years. In addition it meant that we had no longer, as all other Dutch art studies, selection at the gate. Selecting of the best qualified students and guiding students to confirm their study choice and further specialization within their study period, became the main aspects of the Study Career Planning Program within A&E.

A second landmark is the adoption of the educational ideas of De Bie, as defined in a description of the Study Career Planning Program in 2006. The tutor replaced the mentor, and his role was to teach students to give direction to their choice of courses in the light of their anticipated future profession, by jointly making and discussing regular updates of study plans. It was all inspired by the triad: imagine you're self / imagine your

study / imagine your profession (De Bie, 2001).

Between 2006 and now many study career planning elements were established, often linked to modules: Pro file Document in year one, and Scenario Development in year two to four. The teachers here operate in parallel with tutors, to coach students in developing a realistic picture of their professional and personal relationship with the cultural and economic world. Additional attention is given to the value of 'reflection', encouraged by the work of Janine Prins. Core model in her study is the reflection model of Jarvis. Pilots with specific methods resulted in good results. Students and teachers were satisfied with aspects of Study Career Planning, even more than with comparable courses in the field of counselling (Research voor Beleid, 2006).

There are, however issues remaining about the content and direction of the current study career planning program at A&E. One issue is the desirability of a continuous four-year program. Study career planning in the first years is clearly defined, but in the second to fourth year, there is no integrated definition yet.

The question is how to define the program if we are going to develop it. We need to find a good balance between shared principles and practices of A&E and the diversity of cultural specialisations.

Rethinking the Study Career Planning Program we are driven to answer a number of basic questions:

- What is the contribution of the study career-planning program to the over-all efficiency (both in quantitative and qualitative terms). Especially in a period of financial crisis when higher education has to face cuts this question is unavoidable.
- How do we deal with the growing demand from students for the possibility to arrange their curriculum in a flexible way, especially, in years three and four?
- Which connection does the Study Career Planning Program have, or which connection should it have with the Centre of Entrepreneurship in the Creative Industry (COCI)?
- How do we set up SISKE, the Student Information System A&E, in order to support all study career planning program operations?

### Comments and Perspectives

From personal experiences as a tutor and consultant at professional colleges in Utrecht, Amsterdam and Rotterdam the broad diversity in

study career planning programs is remarkable. Many enthusiastic and skilled people invest a lot of time and care in guiding students, sometimes with good results, often without. Some colleges professionalize their tutors by offering a career as professional tutors with certification paths and structural intervision and counselling. Others involve all teaching personnel for these tasks motivated by either practical or financial considerations.

Big difference in the programs themselves can also be observed. There are quite successful programs that teach students to think about themselves and about their future profession. In addition we find more complex programs, which ask first year students to think at a high level of abstraction about their own behaviour. Many programs do have the right intention, but fail to connect to the perception of students and fail to connect to the demands of the future job. There are also large differences in the way tutors address students. One school will expect commitment and a pro-active attitude to training issues, whereas another one will pamper students without insisting on deliverables. Furthermore, it is obvious that reflection is very much about 'language': it is more telling than showing.

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### Dwindling ambitions

More and more tutor programs adjust their ambitions. They do so under the influence of students, who see the necessity to reflect but do are not motivated to do so too much, too often, or find the instructions too vague. In addition, nowadays trainers know better how the adolescent brain works and that some skills, such as reflection, can not yet be handled well by adolescents (Crone, 2008). We also know better how the new generation which grows up in a digital age, for example, wishes to learn through interactive kicks and in communities (Rohde, 2008; Kreutzer, 2009). This seriously questions our established practices in the education system. Luken was cited already as showing the problems of the current practice. Together with authors like Ziehe and Reekers, he questions the idealized image of the active reflecting, consciously choosing, independent student.

A common mistake in education, according to Ziehe is that we mainly address the wish for freedom of the new generation of students, yet disregard the demand that education should offer structure, discipline and in depth studies.

If we examine the complaints of A&E students in depth, we find the desire to do things that carry the same responsibilities as on the job. For young people freedom and making their own choices comes natural, but they do not know how to behave in structured environment. Openness and the individualized society make it difficult to create an atmosphere that embraces and retains students (Ziehe, 2007).

Reekers (2008) dismisses the idea of a pre-planned career path. Instead, he says students need tutors which teach them to respond accurately to potential opportunities. This means that instead of purposely planning your future, you should learn to recognize and respond to opportunities when they present themselves. In that way students learn in a professional manner and on their own accord, and make the best use of opportunities by a proactive attitude. The main aim of a Study Career Planning then shifts from 'conscious reflection on competences' towards 'navigating opportunities'.

Luken (2009) states that too much importance is attached to informed choices and conscious reflection on skills, as more and more research

shows that people generally do not consciously choose and reflect. The 'reflection coercion', which is now prevalent in many parts of the education, is a outcome of the preconception of the 'right choice', which carries the inherent risk of brooding and regretting, the development of counterproductive habits of thought, and the formation and imprinting of false (self) images.

In his new book (Ploegman and De Bie, 2008) De Bie also questions the current Study Career Planning Programs. *'It is often well-intended, but unsolicited support. Students must think about the direction they want to head for in the future, get to know themselves etc., but without ever having asked for it.'*

Kuijpers and Meijers (2009) have examined the wider impact of career learning. They confirm the hypothesis that a demand-driven and practical learning environment, which fosters a genuine dialogue about the career, is positive for the development of career skills. Career Reflection does not contribute detectably to the motivation to study and can even contribute negatively to job identification and confidence. Students that reflect more on their career track more often discontinue their education prematurely, and are less sure of the choices they have made in their educational career, compared to students who reflect less.

### New perspectives

It appears justified therefore to question the current practice and the underlying assumptions. Fortunately, the biggest critics also show a way out, by providing the necessary perspectives to achieve greater impact in study career planning programs.

Ploegman and De Bie (2008) exchange study career planning for a different approach and would rather introduce group-wise intervision meetings (1-4 year students) which, alongside individual progress interviews, limits itself to help and guidance in decisions and planning, and to questions, problems and issues concerning their courses.

Luken (2009) prefers a systematic policy approach. Inspired by empirical facts a policy should be developed with clear goals, tasks and responsibilities. He also emphasizes the importance of realistic demands, to proceed methodically, and to work from the perspective of the student. Some students for example need guidance to be moved away from premature/immature career choices, whereas others on the other hand require encouragement and reassurance. He also mentions the importance of the availability of facilities (computers, information systems, assessment tools, interview rooms, time, etc.) and the professionalism of study career tutors.

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Reekers and Ziehe highlight the crucial role which study career tutors fulfil in shaping the 'intrinsic motivation' of students. What is the best approach to further develop career counselling, and how to bring it to students that are completely lacking it? The desire based on extrinsic or external factors is normally there (A&E students want 'something' with culture), but the deep intrinsic motivation can be sown or fostered by the tutor. Sometimes it is necessary to first learn it step by step (with a certain discipline) before the deep motivation is revealed to the student, and ready to be internalized.

### Conclusions

The question with which we started was 'What are the issues to further professionalize the Study Career Program at A&E during the coming years?'

We observed that the program at A&E has a number of components that are already 'student proof' in 2009. An example is the dialogue that is at the core of opinion-building ('Visie-ontwikkeling') during years 2-4. Students, tutors and teachers are content with that, and for good reasons.

In the further development of the academic program of A&E it is wise to take account of the following new insights, formulated as questions:

1. Are we providing enough structure and guidance to students helping them to reflect properly, taking into account new insights in the development and operation of adolescent brains?
2. Are we effectively supporting a student's search to discover his own passion and skills?
3. Do we use a clear definition of the students own responsibility, which also reflects what is expected in the field from future cultural managers?
4. Do we make sufficient use of what we know about the needs of the young generation? Is it possible for study career programs to contribute more to a learning community (My Home)?
5. What steps can we take with the limitations of the present system and what can we achieve with a student tracking system (SISKE)?

6. How can we ensure that we pay sufficient attention to the professionalization of the tutors?

We are excited about the practice of the study career program at A&E and we are eager to take further steps appropriate to a young and dynamic faculty.

In the near future, we want to link the term reflection more explicitly to the profession and the person of the cultural entrepreneur. We also want to train students more in recognizing opportunities and possibilities and to have confidence to explore their own feelings, strengths and foremost: passion. As students look back we would like them to see challenging A&E program that helped them to navigate through their academic career.

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# PROJECT BASED LEARNING: the temperature of our bathwater

### Abstract

This paper comprises an evaluation of the first five years of *Project Based Learning* (PBL) at the faculty of Art and Economics at the Utrecht School of the Arts. In addition a review of current literature on PBL has been effectuated. PBL results have been compared with other educational institutes applying PBL in the Netherlands and Belgium. Based on these findings recommendations are made for improvement of PBL in the faculty of Art and Economics.

### Introduction

Walking through the long corridors of the top floors of our Blue Building, one will notice small groups of students gathering with their lap-tops around tables in cubicles, classrooms and restaurant, engaged in dialogue or working in pairs. For the average student of the Faculty of Art and Economics at the Utrecht School of the Arts, working in a team of class mates on a project seems to be one of the frequently used

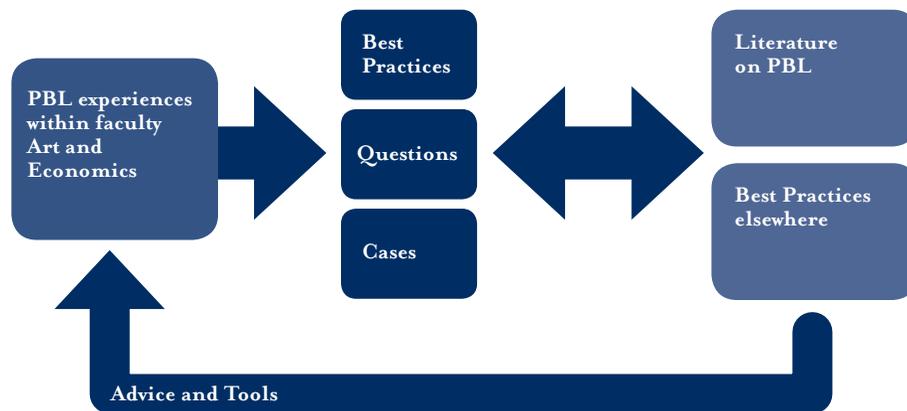
didactical methods. They do not realise that this *Project Based Learning* (PBL) was only introduced five years ago.

In these five years more than 150 external clients, mostly from cultural institutes, enjoyed the fruits of the students labour. But it also required a lot of time and energy from the teaching staff in this period to build a structure and develop the required procedures for the more than 300 teams involved. The teaching staff spent hours analyzing problems within teams and subsequently developed procedures to prevent free riders and to improve the learning effect in the teams. Many times new adjustments were proposed and experimented with. Sometimes the child was almost thrown out with the bathwater. After five years of trial and error it is time to check the temperature of this bathwater: how are we doing with this PBL and what can we learn elsewhere to continue improving PBL in the faculty of Art and Economics?

In this article I will first describe the background of PBL, and secondly list the questions which arose during the annual evaluations of PBL with staff and during the meetings of the Graduate Team.

After studying the literature on PBL, interviews have been conducted with representatives of various educational institutes experienced in PBL.

The findings of both the literature and extensive interviews is presently being categorised in order to be processed into practical advises and tools. After summarising these preliminary findings the conclusions and recommendations for further research will be presented.



### Why PBL?

Many Dutch students are familiar with PBL, as it is a trend in higher education. PBL, which dates back to the seventies, is reviving now, as it fits very well in the context of the 'New Learning': Competence based Learning. With PBL a 'constructivistic' learning environment is created, in which the students feel motivated as they construct their own knowledge in teams, working actively on an 'authentic' project, acquiring competences that their future jobs will require.

## Questions raised during PBL projects; Faculty of Art and Economics

### Didactic Philosophy

How effective is Project Based Learning compared with more traditional methods?  
How to create a 'authentic' project with a team of creative professionals, in which management students can practise the role of manager?  
Can Project Based Learning cater for all learning styles and all types of students?  
What if students want to take tasks they already master well instead of learning something new?  
How to stimulate students to apply theory and previously gained knowledge?

### Curriculum Structure

How should projects in the sequential years differ in order to get a logical and motivating structure?  
How to create an increase in reflection in higher years?  
Which knowledge/skills do students need to work effectively in project teams?

### Project assignment

How to create assignments which are realistic, feasible and which require application of mastered body of knowledge? Etc.

### Project team

What is the ideal size of a project team?  
How to choose teams?  
How to work effectively with heterogeneous teams (level, disciplines, multicultural teams)? Etc.

### Facilitator/support system

Which profile, knowledge and skills should supervisors have?  
How many supervisors/team and how many teams/supervisor?  
What is the most efficient way of supervising? Etc.

Important is the role of dialogue, as this type of learning builds on exchange of information and concept: making implicit knowledge explicit. Students build together a conceptual framework and identify information and theoretical knowledge which they need. Project based learning is student-centred. The teacher very much applies the role of coach, stimulating dialogue and reflection. At the Faculty of Art and Economics we call them 'supervisors'.

At the faculty of Art and Economics different types of PBL take place in the different study years. Although there is difference in assignment, procedures, type of supervision and ways of assessment between these projects, they all lead to the same type of questions about PBL.

The questions mentioned have been categorised in the following stones building the concept of Project Based Learning as to facilitate the research.



#### Desk research and interviews

Studying the literature on PBL I was especially pleased with the amount of practical tools I found for both students and supervisors. A selection of these tools will be made accessible and used in training sessions.

There were quite some other eye openers:

- articles elaborating on constructivist's learning psychology;
- literature and websites on digital media as tools in PBL;
- articles on 'free riders';
- article on the difference in impact of PBL in different cultures, etc.

In extension of this desk research we interviewed representatives of 5 institutes of higher education in the Netherlands and Belgium. The preliminary results of both desk research and interviews were presented to the management of the faculty of Art and Economics (March 9th and June 22nd 2009).

#### Preliminary findings

The most important overall finding of this research is how it brings our quest for improvement in perspective. We discovered that other similar institutes struggled with the same questions, such as:

- how to organise PBL in an efficient way (as everybody agrees it can be very time, energy and budget consuming

with high stress on planning and use of facilities),

- how to assess individual contributions in project teams,
- how to reassess if failure has to do with lack of team player skills?

The present findings confirmed our high level of ambition regarding PBL. This is a complex total, with many buttons to turn, which in turn affect others. Trying to influence or control many aspects can be unrealistic or even disturb the dynamics in PBL. Some topics we are struggling with are accepted elsewhere. For example the difficulty students have with reflection. Somehow it was a relief to hear colleagues say: 'What can one expect from a 19-year old?'. Or accepting the fact, that it is very difficult to create an adequate comparable individual assignment for students who have been removed from the group, due to lack of collaborative skills. And how organisational problems (such as the availability of classrooms) changed the original design of PBL.

Based on literature and comparison to other institutes, the continuous reflection on PBL within the Faculty of Art and Economics provided us with an insight upon our own qualities.

We have been able to create:

- interesting projects (variation, relevant projects);

- motivated supervisors with knowledge of the sector;
- feedback loop on team work in assessment in the second year
- elaborated support system: supervisors, intervention structure between project teams, team coach/mediator, in case of problems with collaboration in teams, tutor for individual problems

Some aspects require extra attention, such as:

- Structure in curriculum. PBL is often developed in an organic way. Consistency between projects in the different study years could be improved.
- Need for more consistent structure of requested skills training;
- Assessment procedures can be improved, with emphasize on individual assessment, assessment of theoretical foundation and procedures for reassessing students who are not good in collaborative skills;
- Training, coaching and monitoring of supervisors can be improved and we have to reconsider what profile should be needed;
- Evaluation procedure needs to be improved.

Herewith we list some of the preliminary insights relevant for the faculty of Art and Economics:

**a. Effectiveness of PBL :**

PBL is more effective than traditional learning as it leads to long-term and deeper learning and knowledge transfer, and students learn to work in a team. However, students with problems in collaboration and with individual learning styles can expect to encounter problems with PBL. Therefore it is important to profile these needed skills, in order to offer the candidates the opportunity to select another suitable institute, or to select other collaborative skills in the first year of the study. Furthermore it is advisable to use different didactical forms beside PBL which cater for different learning styles. Students only do realise what they learned from PBL years later, but they can see what other teams are learning during the project.

**b. Pedagogical Philosophy**

PBL should focus as much on learning (about working in a team on a project and about own learning style and process), as on the final result of a project. In addition for PBL dialogue between students is necessary to make implicit knowledge explicit. This requires frequent meetings.

Before starting with the project students have to be made explicitly aware of criteria concerning reflection and the use of theory. Hence, the Supervisors have the task to stimulate reflection and dialogue.

**c. Structure (in curriculum and within PBL)**

In order to prevent students from getting frustrating experiences with PBL, it is being advised to construct a curriculum together with teachers involved, in which projects develop from structured and teacher directed to open and self directed. Attention should be paid to prevent routine and boredom for example as a result of very similar procedures, deliverables and readers for subsequent years. One should create enough challenge in the project but also by alternating team work and individual assignments.

**d. Assignment**

It is very difficult to construct projects in which leadership skills can be exercised by all team members. Mostly this is limited to one or two team members. Literature states that authentic projects with multidisciplinary teams are difficult to create. Authentic projects are not a must.

**e. Supervisor and support system**

Supervisors need to be able to coach the learning of the group and of the individual students. In higher study years and with more complex projects a super visor with expertise on the content might be preferred. Often it can be efficient to organise electronic (Skype) meetings or to supervise more teams in the same meeting. We have to stress the importance of training, peer review, and monitoring of supervisors

**f. Team**

It helps to create teams with not too much difference in academic level, preferably from the same class. The creation of clear procedures will address free riders, and will make sure students have skills and tools to tackle this phenomenon. Students generally will divide tasks on level of mastery. In order to enhance their learning processes we stimulate them to choose tasks in which they can develop their competences, or have them coach each other.

**g. Assessment**

It is imperative to communicate clear criteria for assessment before the project starts, and organise workshops in which students learn to understand these criteria. Students have to know

that they will be assessed individually, based on explicit theoretical foundations. Assessment should be part of the learning process and will take time during the project. We managed to organise feedback loops in which students get the opportunity to revise deliverables based on the received feedback. In this case Peer Assessment and Peer Review should be part of the assessment

#### **h. Conditions and facilities**

The practical organisation and scheduling of PBL is complex. Especially when different disciplines and institutes or departments are involved. The need for classrooms can be lessened by either scheduling and supervising teams, or by looking for alternatives as E-meetings.

PBL is definitely requiring a lot of energy, time and flexibility!

#### **Conclusions**

In this article we have summarised the preliminary findings of this research so far. Further processing of the information is needed. We expect to develop additional specific suggestions and more work! When implementing the guidelines mentioned, it is important to prioritize them into realistic and feasible activities (just as we teach our students...). The list of things we would like to improve is already seems too long.

We intend to practical tools for supervisors as well as students, so they can select checklists or exercises, helping them in specific stages of the project (such as planning, task division, conflict solving, etc.). The next step would be describing our own best practises in a way that others might benefit from it. And last but not least it would be wonderful to get students involved with further research on how learning occurs in and through project teams.

As this is all work still in progress, we envision that this article will bring about growing interest on the topic and stimulate the dialogue, which will help us with our quest of grasping the principles of learning and improvement. We invite the reader to get in contact with us.

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# 18 international cooperation in higher education

marjolijn brussaard

## Abstract

International cooperation in higher education is essential in the development of knowledge. Europe issued the Bologna Declaration 20 years ago to free the way to international cooperation in higher education. We agreed on streamlining the essential systems in the European countries, such as the degree system, the credit system and the creations of funds: a necessity for international cooperation. This did change higher education and does enable international cooperation, yet not to its full potential. What makes international cooperation successful and why does the Netherlands seem to miss out on opportunities for international cooperation, due to their dual educational system? The failing economic system and the decrease of funding should urge the Dutch to reconsider the dual system of Higher Education. If doing so, the international networks within the sector of Art Education would receive a fundamental boost, both in content, quality and funding.

## Introduction

Art has always had an international dimension to it. Our faculty of Art and Economics is founded on an international Master in Arts Management with students from all over the world. Students were drawn to this MA due to personal interest or the connection to our leading professor. This personal interest and networking seems to be key in international cooperation. It aligns with my personal experience in international networks in art education: to get to know people is easy, to work with them is slightly more difficult but to cooperate is a world of its own.

International cooperation got a boost on European level with the Sorbonne declaration of 1998. This declaration, focussed on the foundation of 'Europe of knowledge' as described in the University World News. The impact of this declaration was mainly a preview of the Bologna Declaration. Both declarations aimed to harmonise degrees (BA MA and PhD), a common degree level system and to increase the mobility of students, teachers and researchers. With the Bologna declaration of 1999, which was signed by 27 country representatives with the EU, the Bachelor/Master system (BAMA) was accepted, fulfilling its first aim. The second aim putting an European Credit Transfer system in place, was realised when the

ECTS standard was valued as 28 study hours, This tool creates the possibility to measure and compare study achievements in an national and international context. Offering financial support with programmes like Socrates, Leonardo and Erasmus the EU for international cooperation in higher education covered the third aim of the Bologna Declaration. With subsidies for projects, curriculum development and research, institutes and university were offered financial support for the enhancement of international exchange and cooperation.

More than twenty years later we can explore the question: what are the actual indicators for successful international cooperation in higher education?

## Context

By approving the Bologna Declaration did the European Union make way for successful international cooperation? As mentioned in some ways it did, yet it did not cover all critical points. The BAMA system was adopted as a system for all, but it left room for a variety of options within the system. Up to this day a Bachelors degree can be earned in three or four years and a Master degrees in either one or two years. This liberty of choice per country has proven to be a big problem in Art Education today. Exchanging students and staff is usually related to the level

of education and specific years of the BA or MA course. With a difference like three or four years Bachelor programme it remains very difficult to find common grounds within the curriculum with other institutes.

There are other obstacles in international cooperation that makes it hard to actually make it work. Non-transferable degrees, non-comparable curricula, different timetables and the ever-lasting cutbacks in Education make international cooperation very difficult, even when the will is there. Subsidizing projects and programmes seem to have a limited impact on changing higher education.

## The Bologna Declaration

Does the Bologna Declaration meet the conditions for successful change John P. Kotter states in his book: *Leading change?* He describes the eight stages of change and the conditions that have to be met to succeed. The subtitle: '*Why transformation efforts fail*' in combination with the word leading, which implies leadership, is interesting in the European context.

Kotter uses the eight-stage change framework (Kotter, 1999)

1. Establish a Sense of Urgency
2. Creating the Guiding Coalition
3. Developing a Vision and Strategy
4. Communicating the Change Vision
5. Empowering Broad-Based Action
6. Creating Short-Term Wins
7. Consolidating Gains and Producing More Change
8. Anchoring New Approaches in the Culture

The first four stages in the transformation help defrost a hardened status quo. In the stages five to seven new practices are introduced and stage 8 focuses on the change of culture and to make the changes stick.

At first sight the urgency and necessity to defrost of the situation in higher education led to the Bologna Declaration to begin with as described before. The EU did meet the first 'stage of change'; a sense of urgency was felt in the era where knowledge economy dawned as an economical asset. Yet there were no unified measuring tools for knowledge in Europe since education was based on very different, non-comparable systems.

In stage 2 a guiding coalition had to be created. In terms of politics and policies the EU met the requirements for this stage perfectly. A team of experts worked on the guidelines of the Bologna Declaration and came up with policies that were accepted by all states of the EU. Yet this group of policy makers had no power to lead the change, a necessity to make this stage successful. Leadership is getting and taking ownership of the issue. These policy makers were in no position to take leadership in this change, however. Converting higher education the BAMA system and introducing the ECTS's system met stage 5 and 6. The funding for international cooperation was creating wins in short and middle long term. Several initiatives were initiated and supported by the EU, thus promoting the success of change. The last two stages, however are not met. There was no situation to change more as there would be in a business organization, no new projects or situations to reinvigorate the process. In addition it is too soon to tell the change in culture.

### Cooperation in Art Education

If we take the example of two large international organisations for art education we can try to define elements for success for international cooperation in Higher Art Education. **Cumulus**

*an international association of universities and colleges of Art, Design and Media and ELIA the European League of Institutes in the Arts. Both organisations were founded in 1990, both took cooperation between universities/institutes as a result of a shared vision. The vision was to work together and exchange good practices. Both organizations got grants from the EU to start their organization.*

Cumulus took a mono disciplinary scope and directed toward a network of Art universities and colleges in Art, Media and Design. *'...Over the last 20 years we developed from a co-operation between 5 institutes to a network of nearly 150 institutes all over the world. Yet you still feel welcome and connected, like being among friends. By giving the opportunity to participate and start networking communities on specialized subjects Cumulus is a real networking organisation in the managerial sense of the word. There are networks; we call them working groups, on subjects like exchanging students, research, education, art management etc. The board enables opportunities to network and will leave full responsibility to the members...'* (Speech at Vilnius Cumulus Conference by Marjolijn Brussaard). Cumulus developed into a self-supporting network organization, not dependant on any external funding. In this time of eco-

nomical crises the network is thriving with new initiatives, yet more money would help the networking. Key problems in international cooperation within cumulus are non-comparable educational timetables in exchanging students and staff and research cooperation. The fact that there is no money for projects, however does not seem to effect the network capacity of its members.

Elia developed into an organization for all art disciplines, with more than 350 members. Elia focussed on creating platforms, an advocacy role in the EU political arena and initiating a range of research and development projects relating to shaping the European area in higher arts education. This organization is largely depending on (EU) funding and uses these funds to it's full potential. Elia is very successful and in a way using short time networks (projects) to focus on certain topics at hand. The subjects for the projects have a direct link to the subjects that are funded by the EU. This makes the networking of institutes interdependent of EU policies and fragile if the funding diminishes or fails all together. Key problems in Elia, as a network organization are the number of members that enhances the feeling of anonymity. Joining projects is always possible but personal initiative is necessary since joining activities is also based on invitation.

### Conclusion

The short analysis of the Bologna Declaration in terms of Kotter's stages of change gives a few indicators for international cooperation. The sense of urgency to meet the possibilities of the knowledge economy created common grounds for unification in EU higher education.

The choice was made for one Higher Educational System (BA MA) and one credit transfer system. International cooperation needs leadership and a shared vision, not only in the political arena but also within the institutes themselves. Good practices are presented, partly enabled by the EU funding for Higher Education. Cumulus and Elia, both good practices in international cooperation, show that personal contacts are necessary to cooperate on an international level. A network organization is a successful model for international organizations and external funding is not necessary for a successful international organization.

## Discussion

The Netherlands, as one of the very few countries in Europe that still upholds the dual system for higher education: university and professional universities (or polytechnics). In the Netherlands the lobby of Universities in favour to advocate the dual system is largely based on the money for research, most of which is reserved for universities only.

Research is key to the third cycle of higher education: the doctorate or PHD level. Some research methodologies are relatively new in Art Education and often initiate a procedure of circular reasoning. There is little money for research in professional universities, because the methodologies and outcomes are difficult to validate to university standards. Yet they need money and time to develop and to gain validation.

In the Netherlands getting money for research in the professional universities is very hard. So it is even more difficult to be a serious player in the third cycle as a professional university, even though it is higher education. Arts Management, on the verge of art and management, needs research money to uphold faculty standards and enable international cooperation. Which is vital to this domain as it is in many others I'm sure.

The implication of the dual system is that the Dutch are missing out on international cooperation, especially research money and opportunities. Internationally many universities, even the art universities, are not willing or allowed to cooperate with a professional university. Professional universities or polytechnics are looked upon as vocational training and therefore dismissed as serious partner in international cooperation. When related to European policies and grants like Leonardo, Erasmus or Socrates you'll find no distinction between universities and professional universities, so the difference appears absent. In a way acting politically correct in the European arena inclines lacking opportunity to prosper as a knowledge economy, an image the Netherlands is eager to uphold. The failing economic system and the decrease of funding should urge the Dutch to reconsider the dual system of Higher Education. If doing so, the international networks within the sector of Art Education would receive a fundamental boost, both in content, quality and funding.

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[www.elia-artschools.org](http://www.elia-artschools.org)

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# Creative Applied Research (CAR)

## Towards teaching tools for Art and Media managers

### Abstract

Janine Prins argues that the added value of an Art and Economics professional in the field relies heavily on certain research skills. However, traditional tactics derived from universities do not suffice in the creative industries, nor can they be taught extensively within the Art and Economics curriculum. Made to measure research practices are therefore being developed at the Faculty of Art and Economics in Utrecht. The creative, applied, reflective (CAR) methodology is explained and debated.

### Introduction

Since 2003 the faculty Art and Economics of the Utrecht School of the Arts (HKU) has been looking for appropriate ways to teach research methodology and skills to its students. Within a year the teaching staff arrived at the conclusion that existing options did not fit the curriculum. Why not? What would then be needed?

The Faculty was driven to come up with answers. In this article the major steps taken in both our thinking and actual teaching practices.

A first step was specifying what made our curriculum so different from general management schools. The key issue here being that our students collaborate with art students, often in real life situations. Working in the creative industries, in such an intermediary role between creatives and clients, requires above all cultural competences and reflective practitionership. It was relatively easy in 2004 to develop an encompassing model for research practices on paper. Translating it into tools for teaching is another, ongoing, matter. Our approach to research now consists of three dimensions: creative, applied, reflective (CAR)

### Research drivers for the creative industries: the CAR Model

The overall context in which art managers and cultural entrepreneurs operate is practice based. Hence, all research endeavours will be practice-led and applied.

This is the case in all parts of the value chain in the creative industries (creation, production, distribution, reception). It applies to all different disciplines of arts and media, and accounts equally for profit and not-for-profit enterprises.

The methodological requirements for any *applied practice-led research* remain the same however, as for theoretical academic research. After all, researchable questions need to be formulated, relevant and reliable sources need to be selected, additional data found and analysed, results validated through well-founded argumentation. These are in a sense general academic skills that a student will learn to apply from day one; representing the A in CAR; Application. During the course of the educational activities the type of questions to answer (or learn to formulate), and problems to solve will change over the years, and become gradually more complex. Such basic academic skills, learning to apply knowledge, are required for any higher educated professional. The Application is represented in CAR by the A. Always present, in the middle of everything.

Another more generic quality for managers and entrepreneurs in general is the capacity to improve practice, through reinterpretation of existing experience and knowledge. This is the definition of 'reflection' that we took from Benamar c.s. (2006). We want our students to be trained in the tradition of 'reflective practitioners' and this is what the R stands for in CAR. We will however see that it is not that easy to have students reinterpret, in other words really examine i.e. 'research' their own practice.

Finally, but most importantly, the C which drives all efforts in the cultural sector or creative industries.

Art and Economic graduates add unique value due to their cultural competence. They are able to demonstrate insight in and respect for creative processes. Their managerial expertise specifically facilitates creativity and innovation. Students are heavily trained on the job to bridge gaps between nerdy solitary creatives and demanding effect orientated worldly clients.

Future art and media managers will need to find out how creative individuals and interdisciplinary team processes work best, at the same time satisfying demands from elsewhere. Not an easy task, never repetitive therefore unpredictable. Such an art manager entrepreneurial style is the centre of (mis)communication. They have to bring worlds together through a proper understanding of what creatives need in terms of process as well as necessary ingredients for a concept to work.

The necessity of certain ingredients often define the probability of success. In order to reach a certain target group for instance, you may need to know their favourite colour, behaviour, music and value system. The creative is not going to plough through thick reports, observe where exactly to hang posters, or happens to be knowledgeable about the digital competences of elderly migrants. Besides general research skills such as desk research, and ongoing reflection in and on action this is the area where the manager needs special creativity supporting research skills, in order to make a difference.

Any action an Art and Economics student embarks upon involves problem solving and multi-tasking. It is our position that the multi-layered approach of CAR will improve the quality of work. Taking research strands apart as dimensions is an artificial exercise however, useful for constructing a curriculum and developing teaching tools maybe. Ideally all three dimensions are interwoven: art- and media managers enhance creativity, through applied analysis, operating as reflective practitioners. Our quest is to find ways

to achieve this in teaching practice. Herewith we will explain how CAR is being implemented; what results we can register and what elements should be improved.

### Toys and tools For R; Reflection

During the years we have been refining tools to improve reflexivity of BA and MA students. The main challenge here is raising awareness, pushing reference frames, getting outside automatic reaction patterns, and stopping them from jumping to unfounded conclusions.

We now use both collective classical exercises, as well as individually written reports and field diaries; both in and on action, in all four years of the BA curriculum.

To explain the basic why and how of reflection we use a handout to which students easily agree.

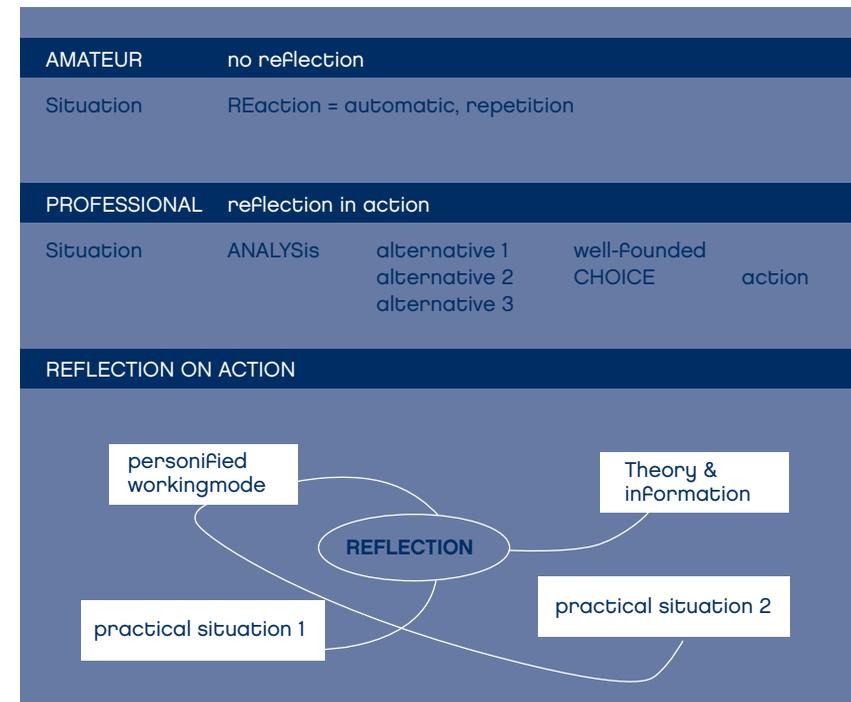


Figure 1: retrieved from Jarvis 1999

Indeed students all want to improve their next practice, learning from the previous. And in principle they see the need to combine theory and practice, albeit somewhat reluctantly. Books, journals or professionals are rarely consulted, the majority uses internet sources to expand theoretical knowl-

edge. Fine, as long as it provides eye-openers and solidifies own experience. To help individual knowledge reflections on paper along, we developed guidelines based on educational tools from a variety of sources. The guidelines help students distinguish between describing and interpreting a situation and to make sure they broaden their professional repertoire with at least two alternatives for likewise situations in the future.

One important aspect taken from Benammar c.s. (2006) is that any reflection should be about a single specific situation, motivated by a strong positive or negative emotion, resulting in a confined research(!) question. Hence ordinary research skills precede professional reflection. In our views it is impossible to articulate a researchable question without the 'situation-stimulus-question' method, leaving reflections vague and superficial.

Students need a lot of feedback on the distinction between Description and Interpretation, and help with articulating a relevant truly researchable question.

During classical collective brainstorm exercises, taken straight from Benammar c.s. (2006) students also need a very supportive environment in which it is safe enough to leave one's comfort zone.

These sessions require careful handling by the supervisor who needs to push gently through resistances and stop peers from judgemental behaviour. We use these classical sessions as motivator for the written exercises and conclude the series with a joint session in which students have read each other's reports. Once we had to do this with eighty students at once and only two supervisors.

More or less by force we stumbled upon a great tool to introduce the principles of intervention. We clustered the research questions. Quite a few had to do with alike matters such as 'How do I manage creative processes' or 'How do I deal with unmotivated team members' or 'What leadership style fits

self-supporting teams' or 'How do I improve my self-management' etc. Each individual student had looked for alternative solutions in at least three different directions, adding those to other solutions by peers, for the same type of problems. It resulted in a highly energetic sort of conference feel. All students felt confident, they felt experts themselves, treating their peers with respect when providing mutual advice. We were impressed by the professional attitude of these near graduates. It will be interesting to try this with younger students, for instance during the third year when they are out on apprenticeship.

The latest effort of tuning our tools involves a so-called three stage diary format in order to help reflection in action. Students felt that the reflection on action afterwards was very useful, but could be even more fruitful during the practical situation. That way they might adjust their actions with the help of reflection. At the moment the latest trial of developing a diary is under way.

#### Next move: playing C major (involves A)

So far so good for the R, to be applied during all kinds of practical situations in the curriculum, just like the A which should be standby continuously. But what about C; the creative moments?

In our opinion this is the least developed dimension for the art and media manager until now. There is a logic to that, as all projects involve 'real' creatives. Who would need a manager to be creative, and in which way? However, as stated earlier, in order to be able to translate for and to creatives, you need to be able to speak different languages; yours and theirs. Any art or media manager needs to be bilingual or in less textual terms be able to switch between A and C major (and deal with minor through Reflection). The question remains how to implement what skills where, and why when looking at C and how best to support it all with A.

Let's take the example of integrated real life learning through projects.

In principle the phases of project management are very much like any academic research project.

A brief is a kind of interpretation of a practical problem that needs solving through research. The first step being desk research, to see if the proposed problem is articulated correctly and not too broad.

Often students skip this phase. They are too overwhelmed by the professional field and lack interview skills to keep asking questions. In order to be able to ask appropriate questions they would need desk research and orientation in the specific cultural field; what has been done before? How to interpret the mission exactly? What additional information is needed that can realistically be found, through which methods? Etc.

Questionnaires rarely add anything new. A lot of knowledge is readily available, besides they are easy to analyse but devilishly difficult to make reliable. Therefore interview, focus groups and observation seem to be good techniques to teach art and media managers as a grammar for their creative language skills. With more specific knowledge about the target group and contemporary artistic and technical possibilities in the specific field, it is time for a brainstorm session, leading to a wide variety of possible concepts. A few of those can be developed in some detail, based on further research, and then tested before refining and finalising.

Students do not perceive these kinds of activities as 'research' and forget to consult the research tutor in time. Supervisors and clients from the field generally have no clue about research and analytic decision taking processes. The creatives meanwhile tend to hold on to their own cultural references for developing concepts. The poor art manager is lost in chaos. Apart from the aforementioned research skills, it might be wise to give the art and media manager a few more tools in the cultural sphere. How is a young person able to investigate another age group, for instance? How will students be able to stretch beyond their own tastes, passions, associations, frustrations, cultural participation? How do they get insight into other 'cultural memories', necessary to reach different target groups?

### Conclusion & discussion

Our aim is to integrate existing A (now in the programme as RMS) and R (now under PPP) activities further into projects and other practical learning situations. In addition we strive to create curricular space and develop better tools for the cultural education of the art and economics student. Interview techniques, observation and working with focus groups need to be taught in the above outlined vision. Students and staff, who apply to higher education in the arts, often seem to shy away from 'research', 'academic ap-

proach', 'methodology' and suchlike terms. Associations with universities and theoretical research for purely scientific purposes are one explanation. Though understandable, it seems like throwing out the baby with the bathwater. Well-founded decisions distinguish professionals from amateurs, and ought to lead to more effective practices. It just so happens that historically such disciplined, systematic approaches are thus far best described in rather boring written texts about research in often academic settings.

We feel there is a need for a more palpable and playful publication catering to the needs of managers in the creative industries, with real life examples from their lines of work. 'Creative Applied Research' (working title) should include image, sound, interactivity, multidisciplinary, etc. We can't wait to find the time and other means to fill this gap in research 'texts'. For the time being the Faculty will keep supporting our work in progress, letting us develop and try out teaching tools on current students in Utrecht. We are curious to find out to what extent others share our opinion. Suggestions, questions and remarks are welcome.

Janine Prins (1958) is driven by curiosity and sharing knowledge. She received an MA for anthropology at University Leiden and became a documentary filmmaker at the British National Film and Television School. She divides her time between filmmaking and higher education projects worldwide. Her company is based in Amsterdam. Since 2002 she has been regularly involved in the faculty of Art and Economics in various capacities. [www.janineprins.nl](http://www.janineprins.nl), [janine.prins@ke.hku.nl](mailto:janine.prins@ke.hku.nl)

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# Reports



# Going All-city

## 20 Graffiti as an ineradicable part of the creative city

MART VAN ZEELAND

### Introduction

While museums like the Bristol City Museum have solo-exhibitions of Banksy's work, other local authorities are still vigorously trying to suppress graffiti and its makers. When trying to redevelop a rundown area, policy makers often want to remove any graffiti in the area first. It makes you wonder whether there are no positive sides to graffiti whatsoever? This article is the summary version of master thesis 'Going All-City', written for the MA in Arts Management programme at the Faculty of Arts and Economics (HKU). It explores the possible connection between graffiti and the development of a creative city, taking into account the emancipation of (post-)graffiti within the contemporary visual arts.

### Creative cities

Creative cities have been in vogue for the last few years. By making an effort to attract the creative class to urban areas, local authorities are trying to boost their economy, redevelop rundown neighbourhoods or market their city for tourists and creative entrepreneurs.

Initiated by my passion for graffiti and street art, my perception of the urban environment has inflicted the question upon me, whether this subculture does have a position, and if so, what role in the development of creative cities it can play. The central question that I will put on the stand is therefore:

*'To what extent can (post-) graffiti and its policy influence the development of parts of a creative city?'*

Literature reveals that tolerance and openness towards innovative and different ideas are important elements, which at least in part make up the attractiveness and creative ambiance of a city. These elements are also common in the graffiti culture; that of placing – mostly – non-commissioned visual arts in the public space. With post-graffiti and forms of street art being accepted into the realm of contemporary visual art such as Banksy and DELTA, policy still regards the issue mainly as a nuisance and addresses it with repressive or preventive measures. The latter can be concluded from the notions of graffiti from local authorities such as Berlin, Utrecht and Rotterdam. By comparing theory on creative cities and their development with that of graffiti,

recurring and common elements such as the composition of the first occupants of developing urban areas are formulated. These are then used to study the written policy on graffiti in Berlin, Rotterdam and Utrecht. We will analyze three cases of areas that have already developed – or are being developed at this moment – and that have turned into attractive and creative places; Rotterdam Coolhaven, the NDSM wharf and Berlins' Kreuzberg and Friedrichshain.

The confrontation of the formulated theory and the case-analyses will shed their light upon the role of graffiti in the development of (parts of) the creative city. In addition police guidelines will be developed upon proven findings.

### Case Studies

In brief, the case studies and participative observations in Berlin – visiting developing areas and asking people involved in graffiti about their views on the activity in the different city boroughs – show that it is very plausible that graffiti can play a role in the development and origination of creative areas. Not only are many of the first movers – trendsetters if you will – involved in the origination of graffiti at a certain point in time. They inhabit formerly rundown areas in the cases squatters or

# Going All-city

*Graffiti as an ineradicable part of the creative city*

artists and transform their local environment with their initiatives. Several authors support the notion that graffiti is part of a city's dynamics and it provides an air of mild chaos, in which creativity thrives. This cultural atmosphere plays a pivotal role for the local creatives and their productivity.

A different use for graffiti in attracting the groups needed to stimulate or start the gentrification process is through that of public art. Studies show that this improves the quality of public space, a characteristic greatly valued by the creative class. (Florida, 2008)

As far as policy is concerned, policy officials seem to limit themselves to approaching graffiti as a crime, and do not suggest any further use for it. Both Rotterdam and Berlin for example have had periods in which large-scale removal programs were initiated, and have special arrangements for the removal of illegal work by private citizens.

As a contrast, the emancipation of (post-) graffiti as an art form opens new possibilities for the positioning of a city and stimulating its residents. Structurally incorporating these new forms of art in

the branding of a city, development of new areas, or in cultural policy could be a genuine innovative step, which would appeal to a (young and) creative audience. As an example, the city of Melbourne has identified special areas that are known for their graffiti, and organizes tours to visit them. Brochures even mention the city being an 'open air art gallery'.

Since graffiti has always been part of cities, and the analyses of public policies shows that past efforts to eradicate graffiti have failed, it would be a challenge to develop strategies that create urban opportunities by applying free art initiatives within the city boundaries.

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# Managing creative teams in a new environment

**21 Sanne Wiltink**

## **Introduction**

Innovative and interesting creative products exist of various elements that cannot be created any longer in one type of profession. Nowadays interdisciplinary collaborations are needed more than ever before. In addition, traditional hierarchical structures in the creative industries do not encourage creativity. But is the manager prepared for a non-hierarchical structure, the network organization? And can he cope with interdisciplinary collaborations?

The outcome of my master research at the Utrecht School of the Arts will support the manager who is working or wants to work in a network organization where creatives from different disciplines cooperate.

The key question in *Managing Creative Teams in a New Environment* is:

'What competences does a manager need in interdisciplinary creative teams, in a network organization, in order to secure the creative process?'

## **Academic background**

When we take a look at the academic debate, we see that Bilton e.g., wrote in his book *Management & Creativity* (2007) about how to manage creativity. He states that the level of creativity is higher in processes with more people than in an individual idea of a genius. Another foundation of the debate is found in the publication *(Un)common Ground* (2007), a book about interdisciplinary collaborations. In this publication the authors share their opinion with Bilton.

Although both books are valuable to the discussion, there is a lack of practical information for the manager. My master thesis *Managing Creative Teams in a new environment* joins the debate, but is also providing the missing link between theory and practice.

## **Theoretical framework**

The prescriptive research gives an insight in the necessary competences for a manager in creative interdisciplinary teams within a network organization. The first part of the report is the theoretical framework where the context of the manager is explored. Questions like 'What is creativity?' and 'What are the characteristics of the creative?' are central. One essential outcome is the importance of intrinsic motivation for creatives. Florida underlines this fact in his book *The Rise of the Creative Class* (2004). He mentions that creatives do not work for their money, but they work because they want to be challenged, they want recognition and they enjoy the respect that creative thinking brings. There is also a downside of intrinsic motivation: creatives cannot distant themselves from the creation or product. Torr, writer of the publication *Managing Creativity* (2008), and owner of a consultancy firm that specializes in the management of creative companies, argues that creatives cannot stop fiddling. This leads to the problem that it is difficult for creatives to form the product to the expectations of the client. For Torr, this is an argument why creatives should not manage their own creations.

# Managing creative teams in a new environment

One of the most essential sources for the structure of my research is the theory of Amabile (Edsel Bryant Ford Professor of Business Administration in the Entrepreneurial Management Unit at Harvard Business School). She describes six categories of managerial practice that positively affects creativity. This framework offers a competence profile, that underpins my interpretation of the existing literature in the subject of managing creativity is established. In *Managing Creative Teams in a New Environment* the six categories of Amabile's are reduced to four themes.

## Competences

The first theme is 'team'. This theme consists of the competences that the manager must have to be able to match, design and coordinate a team. The second theme is 'creativity'; this term consists of the competence to balance autonomy and operation control. The third theme is 'leadership'. The manager must have an encouraging leadership style. The final theme is 'instrumental', which includes that the manager must be able to give organizational support.

## Interviews

With the structure of these four themes, we executed in-depth interviews with managers of a network organization. Because of the fact that that the United Kingdom accommodates well-developed interdisciplinary network organizations, our research was done with managers working in interdisciplinary collaborations in the United Kingdom.

In all the interviews it turns out that a network organization is extremely suitable for creative teams, because a network organization is characterized by flexibility and a non-hierarchical structure. Managers in a network organization put emphasis on connecting people, nurturing talent and focusing on external opportunities. Interdisciplinary collaboration also proved to enhance creativity. Creatives of different disciplines inspire each other all the time. Despite the challenges of a more complex project management and the pitfall of superficiality, most of the creatives have good experiences with interdisciplinary collaboration. Managers in interdisciplinary collaboration call attention to building up trust between disciplines, translate between disciplines when needed and fostering cohesion in the team.

## Outcome

One of the most important findings in the research is that a manager of a creative team will only be accepted by a creative team when he is an inspiring leader and specifically care about the core business.

The manager can have all the competences of the world, but when he does not have the right motives, the manager is not taken seriously. The manager must have charisma and a passion for what he does. Earning big money is often not important for the team and should neither be the main motive for the manager. Another aspect in the outcome of the research is that formal status does not mean anything to creatives, on the contrary, showing passion and engagement is extremely important. This includes that having a personal taste as a manager can have a positive influence on managing creative teams. Being a manager is not just executing project management, a manager has to have a compelling personal vision combined with a sense of responsibility. He has to contain a strong artistic judgment and taste, that allows him to set agendas and looking for opportunities in the field.

## Managing creative teams in a new environment

This would entail that the manager must have a cultural track record, so he can debate in the different discussions. Both an engagement with the creative product and experience in the field can contribute to the credibility of a manager. The manager needs to take charge in the positioning and communication of a project within a broader context. A broad vision and eclectic intelligence that understands an idea in his context makes a manager an excellent communicator, persuader and perhaps a fund raiser. The managers have to build relationships and create involvement for every participator. In short, the manager's personality is inevitable.

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# My creative firm; IMPRESSION OF A PARADIGM

22 Remy Harrewijn: Festina Lente  
*Transcript by Mart van Zeeland*

### Excerpt

Festina Lente is a creative company founded by Remy Harrewijn, a graduate of the Art and Management Masters Programme of the Utrecht School of the Arts. Since its initiation in 2006, the organization has grown significantly, which calls for new ways of thinking about the structuring of the company. The article is a transcript, based on an interview with Remy. It offers an overview on what Festina Lente does, how it got started, and what the current developments and challenges are. Also, the role of the HKU in running the organisation is shortly described, and Harrewijn provides us his view on where the company will go in years to come.

### Introduction

The Utrecht School of the Arts is offering a Masters programme in Art Management, and has done so for the last 10 years. Some of the graduates go to work as employees in the creative and cultural sector, while others use their education and spirit to become entrepreneurs; a choice currently stimulated by government policy and the elements in the curriculum. As an illustration of the status quo of enterprises founded by ex-MAAM students, this short article will

give insight in one of them. The business development, entrepreneurial and organizational challenges and future plans of Festina Lente, founded by Remy Harrewijn after graduating at the HKU in 2006, will be described.

### The company and its development

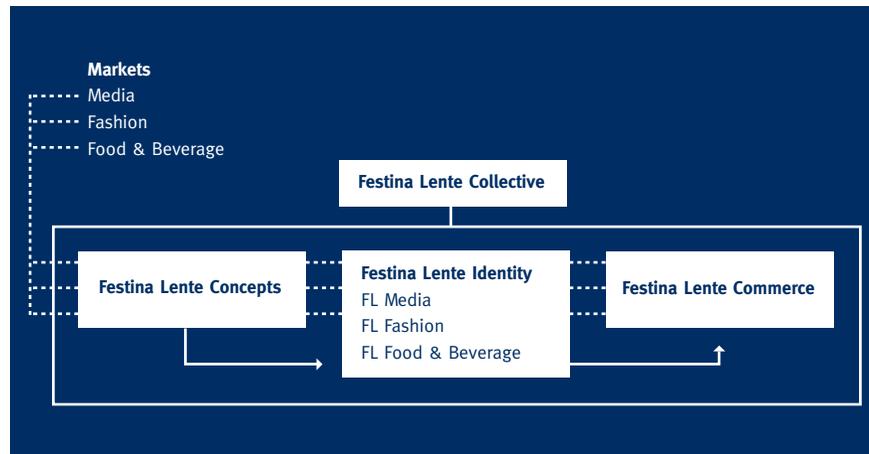
Festina Lente can best be described as a platform for the creation and development of talent, services and products. The organization is a collective of around 35 people, ranging from freelancer or employee, to partner. Some of them develop new ideas and do a project every now and then, while others share in the profits as partners, forming the core of Festina Lente.

The organization can be divided into three business units; Festina Lente Concepts, Festina Lente Identity and Festina Lente Commerce. These units cover the tripartition of idea, production and marketing. By addressing all of these fields, Festina Lente has the entire chain needed to develop and launch a new product available in its own organisation.

*Festina Lente Concepts* is the most autonomous part, trying to develop new projects and concepts that are thought of by members of the collective. The second branch, *Festina Lente Identity*, was initiated because the idea arose that it was possible to facilitate the development and production of total identities. This unit consists of the Festina Lente Media, Festina Lente Fashion and Festina Lente Food & Beverage, each focussing on a different sector. It caters for services or product for third parties as well as for Festina Lente Concepts' own ideas. The third and last unit, *Festina Lente Commerce*, specializes in the marketing and branding of products; whether these are Festina Lente's own products or others'.

Festina Lente	
Since	2006
Age	3,5 years
Partners	4
Turnover growth	100% each year
Employees	
Partners	2 FTE, 2 Part time
Media	4 FTE
	5 Freelancers contracted for 1/3d of their yearly work
Fashion	1 FTE
Food & Beverage	1 Part time
Interns	2 FTE

Figure 1: Festina Lente: Company Structure



### Organization

The three markets of operation – Media, Fashion and Food & Beverage – are each represented in the form of an own legal entity, and one of the four partners with the expertise needed for that specific field, is put at its head.

The organization structure however is based on the three units. This means that the collective consists of several holdings, freelancers and proprietorships, which makes optimizing cash flows and administrative work somewhat troublesome. However, several things are also to be gained from the extensiveness of the collective and the different groups of clientele. Because these all bring their own network and connections to the table, it enables Festina

Lente to make connections between different clients, producers and other stakeholders. The company currently has no investors, and gets all financial means from the market by providing their services and products. Government subsidies and funding naturally very rarely used, and only when a certain project applies for it. Up until now, all the profit – minus the wages – is invested directly back into the platform, enabling new ventures and developments.

The Media branch – part of the Festina Lente Identity unit – is growing the fastest, and generates most of the profit to make up for some of the other units that generate less revenue or have to bear losses.

#### **The Start-up Phase**

Festina Lente was born with the idea in mind to create the perfect job and working environment, combining Harrewijns' interests and passions such as art, design and research. Before starting Festina Lente Harrewijn was Member of a Music Band. Hence, things such as making a website, getting band pictures taken and producing video clips were part of the music-routine. When the band fell apart, Harrewijn realized that he could also provide similar services for others that needed it. As a result, he headed off to start a company, using the talents of some of the contacts made during the band period.

Without investors and starting capital, it took a lot of lobbying and convincing to get talented people to put in their own time. Today, some of the projects he initiated then are still running, one of which is BASQUA; a soft drink based on basil. This product has made it through each unit of Festina Lente, and is therefore ready to hit the market.

Even though a few business plans were written during his Masters Study, the development of Festina Lente was quite chaotic at times and what was written turned obsolete at a fast rate due to the attraction of new members and accounts. As a consequence Festina Lente currently often finds itself reacting to outside initia-

tives instead of realising a proactive state of mind. Word-of-mouth marketing, and getting in touch with the right persons at the right time through network meetings make sure that new clients are being acquired. Building and expanding that network is done very consciously, and is approached as the main instrument to create awareness for Festina Lente.

#### **Recent developments**

The doubling of the turnover each year and the accumulation of new projects resulted in a substantial increase of the workload for all people involved in the Festina Lente collective. The loose structure that organically formed at first is no longer adequate for this, so the current focus is on creating a stable and solid structure for Festina Lente as a whole. This means finding methods to channel the cash flows between the different units and new ways to administer the activities of each unit.

In Festina Lente's quest to become completely self-sufficient, without the help of banks or financial institutions, Harrewijn is exploring the idea of initiating some kind of a '*friends of*' programme. The programme is meant for a select group of about 10 to 20 successful young professionals. Each of them would invest somewhere around five thousand euros in Festina Lente, which would enlarge the companies' network, and provides a financial buffer for new projects.

A second project is currently being developed; the so-called *Seaday Academy*. The idea is to have a group where the core of Festina Lente and others will meet, to philosophise about the sector, new projects and to become aware of the frameworks that are taken for granted in everyday work. This approach has always been something that Festina Lente is looking to implement: pushing conventions and boundaries forward. Festina Lente's intention to be conscious of the responsibilities a company has in contributing to society, is one the examples proving this point of view. Festina Lente's consequently keeps the principle in mind that an organization has to earn the right to exist and be part of the market, not only by making profit, but also by wondering why it is important – in an almost philosophical sense of the word – for the outside parties, that they continue to operate.

#### **Entrepreneurial dimensions**

The entrepreneurial dimensions of running Festina Lente were discussed by using the proposition of four elements from Giep

Hagoort's inaugural lecture: innovation, personal drive, business planning and survival. (Hagoort, 2007) Harrewijn believes that the psychological dimension of personal drive is a fundamental element for Festina Lente. Since the organisation was founded with the idea of creating the perfect job and doing only those things that inspired the founder, the personal drive has always been at the very core of the collective. The second element, innovation in the economic sense of the word, is not used as a methodological instrument by Festina Lente, according to Harrewijn, but rather as a business model. This can be explained by the fact that the organisational form of Festina Lente in itself is new and has not been tested beforehand, so new experimentation is an everyday activity.

The in-house development of models for assessing risks, customer relations and finance are examples of how Festina Lente goes about business planning, the more organizational dimension of entrepreneurship. Being well aware of the importance of structuring and streamlining daily operations in phases of growth, these issues are currently high on the agenda. The final dimension, that of survival, is incorporated in Festina Lente's balancing between the commercial side – that guarantees the businesses' continuity – and the realisation of autonomous projects. Harrewijn states that the expression 'Cash is king' is still popular, and illustrates the importance of keeping track of the income in order to remain able to develop the company and to carry out future plans.

### **Role of education**

When Harrewijn started his education at the Art and Economics faculty of the Utrecht School of the Arts, the concept of cultural entrepreneurship was not yet as accepted as it is today. A lot of the Bachelor curriculum was focused on becoming employed in the – mostly subsidized – cultural sector, and did not address the possibility of starting one's own enterprise. An internship at a venture capital firm for cultural products and his personal interest in connecting the arts with commercial thinking changed this perspective.

Harrewijn feels that the MAAMMEC programme has provided him with the organisational knowledge to swiftly gain insight in a persons' position in a company, and an organisations' chain of command and culture. This enables him to assess what they could contribute to Festina Lente or vice versa. Besides this, the programme provided the room for personal development, making him aware of the importance of thinking about his professional position in the sector and helping him in putting together an adequate network.

Another skill learned during the Master programme, that has proven particularly relevant for running Festina Lente, is thinking in models and frameworks. This is extensively used for the design of business models and development of the overall strategy of the organisation. Besides using conceptual thinking to structure the organisation, it also plays an important role in initiatives such as the *Seaday Academy*: facilitating the philosophising about commonly accepted frameworks and boundaries.

One of the things Harrewijn believes can be improved in the Masters' curriculum is knowledge on the financial side of running a business. Learning more about the accounting of an enterprise would improve the ability to quickly assess a companies' annual report and to gain insight in the financial condition of an organisation. This would help when trying to find partners or investors, and is useful in making more convincing arguments in negotiations.

### **Festina Lente's perspectives**

Looking into the future is still hard for Festina Lente, especially when thinking about a period of more than 2 years away. The developments up until now have been turbulent, and the organisation is still maturing. The future has to point out what the consequences of Festina Lentes' ambitions are, and how the market will respond in the long run.

Structuring the organizational model with the three units – including the optimization of the flow of information, financial means and administration – the 'friends-of' fund and the Seaday Academy is to be completed hopefully in three years from now. The transition from testing the system to professionalization has then taken place, and the model has hopefully proved to be solid and stable. Besides this, the number of clients has increased.

In 2015, exclusiveness and quality will reign even more than today. The position of Festina Lente is an acknowledged one, making it possible to contract fewer clients but to increase the quality and autonomy of the products delivered. The latter will be realized by increasing the feeling for preferred brands and accounts. One thing that is certain, is that Festina Lente will not sit still or will await changes in the sector: the urge to push boundaries and try out new things will always be at the very core of the organization.

**Remy Harrewijn** (1982) graduated from both the BA Art and Economics and the MA in Arts and Media Management in an European Context programmes at the Utrecht School of the Arts in 2006, and is founder, partner and creative director of Festina Lente Collective. [remy@flcp.eu](mailto:remy@flcp.eu)

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#### **Acknowledgement**

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[www.festinalentecollective.com](http://www.festinalentecollective.com)

# The Next Step



# Minimize Me!

## THE CREATIVE INDUSTRIES; SETTING THE RESEARCH AGENDA

### 23 Rene Kooyman

#### Abstract

The Cultural and Creative Industries have gained momentum, both at the international and national arena. The United Nations have published their first world-spanning report on the Creative Economy. The European Union has – as a consequence of the Maastricht Treaty – included Culture as a new sphere of action. And the Dutch Government has on its turn defined the Creative Industries as one of its focal points.

A first result of the Faculty's Research Program shows that the vast majority of Creative Entrepreneurs consists of individuals that form very small, micro enterprises. These micro – or better 'nano' – enterprises have been forgotten in the recent debates.

The research agenda will have to cater for this void. It will have to contribute to the formation of theoretical frameworks, empirical description and analyses, and policy development.

#### The Creative Economy: growing interest

Recently the interest in the Creative Economy has gained momentum.

For a number of years economists, social scientists, urban and regional planners have been interested in the relationship between the cultural, creative sector and economic development. This has cumulated into a vast area of governmental interest, political debates, and development policies. In recent times it is difficult to find a city council in the Netherlands that has not developed a policy document on the Creative Economy.

The research-communities have followed suit. In the summer of 2008 five international, global organizations – UNCTAD, UNDP, UNESCO, WIPO and ITC – collectively published their Creative Economy Report 2008. (UNCTAD, 2008). At the European level the European Council expressed the need to maximise 'the potential of the cultural and creative industries. (European Council, 2006). As a consequence the European Commission has rolled out a research program in order to create a better understanding of the Creative Sector. The Commission created a special Agency – the Education, Audiovisual and Culture Executive Agency (EACEA) – in order to manage the Studies on the Creative Industries. (EACEA, 2008)

In the Netherlands since 2005 the Dutch Government has mentioned the creative

economy as one of their main focus-points. A research program including a quick scan of explicit national policies for creative industries has been programmed. (Braun, 2007)

#### The concept of Cultural and Creative Industries

It is clear that there is no unique definition of these industries. Starting with the very broad name, the notion may also be referred to as only 'cultural industries', 'creative industries', 'copyright industries' in the economic terminology, or 'content industries' in the technological vocabulary. (Marcus, 2005)

In classic economic circles, the road from the creation to production, distribution, consumption and conservation of creative goods meets individual and social actors with different roles in different creative realms.

Different models have been put forward over recent years as a means of providing a systematic understanding of the structural characteristics of the creative industries. Under the leadership of UNCTAD, the United Nations has recently published its first system-wide perspective upon the Creative Economy; a document created by the joint forces of UNCTAD, UNESCO, the World Intellectual Property Organisation (WIPO), the United Nations Development Program

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(UNDP) and the International Trade Centre (ITC). In their collective Creative Economy Report 2008 a comparison is presented of four different models, highlighting the different classification systems that they imply for the creative economy. Each model has a particular rationale, depending on underlying assumptions about the purpose and mode of operation of the industries. Each one leads to a somewhat different basis for classification into ‘core’ and ‘peripheral’ industries within the creative economy.

- 1. UK DCMS model.** This model derives from the impetus in the late 1990s in the United Kingdom to reposition the British economy as an economy driven by creativity and innovation in a globally competitive world. ‘Creative industries’ are defined as those requiring creativity, skill and talent, with potential for wealth and job creation through the exploitation of their intellectual (DCMS, 2001).
- 2. Symbolic texts model.** This model is typical of the approach to the cultural industries arising from the critical-cultural studies tradition as it exists in (Western) Europe and especially the United Kingdom (Hesmondhalgh, 2007). This approach sees the ‘high’ or ‘serious’ arts as the province of the social and political establishment and therefore focuses attention instead on popular culture.

The processes by which the culture of a society is formed and transmitted are portrayed in this model via the industrial production, dissemination and consumption of symbolic texts or messages, which are conveyed by means of various media such as film, broadcasting and the press.

- 3. Concentric circles model.** This model is based on the proposition that it is the cultural value of cultural goods that gives these industries their most distinguishing characteristic. Thus the more pronounced the cultural content of a particular good or service, the stronger is the claim to inclusion of the industry producing it (Throsby, 2001). The model asserts that creative ideas originate in the core creative arts in the form of sound, text and image and that these ideas and influences diffuse outwards through a series of layers or ‘concentric circles’, with the proportion of cultural to commercial content decreasing as one moves further outwards from the centre. This model has been the basis for classifying the creative industries in Europe in the recent study prepared for the European Commission (KEA, 2006).
- 4. WIPO copyright model.** This model is based on industries involved directly or indirectly in the creation, manufacture, production, broadcast and distribution of copyrighted works.

1. UK DCMS model	2. Symbolic texts model	3. Concentric circles model	4. WIPO copyright model
Advertising Architecture Art and antiques market Crafts Design Fashion Film and video Music Performing arts Publishing Software Television and radio Video and computer games	<b>Core cultural industries</b> Advertising Film Internet Music Publishing Television and radio Video and computer games  <b>Peripheral cultural industries</b> Creative arts  <b>Borderline cultural industries</b> Consumer electronics Fashion Software Sport	<b>Core creative arts</b> Literature Music Performing arts Visual arts  <b>Other core cultural industries</b> Film Museums and libraries  <b>Wider cultural industries</b> Heritage services Publishing Sound recording Television and radio Video and computer games  <b>Related industries</b> Advertising Architecture Design Fashion	<b>Core copyright industries</b> Advertising Collecting societies Film and video Music Performing arts Publishing Software Television and radio Visual and graphic art  <b>Interdependent copyright industries</b> Blank recording material Consumer electronics Musical instruments Paper Photocopiers, photographic equipment  <b>Partial copyright industries</b> Architecture Clothing, footwear Design Fashion Household goods Toys

**Fig 1:** Classification systems for the creative industries.  
Source: UNCTAD: The Creative Economy Report 2008

The focus is on intellectual property as the embodiment of the creativity that has gone into the making of the goods and services included in the classification. A distinction is made between industries that actually produce the intellectual property and those that are necessary to convey the goods and services to the consumer. A further group of ‘partial’ copyright industries comprises those where intellectual property is only a minor part of their operation. (UNCTAD, 2008)

## The European debate

Throughout Europe studies about Creative Industries have been carried out with the aim of pinpointing the importance of this sector for the overall economy. (Hölzl, 2008)

Since the end of the 1990s, studies about Creative Industries have been carried out throughout Europe – both national, regional and also cross-national analyses have been conducted.

A comparison of the available publications shows that the understanding of

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the sector, and even the terminology (Creative Industries vs. Cultural Industries) – varies from country to country and also within countries the definitions differ from region to region. Reasons for those differences are, for example, the historical development of countries/regions or different orientations concerning national cultural politics.

Since then the culture and creative industries subsequently gained a new importance on the political agenda. Both in the Maastricht Treaty, the EU Lisbon process for the strengthening of economic growth in Europe as well as in the UNESCO Convention on Cultural Diversity, the topic has gained central attention. (Fesel, 2007)

The study 'The Economy of Culture in Europe' commissioned by the European Commission in 2006 has been the starting point of a quick political reevaluation of the Creative Industries in Europe and its member states. (KEA, 2006)

In its analyses the study makes a distinction between 'culture' and 'economy'. It argues that the EU has been formed on the basis of economical and market forces. It creates a distinction between the cultural sector, subdivided in an industrial and non-industrial sector; and the creative sector.

The KEA Study proposes a new concentric framework with the core art fields

at the centre, expanding through the cultural industries, creative industries into related industries at the outer circle. The core art field and cultural industries create the cultural sector; whose outputs are exclusively 'cultural'. The creative and related industries are part of the creative sector; they use culture as an added-value for the production of non-cultural products.

## Research in the Netherlands

Research into participation in culture, media use and leisure pursuits has a long-standing tradition in the Netherlands. Initial studies in this area were carried out before the Second World War. In the fifties Statistics Netherlands began with national surveys of leisure activities (CBS 1954-66) which examined cultural visits, the amateur arts, reading habits and media use in detail. Since the seventies the large-scale surveys have been continued by the Social and Cultural Planning Office (SCP) founded in 1973, one of whose main functions is to conduct scientific research into social and cultural trends. These statistics, however, analyze the use of cultural facilities and institutions as part of the leisure-time activities. The research was driven by cultural policy agendas, and was not so much initiated by economic interests.

CIRCLES	SECTORS	SUB-SECTORS	CHARACTERISTICS
CORE ARTS FIELD	Visual arts	Crafts Paintings – Sculpture – Photography	<ul style="list-style-type: none"> <li>• Non industrial activities</li> <li>• Output are prototypes and 'potentially copyrighted works' (i.e. these works have a high density of creation that would be eligible to copyright but they are however not systematically copyrighted, as it is the case for most craft works, some performing arts productions and visual arts, etc.)</li> </ul>
	Performing arts	Theatre – Dance – Circus – Festivals	
	Heritage	Museums – Libraries – Archaeological sites – Archives	
CIRCLE 1 CULTURAL INDUSTRIES	Film and video		<ul style="list-style-type: none"> <li>• Industrial activities aimed at massive reproduction.</li> <li>• Output are based on copyright.</li> </ul>
	Television and radio		
	Video games		
	Music	Recorded music market Live music performances revenues of collecting societies in the music sector.	
	Books and press	Book publishing – Magazine and press publishing	
CIRCLE 2 CREATIVE INDUSTRIES AND ACTIVITIES	Design	Fashion design – graphic design – interior design – product design	<ul style="list-style-type: none"> <li>• Activities are not necessarily industrial, and may be prototypes</li> <li>• Although outputs are based on copyright, they may include other intellectual property inputs (trademark for instance).</li> <li>• The use of creativity (creative skills and creative people originating in the arts field of cultural industries) is essential to the performances of these non cultural sectors.</li> </ul>
	Architecture		
	Advertising		
CIRCLE 3 RELATED INDUSTRIES	PC Manufacturers, MP3 player manu- facturers, mobile industry, etc.		<ul style="list-style-type: none"> <li>• This category is loose and impossible to circumscribe on the basis of clear criteria. It involves many other economic sectors that are dependent on the previous 'circles', such as the ICT sector</li> </ul>

Fig 2: Delineation of the cultural & creative sector.  
Source: KEA 2006

■ the cultural sector  
■ the creative sector

## The Entrepreneurial Dimension

The Faculty of Arts and Economics has a tradition in executing education and research geared at the Managerial aspects of the Arts. The Education, Audiovisual and Culture Executive Agency has commissioned the Faculty to execute a study regarding the Entrepreneurial dimension of cultural and creative industries. (EACEA, 2008)

This Research Project is aiming at providing the European Commission with a better understanding of the operations and specific needs of companies in the cultural and creative industries, especially SMEs. The Project will:

1. Identify the characteristics of firms in the cultural and creative sectors, particularly in comparison with the other sectors of economic activity. This document highlights both the transversal characteristics common to all these industries and, where applicable, those specific to some of them;
2. Identify the specific challenges facing these companies, especially SMEs, which are liable to hamper innovation and prevent them from obtaining maximum benefit from the internal market, globalization and the availability of new information and communication technologies.
3. Highlights the transversal challenges facing these enterprises, regardless of the cultural and creative industry to

which they belong, and, as far as possible, pinpoint problems more specifically linked to each of the industries concerned. As an example, it will address the challenges existing in the fields of training (managerial skills), reinforcement of entrepreneurship, availability of venture capital, access to capital, access to the market place, access to new technologies, access to R&D tools, access to foreign markets, availability of relevant human resources, need for new business models, etc.;

4. Analyze environmental aspects, in particular regulatory issues, which influence the development of these companies or act as barriers to entry, as well as the question of access to finance.
5. The project will in particular address the situation of SMEs as opposed to the big players of the considered sectors.
6. It will cover the 27 Members of the EU. The country analysis will be useful to compare national markets, entrepreneurial behaviours at SMEs and the regulatory environments in which cultural and creative organizations operate. For each country will be selected some statistical indicators (e.g. relative importance of the industry (% of GDP), population size and age distribution, educational level, per capita expenses in culture, geographi-

cal concentration of cultural and creative companies).

7. These indicators will be used to build different clusters of countries, depending on the indicators selected and their relative importance. A comparative analysis will be performed in order to highlight the tangible differences between countries that have already developed a strategic plan for cultural and creative entrepreneurship, and those that are still lacking a systematic approach to the entrepreneurial dimension of culture and creativity.
8. The Project will explore various aspects of the dilemma of the economics of culture and creativity, namely the conflict between the social goal of

culture and the necessity to provide sufficient incentive for entrepreneurship to prosper, in other words granting creators of cultural and creative products and services adequate financial return and ownership. This aspect of the study will be concerned with Intellectual property rights (IPRs).

The project will develop Recommendations regarding the Policies and Strategies within the European Union that will support the development of SME's in the Creative Industry in Europe.

## Towards a research program

At first glance the striking conclusions have to be drawn that the Cultural Enterprises are small; very small.

**Table 1** The new SME Definition. European Commission 2005 pg 14

Enterprise category	Headcount: Annual Work Unit (AWU)	Annual turnover	Annual balance sheet total
Medium-sized	< 250	≤ €50 Million in 1996 €40 million	≤ €43 Million in 1996 €27 million
Small	< 50	≤ €10 Million in 1996 €7 million	≤ €10 Million in 1996 €5 million
Micro	< 10	≤ €2 Million previously not defined	≤ €2 Million previously not defined

An initial inventory learns that the in 2006 in Germany 97% of the Creative Industries are small enterprises (less than 2 M EUR Turnover). They account for 27% of the annual turnover in the creative sector. Only 0.1% of the cultural enterprises are Large Scale enterprises (more than 50 M EUR per year). These large scale enterprises account for 40% of the annual turnover in the Creative Industries. (Söndermann, 2009)

In general there are vast numbers of very small enterprises, confronted with a small number of (very) large conglomerates that operate on large, global markets. The 'in between' is missing. (Kooyman, 2009) Both the theoretical concepts and the research executed until now do not reflect this reality. In the EU Definition of SME's a Micro Enterprise is an enterprise that covers less than 10 people, and an annual turnover of less than 2 million Euros. In reality the vast majority of the creative sector consists of much smaller initiatives; individuals and free-lancers. As a consequence we will have to develop the notion of *nano-enterprises* in order to describe the characteristics of the Cultural and Creative Industries.

Research at this level is missing. The OECD registered a lack of understanding of the Creative Industries. 'There are almost no systematic attempts at empiricism at a holistic level. That is, there have been remarkably few attempts to put together a comprehensive picture of the empirical relation between all likely environmental factors and the entrepreneurial activities.' (OECD, 2004)

A number of initiatives have been presented here; e.g. the implications of the systems model of creativity, the developments within the digital domain, strategy formulation in small creative organizations, the creative, applied, reflective (CAR) research methodology, etc. We do not have, however adequate theoretical models, nor empirical analyses of the complex interaction of this cultural fabric that is the foundation of our cultural industries; that steer the creative processes, build our Creative Cities and constitute our cultural policies. Our research agenda will have to cater for this un-known reality. If the vast majority of the creative industries is based on these individuals, we better make sure we know what is going on at that level.

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# 24 Pictures; *Creative multiplicity* GIEP HAGOORT

## *Is our Faculty prepared for the future?*

In reflection on the contributions to this Yearbook Art and Economics 2009 one can say, that the Faculty Art and Economics of the Utrecht School of the Arts is determined to play an innovative role in the fields of research and education within the creative industries. And innovation is a key word in the first decade of the 21st century.

We have bridged the gap between creativity and economics by elaborating models of cultural entrepreneurship and Creative SME. In our daily practice we work together with external commissioners and agencies to introduce professional projects with a high level of involvement, without losing our responsibility to put the professional practice on a higher level; treasuring values as reflection and co-creation. All contributions in this Yearbook 2009 illustrate the variety of knowledge which is needed in the multiplicity of the cultural and creative industries. Thanks to my colleague/co-editor Rene Kooyman, the title of the Yearbook 2009 expresses this approach for more than a hundred percent: **Creative Industries: a colourful fabric with multiple dimensions.**

## *Rembrandts pictures*

How should our most famous painter Rembrandt, living in the Golden Age, paint this troupe? For sure – and in connection with the Nightwatch in mind – he would create a total different picture than we expected from our position. The commissioners of the Nightwatch saw themselves in the middle of wealthy Amsterdam; their costumes and weapons were intended to impress the ordinary people. But Rembrandt depicted them in a very different way. Yes, the captain and his staff are still in the middle, but in the presentation of Rembrandt the scene looks

# *Pictures;* **Creative multiplicity**

much more like a chaotic moment, in which each guard looks to another direction with people around them. Even the dog is playing his own role.

Rembrandt had problems with getting this painting accepted by the commissioners, but finally it found its way into the town hall. Not in the same large size as it was created, but in a smaller frame.

Maybe we have to look to another picture from Rembrandt's studio. This other picture presents himself and his young wife Saskia (Rembrandt and Saskia). The viewer sees a pleasant presentation with Saskia on Rembrandt's knees, both drinking wine and having fun. This very impressive reflection of life and exuberance also shows some intriguing aspects.

It seems that Rembrandt does not want to show the ordinary. Saskia – as a Dutch smiling Mona Lisa – does not take the viewer as a serious partner to join their party, and Rembrandt seems to express something like 'why not you?'

## ***Our own picture***

Rembrandt's unexpectedly Nightwatch and his troubled self can help us to create our own, more profound image regarding what we research and educate.

There are some vague components which will have to be clarified. Three issues take centre stage. The first is the digital world of web 2.0. In several contributions the authors mention this digital reality, yet a general concept with practical implications is missing. The second is the integration of creativity and innovation on the level of art, entertainment, society and trade & industries. Almost all the colleagues do emphasize the importance of this effort, but it is fairly complex to elaborate all these aspect in a research and educational framework. The third subject matter is the world that is awaiting us in about 10 years time, in which students are finding their way to the professional praxis of the creative economy (which is the perspective of the creative industries). These students can be seen as the key to unlock all the places in which creativity is waiting to become liberated.

Please, look a little bit further and see: there – in the shadows of the existing icons – we can vaguely discover walking computers, thinking walls and talking humanoids. Yes we know it, the next Yearbook Art and Economics will be created by them.

## CREATIVE INDUSTRIES

COLOURFUL FABRIC  
IN MULTIPLE DIMENSIONS  
Giep Hagoort  
Rene Kooyman (Ed)

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The Research Group Art and Economics is a part of the Faculty Art and Economics of the Utrecht School of the Arts (HKU), the Netherlands. The Research Group conducts research on different aspects on cultural and creative entrepreneurship/C-SMEs. The results are used for (the improvement of) education and practice. The researchers of the group are active on a regional, national and European level, in cooperation with the Utrecht University, at the field of the study of Art and Economics. Creative Grounds is a joined programme of the Utrecht University (RUU) and the School of the Arts (HKU), lead by Prof. Giep Hagoort.

**UTRECHT SCHOOL OF THE ARTS  
FACULTY OF ART AND ECONOMICS**

**Number of students:**

<b>bachelor</b>	<b>672</b>
<b>master</b>	<b>14</b>
<b>PhD</b>	<b>2</b>
<b>Teaching staff</b>	<b>30</b>
<b>Guest lecturers</b>	<b>40</b>

**Number of pathways: BA** **5**

- 1. Music Management**
- 2. Theatre Management**
- 3. Event Management**
- 4. Media Management**
- 5. Visual Art and Design Management**

***Note: The master course is accredited  
by the Open University in London***