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Towards a Broader Theorisation of Entrepreneurship in the Cultural and Creative Sectors

Research-in-Progress Paper

Abstract

Theorisation of cultural and creative entrepreneurship has been seen to struggle with capturing idiosyncratic elements of entrepreneurship in the cultural and creative sectors. The research presented in this paper investigates three additional entrepreneurship theories, which were developed around respectively professional service firms and social enterprises, and the theory of effectuation. It is hypothesised that these theories taken together produce a perspective not only supportive for developing a framework better geared towards theorising paradoxes in cultural and creative entrepreneurship. The newly developed framework also contains affordances for developing a view on entrepreneurial resilience in the world after COVID.

Keywords: cultural and creative entrepreneurship, innovation, Covid.

Introduction

The neo-liberal era gave a new life to the nineteenth century term entrepreneur. It was pushed on probably all sectors in society, with enormous consequences for how we construct and evaluate societal responsibility and embeddedness of professionals. The cultural and creative sectors have been no exception. The introduction of the term (in the Netherlands around the turn of the century), in combination with the creative city discourse in the same period, engendered extensive local and national policy action to promote individual and team entrepreneurship among artists and creative service providers. It also gave birth to a new language to discuss cultural and creative work and their impact.

The research

Academics face the challenge of systemising the field of entrepreneurship in the cultural and creative sectors and creating a taxonomy which acknowledges diversity in organisational practices by individuals and teams in a wide variety of practices, from autonomous art production to design and creative services. Early taxonomies (e.g. Throsby 2008, Rutten 2004) are built around the superiority of autonomous production, positioning artists literally in the middle of a concentric model. These taxonomies seem to be less sensitive to encountering a diversity of possible attitudes towards the professional's experience of entrepreneurship.

Despite the extensive promotion of entrepreneurship as a career choice, the traditional interpretation of the term entrepreneur remained largely alien to many, if not most cultural (dominantly subsidised) and creative (dominantly for profit) professionals. Entrepreneurship is generally associated with a business attitude of personal enrichment and all practices that come with it. Professionals in the cultural and creative fields are however seen to use these concepts with (sometimes radically) different meanings (Kolsteeg 2014, Loots and Witteloostuijn 2017). These polysemies have not been effectively addressed in academic research or cultural policy.

Research did find that professionals accepted the use of the term entrepreneur but did not necessarily identify with the values commonly associated with it (Naudin 2018). The term was condoned but not lived. Specific to the Dutch context, government programmes stimulating entrepreneurship lacked effectivity (Kolsteeg 2019). An evaluation of one specific government programme on the stimulation of entrepreneurship in the cultural sector indicated that during the evaluated period changes were noticed, but that it was not possible to attribute these changes to the programme (Horst, Kleuver and Bogaart 2017). An indicative survey of culture-paragraphs in current Dutch national and a number of local government documents on cultural policy shows that the term has as good as disappeared from that stage.

Apparently the term cultural (and creative) entrepreneurship is a floating signifier that contributors to the discourse do not seem to fight over in order to gain 'discursive hegemony', as Laclau and Mouffe would say, but one that no one seems to claim anymore. In the context looked at in this contribution, the discourse on culture in the Netherlands, entrepreneurship is an orphaned signifier and the interpretation of the term has contributed to that status. The term was used in such a way that it essentialised entrepreneurship along a narrow definition instead of as an attentive concept, signaling 'entrepreneuriality' in the practice of cultural and creative professionals and teams, which may be phrased as how they organise their relationship with their environment.

The cultural and creative fields encompass such diverse practices as – autonomous – art production and – heteronomous – creative services. A first step in creating a taxonomy is to separate these practices conceptually, so not on the basis of their (potential) business acumen, but on the basis of how makers balance all aspects of the relation with their environment in their work. This should also acknowledge situated differences in 'entrepreneurial culture', such as the regional widely different attitudes to such aspects of entrepreneurship as risk taking and failure.

Practices on the heteronomous end of the spectrum encompass general business considerations. For the creative business provider and larger cultural institutions financial and management worries are likely to be daily affairs. But there too the meaning of a concept like growth can be idiosyncratic. The steady growth of the number of cultural and creative micro enterprises in the Netherlands for example is caused

by the fact that small creative teams resist expansion, or ‘growth’ because of the risk of not being able to handle the scope of management, but also because growth would dilute the firm’s creative identity, which is seen as the core of the business success. Instead, the term growth was interpreted as ‘becoming better’ (Kolsteeg 2014).

On the autonomous end of the spectrum creative practices thematise and problematise fundamental aspects of life, extending paradoxically to what it means to create art (or more general, to work) in a Postfordist neoliberal society and be labelled as an entrepreneur. The shredding of Banksy’s *Girl With Balloon* exemplifies an act of “creative destruction” which critiques the relation between visual art and money, while it substantially increases the monetary value of the work.

Theorisation should be better geared towards understanding how such paradoxes affect the operationalisation of entrepreneurship in culture. Academic interest in entrepreneurship in the cultural and creative sectors is not often directed at ‘softer’ aspects, like for instance the personality traits of the entrepreneur (Klamer 2011, De Jong 2014), her sense for societal connections and responsibilities or critique of neoliberal discourses. It has been suggested that research ought to look more at aspects such as ‘personal character traits, goals, strategies, tactics, and context (Wyszomirski and Chang 2015).

I concur to the need for more work on theorising practice of cultural and creative professionals and small creative teams¹ and I propose to contribute to this endeavour by evaluating three perspectives which are hypothesised to be conducive towards understanding “entrepreneuriality” in the sectors. Entrepreneuriality refers to an attitude and behaviour of professionals which was endemic to the cultural and creative fields before the activation of the term entrepreneurship to the sectors, and still is now, after its demise. The term refers to aspects of organising the relationship with the environment which are entrepreneurial in character, while being open to finding a wider definition of entrepreneurship. This project is relevant for theorising processes in which a productive relation between creatives and non creatives is critical (Kolsteeg 2016); to contribute to theorisation of work and precarity in society at large, and to pan out to other sectors by enriching the interpretive and cultural turns in organisational science (Hatch and Yanow 2009).

COVID

The COVID crisis has been a testcase for the resilience of cultural and creative organisations worldwide. In the Dutch context, several government programmes have been set up to support organisations and entrepreneurs. Many independent professionals (entrepreneurs without personel) found themselves forced to leave the sector and look for employment elsewhere. Medio 2022 the visitor numbers are not yet back to pre-corona levels. Whether or not cultural and creative organisations will show adequate resilience is yet to be seen. The cultural sector in the Netherlands, like other sectors in society, shows indications it wants to return to “normal” as quickly as possible. While the image of cultural and creative organisations suggests otherwise, resilience is not always part of their entrepreneurial repertoire, which is perhaps illustrated by the Dutch secretary for COVID affairs, who at one point during the crisis implored the cultural sector to ‘become creative’. At the same time, the initiative of some larger cultural institutions in the North of the Netherlands to creatively set up a temporary support fund for individual entrepreneurs in the sector was criticised by the national government since it was not a correct use of their support money.

Still, the COVID crisis has indicated the need for rethinking the creation of cultural value, both live and online, and the organisational resilience needed to address fundamental issues raised by the crisis, particularly taking into account the role of the user (Radermecker 2020) in the creation of value and her ‘curation’ of what is valuable in life. The remarkably high numbers of attendees for online art events in the Netherlands indicates that for many people online experiences are satisfying, and qualitative research confirms this suggestion (Kolsteeg, forthcoming). This was explained by the fact that many online events were offered for free. From a business-entrepreneurial point of view this is generally seen as an

¹ The theorisation of large or even global enterprises in the sector, such as publishing houses and media corporations, is less interesting in view of the issues raised in this paper, and calls for the discussion of different questions, such as the matter of vertical solidarity, or lack thereof, between large global and small local firms in times of crisis.

unsustainable model, ignoring that the larger outreach is valuable in itself, especially when the work is partly funded with public money. This requires a rethinking of the relationship between ticket sales and audience outreach. This confrontation between two values is difficult to work out in a traditional economic paradigm and requires new business modeling and societal positioning.

In this research I investigate three perspectives on entrepreneurship which I hypothesise will effectively inform the creation of a stronger theoretical framework for entrepreneurial practice and understanding entrepreneurial paradoxes in the discussed sectors. Additionally I will look at how the three perspectives present affordances for dealing with the digital transformation during the Covid crisis, and how this may further impact the relationship between cultural and creative entrepreneurs and society.

The three perspectives are bricolage / effectuation; social entrepreneurship and the professional service firm. Table 1 lists characteristics of entrepreneurship in the sector which have been noticed as relevant in literature. We plot these aspects in the three chosen perspectives. Following this, we will present these perspectives in more detail and elaborate on their applicability to the discussed sectors.

	PSF	Bricolage / Effectuation	Social Entrepreneurship
Key terms	Professional autonomy / team efforts	Ecosystem, reflection	Critical perspective
Economics / cultural values	Business / creative identity	Opportunity creation	Privatisation / decentralisation
Co-operation and networking	Collectivity / autonomy analytical perspectives	Opportunities	Embedding
Work and career path	Knowledge creation 'Getting better'	Making do Alternative dominant approach to 'causal'	Societal relevance Ethics
Societal positioning	Governance Networking	Networking	Governmentality and resistance Ideology and myths

Table 1. Mapping perspectives and key terms.

The research consists of an elaboration of the three bodies of literature from the perspectives of four topical discourses, namely on value creation, co-operation and networking, work, and societal position. The findings in the discussed perspectives will be mapped to empirical knowledge on the practice of professionals and teams in the cultural and creative fields. The research will extrapolate and argue towards an enriched theory on entrepreneurship in these sectors which can be instrumental in developing new avenues for understanding paradoxes and at the same can point towards relevant strategies to productively connect cultural and creative practices to society.

The perspectives

While originated in fields such as legal, administrative and engineering, the *professional service firm* has had extensive theorisation since the seminal work of David Maister (1993). The characteristics also identified in creative (for profit) teams are knowledge intensity, the relationship between individual professionalism and team identity (Alvesson et al 2015), human resource strategies (Canavan et al. 2013), governance and managing of professionals (Harlacher et al. 2014) and innovation (Lu Shu Ling et al 2006). At the same time PSFs are at present facing disruptive developments in technology and globalisation (Van der Mandele et al. 2022).

The seminal work of Sarasvathy et al. on *effectuation* entrepreneurship as a ‘way of working’ (Sarasvathy and Venkataraman 2011) leads to insights that are expected to be supportive for our field in topics such as opportunity formation (Welter, Mauer and Wuebker 2016), reflection on and professionalisation of practices in the field.

Where work on the professional service firm is instructive for understanding creative for profit teams, the body of knowledge developed on *social entrepreneurship* leads to more insights on ‘entrepreneurialised’ cultural organisations. Other overlaps with discourses in our sector are the difficulties in defining the term and researching practice (Seymour (2012), issue of ethics in entrepreneurship (Dey and Steyaert 2016), the discursive construction of the importance of entrepreneurship (Dey and Steyaert 2018) and precarity and exploitation (Verduijn et al. 2014).

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