

## ***Ravello Lab 2011***

### ***Panel 3***

#### ***“Culture and innovation: processes of ‘cultural driven’ innovation”***

##### **Background paper**

### **INTRODUCTION**

Cultural and creative enterprises are an advanced frontier of contemporary economic development, a productive dimension that on a hand creates innovation (not only cultural innovation, but *tout court* innovation) on the other hand it is alimented by creation and is permeated by it.

Innovation in creative industry has always been linked to “innovation of sense”, that is the faculty of interpreting in an inedited way an object, suggesting new meanings and uses compared to the traditional ones.

The tight bound between creativity and economic development has been clearly enounced in the Green Paper of the European Commission, with the awareness that creativity, as the nourishment of knowledge economy, is an input for aesthetic, design and innovative technologic processes.

Therefore creativity has a more than positive impact on the quality of products, increasing the level of competitiveness in economy.

All this gets a more and more growing importance if we think that, at a global level, creative industries are in a fast expansion, above all in emerging economies, where the economical growth of knowledge society and available income feeds a new demand of creative services and goods.

If the economical relevance of these activities appears an acquired element, it is not simple to stress the limits of this segment of the economy.

This is due to the amount of culture present in every (or at least in lots of) economical activity and to the fact that creativity represents a starting point in the creation of enterprises.

The effort to limit this group of private, public and third-sector activities, has seen several attempts in Europe, with the particularly relevant experience by KEA, that has tried to give back a taxonomy of the sector adopting the NACE classification, comparable for each European country.

Identifying the enterprises in this sector is the first step towards a credible action of enhancing and monitoring it.

In this edition of Ravello Lab, we'll try to deepen the most operative arguments in order to "do creative enterprise", listing the main problems starting from management and relationship with the credit world.

This could be useful to state concrete proposals even in the training field of human resources.

It is necessary to highlight the strong link between creative and cultural activities and towns. Creativity finds its most fertile ground in urban areas where, unlike small towns, there are more lively rhythms of life, intense ideas exchange, more diversity in cultural background, more developed technologies. Therefore cities are more attractive places for creative industries.

Observing the relationship between these activities and cities, the role of the small and medium dimension of the cities emerges.

## **ENTREPRENEURIAL SPIRIT IN CULTURAL AND CREATIVE INDUSTRY**

The global impact the financial crisis has produced negative effects on many structural sectors of the European economy. These sectors pay their lack of competitiveness and systemic rigidity.

Nevertheless, recent researches seem to state that creative and cultural industries do not suffer as much as the other sectors but on the contrary they are growing, showing they are dynamic and innovative.

They can, therefore, represent the starting point on which building an effective exit strategy from crisis.

The need of cultural enterprises is well described by Santagata<sup>1</sup>: "Material cultural goods are also relational goods. The latest trend in fashion design and cuisine is not decreed by an isolated individual. Trends are social phenomena".

Ravello Lab reflection cannot avoid a constant reference to the value of relational networks and collaborative processes, which are cause and effect of the development of a cultural and creative enterprise.

## **DISCUSSION POINTS**

### **(1) key elements and key processes for the development of an enterprise**

- *Value proposition* and *time to market* for cultural and creative enterprises.
- Co-production and cross-fertilization.
- National stakeholders networks: non-cultural and non-creative private players, public institutions and no-profit sector.
- The meaning of "sustainability" and "social responsibility" for cultural and creative enterprises.
- Hard and soft Infrastructural necessities and the role of technology.
- Opportunities offered by the active welfare.
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<sup>1</sup> Santagata, 2009.

## **(2) Services for the development of business venture**

- Crucial phases in which to support a rising enterprise.
- Necessity of a specific attention towards particular entrepreneurs: women, young people and foreigners.
- Processes of enterprise incubation (physical and liquid). Role and function of incubators and development agencies. Promotion of creative business incubators.
- Steps to overcome the fragmentation linked to the small dimension: to support clustering and networking.
- The *creative brokering* (mediating and proposing contents and competencies of creative small and medium enterprises through services based on functional and enjoyable creativity in non creative productive sectors )

## **(3) Access to financing**

The relationship with the banking and investors. Specific financial instruments (guarantee funds, investment funds, venture capital and micro-credit)

## **(4) Skills and implications in entrepreneurs' training**

The need of technical skills and relational ones. Skills linked to processes of co-production and cross-fertilization. The spreading of creative knowledge and multi-subjecting. Peculiarity of recruitment.

## **(5) Monitoring, measuring and evaluating**

Testing and measuring quantitative evidences (offer and demand); Contextual and potential conditions of the cultural and creative enterprises development, and foresight activities); The challenge to find shared and comparable data (at a transnational level as well). The evaluation of the quality of cultural and creative enterprise projects.

Models on accountability in managing of culture and creative projects.