

## CHAPTER 28

# Promoting entrepreneurship in culture and creative industries in Europe: Creative Industries Entrepreneurs' Networks – The CINet Project

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### **Introduction**

CINet, the Creative Industries Network of Entrepreneurs, was a project inspired in the unique ecology of Nottingham's creative industry sector. The project was funded by the European Commission under Leonardo da Vinci Transfer of Innovation Program (cinet.eu.uab.pt). CINet brings together creative industry clusters in United Kingdom, Greece, Portugal, and Spain. Its aim was to facilitate shared learning amongst entrepreneurs and to promote entrepreneurship in the Cultural and Creative Industries (CCI) by developing the conditions for learning and collaborative advantage within small firm clusters. CINet Partners came from several southern European countries (Portugal, Spain, Greece, and France), the UK and Romania. They were: (1) Universidade Aberta, Lisbon (Portugal) – Project Coordinator, (2) UK WON (UK Work Organization Network), (3) Universitat Oberta de Catalunya, Barcelona (Spain), (4) University of Piraeus Research Centre-UPRC, Athens (Greece), (5) Association for Education and Sustainable Development (Romania), (6) DNA, Cascais (Portugal), and (7) Media Deals Association (France). CINet developed an acceleration program that was offered alternatively through three main modalities: full eLearning, blended-learning, and full face-to-face training. This permitted the testing of the different conditions and respective advantages and drawbacks of training entrepreneurs. The outcomes of the project allowed the creation of a network of creative entrepreneurs between the three southern European countries involved, an improvement of knowledge concerning important differences deriving from the different type of entrepreneurship training delivery, and also the need to consider different cultural conditions when defining public policies and actions concerning entrepreneurship development in CCIs.

CINet project started with an analysis of the Creative Nottingham's Ecology, considered a case of success in promoting entrepreneurship in Culture and Creative

Industries (CCIs). The idea was not to provide a blueprint for other countries and mainly southern European countries, but basically to use the knowledge acquired by this analysis as a generative resource to stimulate new thinking and innovative ways of supporting entrepreneurs in one of Europe's increasingly important sectors in southern European countries.

Partners realized that geographical clusters of CCI enterprises such as that found in Nottingham's Lace Market can become learning networks where entrepreneurs share knowledge and experience with each other and build "collaborative advantage" by working together. Nottingham's experience also demonstrated the important role that institutional actors such as local authorities, universities, colleges, social entrepreneurs and cultural market places can play in sustaining and growing a dynamic creative economy.

The setting up of a creative ecosystem must depart from the perspective of the entire institutional and enterprise ecology. This is something considered as crucial for entrepreneurial learning and business development but, at the same time, it may be considered as a new approach, compared with usual public policy or vocational education approaches, which focus mainly on individual entrepreneurs and their businesses.

Moreover, establishing long-term, trust-based relationships between the key institutional actors and focus businesses' support on strengthening collaborative relationships between entrepreneurs and supporting individual enterprises appears to be a pre-requisite for the delivery of effective and sustainable support for CCI entrepreneurs.

### **Comparing the influence of entrepreneurial cultures in CCI's development: Main findings**

In addition to its account of Nottingham's creative ecology, CINet project included also analyses of the respective sectors in Greece, Portugal, and Spain. Overall, analyses included a desk research on national ecosystems and a questionnaire survey directed to CCI entrepreneurs in the four countries. The surveys' sample was made up of 123 observations from CCI's entrepreneurs, including 39 (31.7%) from the United Kingdom (UK), and 84 (68.3%) from the three Mediterranean countries considered, of which: 17 (13.8%) from Portugal, 47 (38.2%) from Spain, and 20 (16.3%) from Greece. Analysis of survey results provided valuable insights into hard and soft conditions in the UK and in Mediterranean countries and also on the types of learning interventions that will both enhance the success of individual CCI's entrepreneurs and maximize their contribution to the wider economy.

Another important outcome of CINet is the finding about the importance of alternative funding sources. We have concluded that policymakers need to be more creative in establishing easy-access sources of funding, including overdraft facilities, both for start-ups and for subsequent growth.

The importance of support services for the development of start-ups was also highlighted, since the access to easy, informal (rather than formal) training and expertise in areas such as accountancy, business planning, and marketing, as well as mentoring was considered crucial for young creative entrepreneurs involved in our project. Informal events in some domains can be crucial in achieving these aims,

share knowledge, and promote networking and further cooperation among entrepreneurs, thus meeting specific needs of new ventures in creative industries.

While previous formal education could not be considered a critical issue for new ventures and the development of CCI's clusters, mentoring and other forms of activity-based learning, mostly informal, like being able to develop peer support, assume a very important role for the development of entrepreneurship in CCIs. The combination of traditional face-to-face with online learning and the development of specific resources for this purpose could be crucial issues for these goals.

The creation of platforms for informal dialogue (possibly through interface institutions), between politicians and entrepreneurs, helping the development of new mindsets and new ways of engaging policymakers in the development of CCIs can be a way to further develop creative ecosystems and so, help to reach CCIs' goals.

Different contexts involve different departure conditions regarding the different development stages of the industries in the various partner countries, and the cultural aspects that shape entrepreneurs' behavior and model soft conditions. In this sense, considerable differences may be observed between the UK and the Mediterranean countries (GEM, 2016; Amway, 2015; TERA, 2014).

As evidenced by the analysis conducted when comparing the Mediterranean countries and the UK, the richness of the particular contexts is crucial for entrepreneurship development, and one may observe intrinsic differences between the Mediterranean countries and the UK in these domains.

The UK ensures job flexibility in CCI, and the more internationalized nature of the UK companies seems to reinforce their need for such flexibility, while Mediterranean countries have more formal businesses.

Firms' financial needs as well as their need for access to finance are greater in their initial years of activity. CCI's market in the UK is more mature than in the Mediterranean countries due mainly to the UK easier access to finance for such companies. The maturity of the entrepreneurship systems for CCI is explained, first, by the UK's entrepreneurial culture that devotes more time and importance to business strategy issues; and, secondly, by a greater need and cultural openness that allows the discussion of these issues and views sharing with other entrepreneurs through networks. These discussions occur mostly between more qualified entrepreneurs.

Entrepreneurs' qualifications facilitate the access to finance and human resources, especially in the Mediterranean countries. In the case of the UK, the government implements special financial mechanisms and institutions to support the CCI, which has not happened, at least to the same extent, in the Mediterranean countries analyzed. The use of networks, especially in Mediterranean countries, is a way to access finance and to get the team members necessary for entrepreneurial ventures, especially for entrepreneurs with lower qualifications.

Easier access to an available pool of human resources in the UK for CCI networks indicates the need to develop this type of network in Mediterranean countries in the future. The use of networks by CCI entrepreneurs in the UK promotes cultural openness and the tradition to share and discuss strategic policies. These skills are important advantages of the UK over the Mediterranean countries.

Hard conditions influence the development of entrepreneurship, but the level of this influence depends on the particular context. The influence of soft conditions is not so determinant, which highlights the difficulty in measuring their influence. Soft conditions have a stronger influence on the development of entrepreneurship in CCI in the Mediterranean countries than in the UK. The “risk aversion” and “importance given to the community of other CCI” are the most important of these conditions.

Cultural differences are important in explaining differences in the job creation through entrepreneurship and the emphasis entrepreneurs attach to the usefulness of networks. “Importance of interaction with other CCIs entrepreneurs”, reflects the creative entrepreneur’s openness to “lessons” that may be derived from the experience of the CCI community in their region, in order to develop their businesses. The higher the “importance given to the community of other CCI” is, the higher the demand and importance given to entrepreneurship networks. As the individual entrepreneur or the entire sector becomes more mature, the importance given to the community of other CCIs for developing business strategies, obtaining human resources, and getting better market access, is also strengthened.

Because of the maturity of the UK’s market, the importance of this type of interaction with others is much stronger than in the less mature Mediterranean countries. In the latter, the same factor’s importance is also generally regarded as high. This importance is mostly appreciated for its beneficial impact on general management, market access, and human resources management.

Similarly to “hard” conditions whose relevance and importance were examined, “soft” conditions also have an influence on entrepreneurship development, but the extent of this influence depends again on the particular context. In environments and countries characterized by more mature businesses and more developed entrepreneurial ecosystems, entrepreneurs indicate that the differential benefits obtained from networking, to obtain easier access to sources of finance, are not that important. The higher entrepreneurs’ qualifications are, the less benefits they get from using networks to obtain financing and to manage human resources. In the UK, the motivational aspects of entrepreneurship are closely related to the creation of jobs, while in the Mediterranean countries, entrepreneurs see the value of networks in terms of their potential facilitation in obtaining needed human resources and information for general management and business planning.

Different levels of development and different types of relations affect the overall functioning of the model and are dependent on the particular context. Economic policies should balance these differences and call for significant work on the preparation of all actors. This need points to the increased importance of institutional support for entrepreneurship policies as a way to cover the inadequacies in the market and provide finance and human resources to new entrepreneurial ventures, especially in less mature markets.

### **Methodology: The Acceleration program**

CINet project aimed at improving business skills for creative entrepreneurs and enhancing the potential for business creation in CCI in Greece, Portugal, and Spain. To achieve its objectives, CINet brought together partners with expertise in

entrepreneurship research and education provision for potential entrepreneurs. A “Network Accelerating Program” (NAP) was developed and offered in a pilot fashion, aiming to help and provide support to would-be entrepreneurs who desire to start-up in the creative industries sector. The program was offered between April and July 2015. The NAP was implemented using three different training delivery methods in each partner country: face-to-face in Greece, blended-learning in Portugal, and fully online in Spain. Target trainees were mostly young qualified but unemployed persons aiming to develop entrepreneurial ventures in CCIs.

Greek pilot workshops were conducted through the implementation of face-to-face training sessions. One of the main reasons for adopting this type of delivery model in Greece was, *inter alia*, to promote real time interactions among the participants. Besides, the Greek partners believed that the adoption of face-to-face was likely to promote better synergies between trainees’ activities and motivate their active participation. On the other hand, the difficulty to secure suitable training hours for all trainees, was one of its main limitations.

While offering face-to-face sessions, Moodle platform was mostly used as a backup online system for the face-to-face sessions. All sessions delivered in Greece at the University of Piraeus were video recorded and posted on the Moodle platform in order to encourage possible interactions among participants and stimulate creation of new ideas.

During these sessions, trainees had the opportunity to meet other people, sharing the same concerns about their business cases and the successful result of new business projects’ idea, thus promoting networking. Moreover, during the face-to-face sessions, some real case study stories were presented to trainees, describing particular business ideas and bridging issues to the development of their business models.

“Lessons learned” demonstrated that the offering of pilot training through face-to-face sessions is regarded as appropriate in the following cases:

- a) The provider institution addresses the intended training to target groups whose members are regularly present in specific locations, e.g. premises of educational institutions of various levels.
- b) Training sessions may be organized in parallel to other activities, thus avoiding loss of time for travel, for trainees, and instructors alike.
- c) Information on organizational arrangements (e.g., dates, timing, duration, etc.) may easily be disseminated and reach those involved.
- d) Printed and/or reproduced material may easily be distributed, shared, and kept as reference material.
- e) Trainees’ homework (when applicable) may easily be assigned and explained.

Trainees are accustomed with face-to-face delivery of training, during which they get the opportunity to interact in real time, among themselves and with instructors/trainers.

Reasons for restricting the use of face-to-face training may also be relevant and refer to the following: differences in potential trainees’ profile and activities; geographically dispersed target groups; difficult to secure convenient, for trainees and instructors, dates and timing of sessions, and difficulties to secure suitable space in premises.

In Portugal, the implementation of this acceleration program at Universidade Aberta, followed an alternative b-learning model combining e-learning activities with pre-defined face-to-face (either physically or virtually) meetings. With this option, UAb have remained faithful to the University's institutional principle of being available to everyone "everywhere in the world", thus profiting from the advantages of e-learning and at the same time, UAb has answered to the specific needs and idiosyncrasies of entrepreneurship education, namely through the promotion of a stronger proximity with trainees, thus providing them a closer follow-up on their activities of entrepreneurial learning.

The interactions (developed through the e-learning's activities), took place in the virtual classrooms provided through the open-source LMS Moodle platform with the support of an appointed trainer that gave support, guided, and coached participants through virtual communication media.

21 applicants have applied to the training offer but, after checking requirements and confirming effective availability to follow the program, 17 trainees were enrolled in the program.

In the kick-off meeting, there was a very good participation of the trainees in terms of their interest regarding e-learning activities, the content of course guide, and the debate with two invited entrepreneurs who have their businesses already implemented. The face-to-face sessions that followed were organized in order to set the course dynamic and to clear doubts regarding the Moodle activities already opened. These sessions constituted an excellent opportunity for trainees to practice themselves in the use of Moodle, to understand better the content of online resources, the objectives of each module, and the criteria of feedback provided for each discussion forum or written report.

The videoconference networking sessions offered during some of the sessions were very useful and dynamic since both English and some Portuguese entrepreneurs, as well as Media Deals' representatives, commented on the trainee's presentations and provided suggestions and support considered relevant by trainees to upgrade and develop their business models.

After the initial "reaction" to the Moodle platform, trainees were able to adapt their forum interventions to the e-learning environment. The learning environment was basically developed around case studies especially developed for this program and used transversally in the entire Acceleration Program (full eLearning; b-learning and face-to-face). All theories were introduced through an initial case study discussion that allowed trainers to introduce the main study lines of each module in order to develop trainee's apprehension capacities of key issues of the firm's activities and to focus on practical issues of each case. Trainees developed a self-critical "bridge" with their business projects in terms of business model and provided the basis for future actions. In all cases, trainees shared important information in terms of text resource synthesis, other case studies, thematic links, and professional and personal experiences related to the conception of their business projects. The two final videoconference sessions allowed trainees to revise reports previously uploaded on the platform, and started to prepare their presentation according to the guidelines,

based upon other trainers' feed-back. These sessions were very useful for project improvements. Finally, closer mentoring sessions were developed at the very end of the program, with the selected participants for the Barcelona workshop, in order to support their presentations and present the final remarks for their respective business model's presentations. In these final sessions, we also had an invited entrepreneur that helped them developing the final presentation in the entrepreneurship contest that took place in Barcelona at the final workshop of CINet and that have put face-to-face six European projects.

Of the 17 trainees who started the acceleration program in Portugal, five were able to submit their final project and be granted a Certificate (29,4% completion rate). On a 100 rating scale, three were awarded between 70 and 80 and two above 90.

The implementation of the acceleration program at Universidade Aberta can be considered a success since 83% of participants are presently trying to create a business and 66% are considered "rather likely" or "highly likely" to establish their own firm in the next five years. One of the participants has already established his firm.

The implementation of the CINet training program by UOC in Spain, followed a fully online model, in coherence with the University's institutional principle of "*making knowledge available to everyone, regardless of time and space*". Therefore, the training scheme applied entailed some particular elements: face-to-face meetings were minimized; interaction took place in the virtual classrooms; there was an appointed trainer that gave support, guided, and coached participants through virtual communication media; all the learning resources were provided online; and the number and timing established for participants' submissions were highly flexible.

UOC's program received 70 information requests from potential participants. After checking their particulars, 26 of them were accepted in the training program.

The program begun with a kick-off meeting, held in the UOC's premises in Barcelona with Spanish participants following the event both face-to-face and through videoconferencing transmitted from Portugal simultaneously to Greece and Spain.

The training proceeded according to the timing and the learning program established by the coordinator partner (UAb), in the virtual classrooms available simultaneously in the UAb's Moodle platform and the UOC's virtual campus.

Although face-to-face interaction through videoconferencing was encouraged in particular moments of the program, participants could successfully complete the training in an entirely online mode.

This allowed for the participation of entrepreneurs not just from Barcelona, but from overall Catalonia, where the UOC premises are placed. Moreover, the program offered training to participants located in more distant places, including Munich (Germany); in other places of Spain, Gran Canaria and Santa Cruz de Tenerife in the Canarian Islands, and Granada, places that stand out as the most distant places from where participants were engaged in the program. In addition, the trainer was located in Girona and the didactic coordinator in Madrid. Therefore, the principle to provide training for creative entrepreneurs "regardless of space" became a reality. Besides, online learning offers the additional benefits for educational providers of its reduced costs regarding facilities and associated expenses.

Online education has been thought of as “no teacher needed” because all the content becomes available in texts and other learning resources. However, participants perceive as an element of satisfaction the trainer’s adequate expertise and ability to provide good advice and feedback. Our experience showed that this can be even more critical in the case of entrepreneurship training.

Satisfaction was also good with the information provided before the program commenced. This information consisted of a detailed explanation of the main elements of the CINet project and its partners, as well as of the training program (goals and competencies, module structure, and temporal planning). A well-planned information campaign was proved to be a key factor for engaging participants in online education.

In the end, participants felt they had substantially improved several key entrepreneurial skills such as managing ambiguity, planning, and financial literacy, thanks to the course.

The learning resources provided and the activities participants had to perform undoubtedly contributed to this. Since studying online requires the capacity for organizing, planning, and self-discipline, it is possible, also, that the online format of the UOC program has additionally fostered the skills of managing ambiguity and planning, which are highly valued in the labour market.

Those participants who could present their projects to the international audience perceived networking sessions with project partners and creative entrepreneurs from Nottingham as useful and motivational.

Of the 26 people who begun the training program in Spain, 10 submitted their final projects and were awarded a “passing” grade (38,5% completion rate). On a 100 rating scale, most participants were awarded between 70 and 80 points, with only one below 70 and two above 80.

Implementation of the program at the UOC may be also considered a success, since 100% of participants who responded to the Spanish final quality survey affirmed that it was “rather likely” or “highly likely” that they would establish their own enterprise over the next five years. Although such entrepreneurial intentions may have been already present before the program, taking part in the training may have strengthened and improved them. In addition, these results suggest that the program recruited the right participants, with real intentions to become entrepreneurs.

## Conclusions

Based on the results obtained and explained in this chapter, some areas for improvement in the “Network Accelerating Program” are the following:

- In order to develop Moodle networking, face-to-face and videoconference sessions need to be more directed to motivate and guide trainees to the use of Moodle for networking activities. Thus, a closer link between videoconferencing and the use of the LMS platform must be promoted to increase efficacy levels of the proper training methods;
- An introductory module to the LMS platform must also be promoted. This module, with a duration of a maximum of two weeks, is needed to better prepare trainees to work in online platform. It should focus on the following activities: online student needs, pedagogic model adopted, and team work exercises.

Ultimate efficacy of the training methods is always dependent on the relation between the use of technology and the trainees' level of readiness to deal with the specificities of a subsequent e-learning course. Ultimately this relates with the cultural characteristics of trainees although it must also relate with the specificities of the proper entrepreneurship training. The close follow-up of trainees' progress, especially regarding entrepreneurship training, may be considered a critical issue for the success of the overall program. Independently from the general knowledge acquired in the acceleration program, the mentoring of the entrepreneurs, and adapting the knowledge acquired to the specific business cases to be developed are critical aspects for the success of the acceleration program.

### **References**

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