BEND BUT DON’T BREAK: A CASE STUDY ON THE CO-CREATING STRATEGY OF A CULTURAL ENTREPRENEURIAL PROCESS

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ABSTRACT

Cultural entrepreneurship dynamics have attracted considerable interest of management scholars in the last years. Research in this field has so far focused the level of analysis on the cultural entrepreneur as individual or network agency, without extensively examining a broader concept of collective agency. By investigating the case study of a three-dimensional entrepreneur in the field of the publishing industry that acts as a bookseller, as an independent publisher and as a cultural mediator, the study explores the actual possibilities of cultural entrepreneurship. We developed content analysis of three corpora of documents, tracing the evolving of the narratives in the entrepreneurial journey.

Our findings position the cultural entrepreneurship on the level of a recursive collective co-creation narrative between the entrepreneur himself and different stakeholders over time. In a journey of continuous experimentation, the cultural entrepreneur evolves to a cultural mediator, in order to overcome the duality between his cultural and economic aspirations through the immersion in the social context where he works and through the use of the book as a cultural and social artifact.

Keywords
collective network, cultural entrepreneurship, materiality, co-creation
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INTRODUCTION

The cultural turn and the aestheticization of economy ((Bayes & Metelmann, 2018; Osborne, 2003; Reckwitz & Black, 2017; Scott, 2007)) is one of the reasons behind the massive development of the discourse on cultural entrepreneurship in recent years. Initially emerged as a collateral venue of the field of investigation on entrepreneurship, culture has been recognized both as a special case for those who are interested to the study of the CCI as a promising and specific sector of production (Caves, 2000; Crossick & Kaszynska, 2016), and is also a place to study a system of processes and managerial and organizational behaviors that are relevant per se, because of its strong innovative and creative dimensions.

As a consequence, literature on cultural entrepreneurship can be roughly divided in two major parts, depending on the specific meaning associated to the word ‘culture’ (anonymous 2016). If we refer to culture as the sociological set of habits, customs, traditions, and beliefs, characterising a context, cultural entrepreneurship represents “the skill of certain entrepreneurs to use culture as a toolkit for constructing resonant identities and motivating resource-holding audiences to allocate their resources.” (Überbacher, Jacobs, & Cornelissen, 2015: 926) The adjective ‘cultural’ is therefore used to identify the process of legitimation supporting the professional life of the entrepreneur, not identifying any specific type of cultural or creative sector.

On the opposite, ‘culture’ also identifies a well-defined context of action, and refers to the design, production and distribution of cultural and artistic goods and services. Under this second perspective, cultural entrepreneurship identifies the entrepreneurial role assumed by a
number of professionals operating in the context of CCIs and aiming to assume an autonomous position in the market, as a reaction to the growing scarcity of public funds and to the increased interest towards culture and creativity as agents of change, innovation and economic development (Pratt & Jeffcutt, 2009; Scott, 2007).

Cultural entrepreneurs are then involved in the design, production and marketing of “cultural goods and services” (Zemîte, 2010: 79). As such, they embody a special kind of entrepreneurship, where the semantic nature of goods and services, their aesthetic relevance, and their interactive and in some cases performative dimension shape the entrepreneurial process.

Given this large distinction, the discourse on cultural entrepreneurship lead to the emergence of different topics. On one side, cultural entrepreneurs can be seen as special kinds of the Schumpeterian entrepreneur, extremely embodying the characters typically emerging in the entrepreneurial process: creativity, wisdom, recognition and construction of opportunities, a strong emotional and moral dedication combined with an innovative and discovery attitude.

On the other side, new characters emerge. These are fundamentally identified in the capability to act as mediators between different contexts. Being they part of the mainstream or emerging as radical innovators of cultural codes, cultural entrepreneurs seem to possess the greatest capability to play different roles, acting as mediators and exploiting ambiguity as a means to preserve independency.

In referring to the wide literature on cultural entrepreneurship (Patriotta & Hirsch, 2016; Scherdin & Zander, 2011), we will offer a perspective based on three main dimensions: the nature of the entrepreneurial subject, the types of processes and actions performed by the entrepreneurial subject, and the relational and contextual conditions in which processes and actions are performed. In other words, we will try to answer the following three questions:

1. Who is the cultural entrepreneur?
2. What are the actions undertaken, and characterising both the entrepreneurial role and its narrative?

3. How are these actions managed in the context?

In order to provide our answers, the study explores how entrepreneurial narratives and actions unfold dialogically and interactively to transform its cultural, local, and social context.

**THEORETICAL BACKGROUND**

Cultural and creative industries (CCIs) are seen as important local and national sectors of revenue generation and job creation (Konrad, 2013; Mietzner & Kamprath, 2013). They are defined as the ones “that produce experience goods with considerable creative elements (e.g. stories and styles) and aim these (experience goods) at the consumer market via mass distribution” (Peltoniemi, 2015; 41). As such, these include a large set of business and not for business organizations, operating in a very large spectrum of cultural and creative contexts, from performing arts to software and videogames. The agents responsible of managing these industries are then at the center of a wide and complex set of situations, whereas specific characters of the cultural and creative sector are mixed with traditional dimensions shaping any set of entrepreneurial decisions.

Since DiMaggio (1982) placed at the center of the cultural industry debate, thus cultural entrepreneurs play a fundamental role. As individual agents they need to manage the tension of being both producers of cultural and symbolic meanings for society (Jones & Townley, 2016), and of being at the same time economic-entrepreneurs in charge of their own sustainability in the world of business and mass entertainment (Lampel, Lant and Shamsie, 2000). As a result, the agent-centric perspective brings entrepreneurial agency to the forefront, but at the cost of underemphasizing the role of multiple contexts in which agency is
played or - at best - by considering contexts as control variables (Zahra & Wright, 2011). Most recently, different scholars have attempted a more balanced approach, which emphasizes the different ways in which entrepreneurs and their environments are co-created (Garud, Schildt, & Lant, 2014; Gehman & Soublière, 2017; Lounsbury & Glynn, 2001). This literature tries to move from a mainstream economic perspective, which is concerned mostly with resources acquisition, and discovery or creation of the opportunity to exploit (Alvarez, Barney, & Anderson, 2013) to a more fully contextualized understanding of entrepreneurship as a socially and culturally embedded (Lounsbury et al. 2018, forthcoming) process. This approach considers the entrepreneurs as mindful actors who try to contextualize their strategic actions through ongoing narratives. These narratives describe a dynamic process which unfolds overtime in a sort of a “journey” (Garud, Gehman, & Tharchen, 2018). During the journey, entrepreneurial narrative continually evolves, changes, and adapts over time as it is revised in response to changing organizational (internally) and environmental (externally) conditions (Cornelissen & Clarke, 2010)).

As Lounsbury and Glynn (2001, p 560) pointed out, cultural entrepreneurs “continually make and remake stories to maintain their identity and status”. These narratives include not only texts such as business plans, press releases, and pitches (Doganova & Eyquem-Renault, 2009) but also the actions that entrepreneurs undertake such as developing prototypes, raising capital, and cultivating customers (Garud & Karnøe, 2003; Hargadon & Douglas, 2001) and the artifacts produced along the action.

As identified by Garud, Schildt and Lant (2014), at the core of this approach there is the need to answer to the legitimacy paradox. In order to create legitimacy, entrepreneurs create expectations about the future, but these expectations are bound to be disappointed, thereby undermining their legitimacy (Überbacher et al., 2015). Therefore, entrepreneurs need to
adapt to the chancing circumstances, and continually revise their stories in order “to maintain or regain legitimacy” (Überbacher et al., 2015) overtime.

Scholars have also theorized three types of efforts needed in order to contextualize their narrative: relational, temporal and performative (Garud, Gehman, & Giuliani, 2014). Through their relational efforts, entrepreneurs forge linkages across social and material elements; through their temporal efforts, entrepreneurs speak to the unfolding nature of their journeys by referring to different accounts of the past, present, and future; and through their performative efforts, entrepreneurs are able to trigger action and engagement even in the midst of changing objectives (see also Garud et al., 2018). All these suggest that the entrepreneurial figure has the ability to intervene in the world and this process of acting and re-acting is part of their narrative. Through stories they cultivate meaning and catalyze actions (Gehman & Soublière, 2017) and their expectations are more or less robust depending on their connections to other actors, artifacts and emergent actions (Garud, Schildt, et al., 2014). Therefore, two major dimensions characterize the action of cultural entrepreneurship.

First, cultural entrepreneurship entails not only culture-taking, through the appropriation of available cultural and institutional resources, but also culture making, through “processes whereby value is created across multiple and fluid repertoires and registers of meaning” (Gehman & Soublière, 2017: 61).

Second, cultural entrepreneurship entails a continuous process of actions and reactions, and entrepreneurial agency is collective and relational, incorporating a constant revision of choices emerging in the relationship with the context in which the entrepreneur operates.

RESEARCH METHOD
The inductive inquiry (Glaser & Strauss, 1967) was carried out through an in-depth and longitudinal analysis of a single revelatory case (Siggelkow, 2007; Yin, 2009) in the publishing industry. The company we took into consideration is based in the north-east of Italy. It was founded as a cultural association in 2006 by 4 partners - 2 actors and 2 librarians - with the mission of being a cultural pole dealing with books and theater for young generation. After 12 years, the company lays a three-dimensional role under the responsibility of one of the previous partners who is now the individual entrepreneur. It is now an independent bookshop, a small individual publishing house founded in 2017 and a cultural center working in cooperation with a large no-profit organization currently involved in a urban regeneration project (2018).

The selected case study thus opens a perspective on an entrepreneurial journey, where we observe the dynamics of interaction between the strong cultural ambition of an entrepreneur and the issues of sustainability challenging him. These dynamics are analyzed and interpreted also considering the economic, social and cultural changes in the territory where the entrepreneurial process takes place.

*Data Collection and analysis*

The data collection focuses on tracing and describing the changes occurred to the entrepreneur’s journey from 2006 to 2018. Indeed, for our research purposes, we selected a panel of 12 years archival data (from 2006 to 2018) and then immersed ourselves in an 8-months ethnographic analysis of the cultural entrepreneur’s activity. Focusing on the “relational work” (Montanari, Scapolan, & Gianecchini, 2016), we studied longitudinally all the episodes, activities, collaborations and the descending tensions, gaps and needs emerging along the entrepreneurial process, describing the entrepreneur’s engagement in his three main
roles: acting as a bookseller, acting as an editor, and acting as a cultural mediator in the process of urban regeneration.

Primary and secondary sources were used in the process of investigation, following three steps of analysis.

As a first step, we collected and analyzed the following official documents: 58 transcriptions of Board of Directors meetings of the company (BoDs) and the business plans marking two critical moments in the life of company, at its birth and during its last societal transformation (in 2006 and 2018). We also collected the final version of the Statue of the company (2018), which was re-wrote after the division between the partners that occurred in 2017.

All documents were read and triangulated with open structure interviews with the entrepreneur and his main past and present collaborators to identify key moments in the strategy making and path defining over the 12 years.

As a third step, we also collected minutes from several activities, and in particular the Memoirs, written by the entrepreneur’s collaborator, from the meetings with a young reading discussion group (from 2017 to 2018, 13 meetings). We also observed 4 of these meetings in the last three months and they were documented with notes and further discussed in the research team.

We then run a quantitative content analysis (Krippendorf 1989) on all the documents collected. We tested for words frequency, concurrency and semantic analysis (Krippendorf 2004) to investigate common themes and semantic relations.

The content analysis was conducted on the 3 relatively small corpora:

- Memoirs of young-reading discussion group (available just for 2017-2018, 2 documents, comprise the minutes of 13 meetings)
- BoDs transcripts (12 years, 58 documents)
- statute of the company (current, pages18, 9009 words).
A corpus is a collection of texts, each of which is composed of blanks, letters, and other symbols. The goal of the content was to identify, summarize and represent the specific traits of the text and to develop quantitative measures to compare them. Textual data were processed by means of free software IRAMUTEQ (by P.Retinaud and LERASS laboratory, http://www.iramuteq.org) based on statistical analyses of R (R Development Core Team, 2010). A cluster analysis of each grouped document was performed to represent the texts and their distances as leaves of a tree (dendrogram – fig1,3,5) and also as a two-dimensional plot (fig2,4,6). We obtained three diverse results of the cluster analysis, one per each type of documents (memoirs, BoDs and Statute of the company). Each two-dimensional plot graphically showed similarities and differences of the texts. Despite the limited size of each corpus, the graphs are all interesting because they described with truthfulness different aspects of the bookshop activities. Indeed, the graphs showed very high validity in all the three set of documents (in the case of BoDs, 549 segments classified on 630, with a validity of 87,14%; in the case of Statute, 176 segments classified on 199, with a validity of 88,44%; in the case of Memoirs, 76 segments classified on 133, with validity of 67,26%).

First, we run the content analysis per corpora. Then we decided to compare them, in order to have a map of the events, context and partners which unfold during the process, which represent different aspects and “snapshots in time” of the same entrepreneurial activity. Then, we triangulating the findings with the interviews and the observations.

Finally, we went back on the literature to reconciles our clusters with the narrative elements already highlighted in the literature, in particular the relational and the temporal elements (Garud, Gehman, et al., 2014) to identify our contributions.
RESULTS

The research aims to give perspective on three main dimensions:

- the nature of the entrepreneurial subject,
- the types of processes and actions performed by the entrepreneurial subject,
- the conditions in which the processes and actions are performed.

So, first we present the results of each single content analysis as different “snapshots” of the entrepreneurial journey and then in the discussion session, we analyse and compare the results in the light of our research questions.

Content analysis: three aspects of the ongoing cultural entrepreneurial journey

The content analysis on the 3 corpora of documents - BoDs, memoirs and the statute - reveals three different aspects of the narratives of the entrepreneur.

Content Analysis of BoDs

The first analysis on the BoDs documents brings to light the clear-cut existence of three different lexical worlds. Our 58 BoDs documents were segmented in 630 portions (elementary context units) and the classification produces 5 clusters (Fig. 1)

These five clusters together represent the 87.14 % of the units. The percentage thus indicates that the classification is robust.

In order to describe the main topic of each cluster, we resorted to the list of most significant words.
**Group 1 (blu)** - This group (cluster No. 4, 13.8 % of units) contains words mainly related to physical locations/places. We found words like: name of the city, name of other city, headquarter.

**Group 2 (green/red/gray)** - We shape this group by following a measure of proximity and it (cluster No. 1, 23.3 % of units; cluster No. 2, 13.5 % of units; cluster No. 3, 21.9 % of units) contains words related to the same lexical word that is around the description of the activities performed by the society.

**Group 3 (purple)** – This group (cluster No. 5, 12.4 % of units) contains words mainly linked to partners and company dynamics, such as names, roles (president, in charge of, on behalf of) and dynamic verbs (accept, hire, represent)

Results of the cluster analysis of BoDs clearly differentiate between the societal dynamic, the physical spaces and the activities of the society as three distinct lexical profiles. Correspondence analysis maps similarities, differences and dichotomies among groups. The graph of correspondence analysis shows the patterns of the three groups on the first factorial plan (Fig. 2).
Group 1 (blue) and 2 (purple) represent lexical worlds in relation to the who and where of the topics discussed during the BoDs, and Group 3 (positioned in the middle of the two other groups) mentioned the activities discussed. Interestingly, in cluster 1 (places) there is no mention of the place in which the project of urban regeneration is taking place. Moreover, Group 3 highlights the multiplicity of activities and reveals that all of them were discussed with the same relevance among partners.
Content Analysis of Memoirs

The analysis on the Memoirs documents is the one with lower validity (67.26%) because unfortunately the corpus is quite small due to the fact that it narrates the activities from end 2017 to end 2018. However, the segments analyzed are 113 and the classification produced 4 clusters (Fig. 3), where, as previously, we analyzed the most significant words to highlight the main topics.

![Dendogram of Memoirs](image)

Figure 3_ Dendogram of Memoirs

**Group 1 (green)** - This group (cluster No. 2, 26.3% of units) contains words mainly related to the modality of the activities. We found words like: game, playful, music, storytelling.

**Group 2 (purple)** – This group (cluster No. 5, 22.4% of units) contains words mainly linked to target of the activities, as the name and “category” (young adult, children) of the participants.

**Group 3 (red/blu)** – Following the lexical proximity we grouped together 2 clusters (No. 1, 26.3% of units; cluster No. 3, 25% of units), which together defined the given value of the activities, both economic and social. We found words like: payments, promotions, for free, pleasure, suggestions, book.

The Results of the cluster (fig.3) and the correspondence analysis (graph- fig.4 ) of Memoirs documents, is relevant because, in particular, they are the only documents which report on the
values given by the entrepreneur to the activities of the book-shop.

Figure 4: clusters correspondence of Memoirs

Group 1 (green) and 2 (purple) represent lexical worlds which describe the activities, and Group 3 (red/blue) investigates instead the expected value of those. Interestingly, in cluster 3, M9 is mentioned and the world book has a very high relevance.

Content Analysis of Statue

The latest content analysis was on the Statute. The Statute was revised in 2018. It narrates the current situation, therefore, is not a longitudinal document but represents a clear snapshot of
the company embedded in the present. It analyses 199 segments with the 88.44% of validity, and seven clusters emerged (fig 5)

![Dendogram of Statute](image)

**Figure 5** Dendogram of Statute

What was particularly significant of this corpus analysis was the graph of correspondence (fig.6). Indeed, the graph positioned and counter posed 2 main groups of clusters.

The first one - Group 1 (cluster 7, 14.8%) - on the left of the graph includes terms related to the management of the society. These are for example: management, activities, educational, publications, support, organize, activate, promote. This group expresses a narrative that is subjective, related to contingency and peculiarities. On the opposite side of the graphs there is a composite group, Group 2, made of six different clusters (cluster No. 4, 13.1 %, cluster No. 5, 13.8 % and cluster No. 6, 15.9 % of units; and cluster No. 1, 16.5 %, cluster No. 2, 13.6 % and cluster No. 3, 12.5 % of units;) which instead speak about the rational challenges and solutions to activate when in need. They refer to general issues, showing the attempt to regulate and being objective.

These results highlight the clear tension between the objectivity needed to run a commercial activity, which has to be economically sustained and the subjectivity of the cultural entrepreneur, which moves instead from the social and cultural values and transfer them into the daily activities.
Overall, we found that the places where the project of urban regeneration is based is mentioned just on the Memoirs as a possible value direction for the activities to run. Moreover, we expected more relevance of the editorial role in the narratives, instead it seemed merge into the facets of the daily activities without a stand-alone relevance.

DISCUSSION AND CONCLUSION

Relations in action: developing a collaborative strategic approach
The content analysis let all the entrepreneurial problems emerge clearly. Tensions and gaps were part of the process through which the entrepreneur had to make his own strategic and managerial choices, divided between often-conflicting goals. The entrepreneur faced the critical moments developing a strategy based on three major pillars: co-creation, experiments, and materiality.

By comparing the longitudinal narratives (BoDs documents), we then found the narratives related to contingent events (Memoires) and the description of the current state of the company (statute 2018), clearly showing the tensions and bracken points through which the entrepreneur incurred along the process. During the unfolding of the entrepreneurial journey we have seen several turning points, moments where the decision taken influenced heavily the following steps. All of those moments are recorded in the BoDs documents and corroborated by the interviews.

However, another element that is also present is the continuous involvement of different stakeholders (the partners, the youngs reading discussion group, the non-profit association for urban regeneration project). Indeed, we found that each content analysis highlights and distinguishes as meaningful clusters, the partners/targets and the context (places).

Thus, cultural entrepreneurs seem to represent both individual agents and the expression of the collective network of actors supporting, defining, and legitimating their cultural and business processes. However, embracing the idea of firm’s strategy as co-created with its collective network of relationships (Daskalaki, 2010; Montanari et al., 2016) is not enough. The study highlights the complexity and intensity of these relationships, which drive sometime even to institutional clash, as reported in the BoDs. However, the involvement of different stakeholders is also the strategy used to co-define choices through experimenting solutions to context specific problems. By learning from these experimentations, the entrepreneur has the possibility to implement subsequent variations of the original pattern,
which involve the search for new collective dimension. Our preliminary findings on the narratives contents, show that the entrepreneurial process is a dialogical and context specific process, which rise and fall continuously from the individual to the collective dimensions. Therefore, the paper contributes to highlight that there is a “third way” to pass the dichotomy between search and creations of opportunities in the entrepreneurial journey, the way of experimenting with the stakeholders.

We found in fact that experimenting is a possibility to forge relational linkages with the social context as reported on the Memoirs. Under this light, facts as the decision to become an editor (in 2017) identify the willingness of the entrepreneur of influencing and at the same time co-creating its own audience.

Moreover, an active engagement and the experimentations with the stakeholders and the context, allow the entrepreneur to detect the problems and opportunities. Experiments like the involvement of the University students in the re-think of the image of the bookstore and the design of wooden cabin meant to transform the individual reading of a book into social listening like in the book box embrace the idea of experimental prototyping as ‘learn fast by failing early and often’. The goals of experimental prototypes are not to create something for production, but rather to create something that embodies also through physical artefacts a theory to be explored. In the experimental type the notion of learning is more strongly bound to the observation of the user and objects in use. Therefore, we saw how the individual perspective and the social/collective structure coevolved in a dynamic process of reciprocal influence, which is able to overcome tensions between cultural ambition and financial gains.

To summarize, we identify the entrepreneur as both an individual and collective agent, able to act entrepreneurially imposing their own agency based on goals and desires that constitute the entrepreneurial wisdom, but also changing it and shaping the goals as an effect of the intense and contextual relationship with other agents, those stakeholders entering in relationship with
the entrepreneur and co-designing part of the processes. This agent is not only able to design and manage a network of relationships that could support the entrepreneurial wisdom, but is also able to constantly adapt and include the context as part of the process of entrepreneurial choice. Choices and trajectories are then open to include changes and transformations that are the constituent parts of the entrepreneurial narrative and doing things drives the process of making sense of them.

The entrepreneur emerged in the investigation thus embodies the double nature of individual and social agent, occupying a role in the society and making sense of the entrepreneurial process as part of this role. This explains apparent contradictions and divergent behaviors as necessary conditions and collateral signs of a process of learning by doing where multiple roles are embodied in the same subject and conflict is part of the game.

Our investigation offers a different perspective on the role of the entrepreneur, assuming individual risk but also sharing the strategic process with main stakeholders and the wider context in its entirety. Along the process materiality is a condition for experimentation, whereas many experiments pass through the design of physical artifacts used to test new ideas or to create tangible memories shared with partners and stakeholders.

As a result, the paper opens new directions for future research around the social nature of entrepreneurship. Therefore, the role of the entrepreneur does not exclusively relate to the creative stance of self-realization of the creative individual (Brockling, 2016; Beyes, Metelmann, 2018) but is aso deeply related to the embodiment of a social and relational role. How is the social role imagined and managed in the tensions coming from different goals and sometimes-conflicting stakeholders? How does the social entrepreneur interpret and makes sense of the imaginative role?
In order to investigate this issue, we are planning a second round of research based on an interventionist approach (…..) where we will develop a series of workshops to envision how collaboration and social interaction can be part of a process of economic development.

REFERENCES


