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### **Cultural & Social Entrepreneurship: Importance for Arts Administrators**

An entrepreneur as defined by Webster is “someone who is willing to risk loss in order to make money: someone who organizes, manages, and assumes the risks of a business or enterprise”. As an arts administrator it is important to understand the difference between social and cultural entrepreneurship to distinguish goals and orient a business model and the sustainability of a created or imagined business or enterprise. Political, social, and market ideals and issues must be understood by both cultural and social entrepreneurs to create and sustain a healthy program.

In the journal *Social Entrepreneurship*, Jeffery Robinson explains social entrepreneurship as “a practice that aims at social change”<sup>5</sup> while Andrea Haussman in the article from the *International Journal of Arts Management* explains cultural entrepreneurs “as artists undertaking business activities within one of the four traditional sectors of the arts – music; fine arts; performing arts; and literature – who discover and evaluate opportunities in the arts and leisure markets and create a (micro) business to pursue them.”<sup>3</sup> Furthermore, Gidwaney believes a distinction between cultural and social entrepreneurship distinguishes organizations from each other, specifically “those who stand for good and seek to benefit all stakeholders, and those who do not.”<sup>1</sup>

When looking to find the difference between cultural and social entrepreneurship there seem to be scholarly debates for and against a strong distinction between the two. William Gartner believes that “Entrepreneurship is as large as the people in it, the focus on profits and rationality is a counterfeit, without love, faith, and hope, our view of us is pretermitted.”<sup>2</sup> As arts administrators who are invested in our area of art we are full of love, faith, and hope through our creations, but understanding the market and structure of management is vital for sustainability efforts in any endeavor.

Seeing cultural entrepreneurship as a transdiscipline involving social interaction of artist and audience with an aesthetic product networking across multiple disciplines gives insight into a larger picture that cultural entrepreneurs should be seeing.<sup>4</sup> Cultural entrepreneurs should not only deal with abstract matters of creation and of the heart but should understand barriers they may encounter politically, socially, and economically. In Germany for example the oversupply of artists and the downward trend in demand for their products or programs has created a greater need for the cultural and self-employed entrepreneurs of this country to be more aware of the long-term economic and market impacts that affect their careers.<sup>5</sup>

From 1999 to 2004 the proportion of self-employed people in Germany’s cultural sector grew by over 20% due to a drop in the number of traditional jobs. In this and any economic environment there is an ability for an entrepreneur to impact the society at large but it must be understood that social and institutional factors play a large role in the implementation and health of the start-ups existence.

Artists have a unique ability to use their mediums and modes of impact to create cultural change and challenge a community. When starting a business or program cultural entrepreneurs should take some of the adaptive cues Jeffrey speaks of for social entrepreneurs. He explains specific barriers that social entrepreneurs may face on their journey to organize their endeavors: social entry barriers, institutional entry barriers, and cultural barriers. These could include lack of access to local networks, local resources, political infrastructure, values, social order, government, and financial markets. <sup>3</sup>

As an entrepreneur it is necessary to identify a specific problem, specific solution, evaluate the social or cultural impact, and then create a successful and sustainable business model. There are cognitive and strategic dimensions that lead to evaluation and pursuit of program creation in order to accomplish a goal. Anyone with a cultural entrepreneurial goal “must have a wide range of skills...[the] knowledge of management, law, psychology and even technology is considered indispensable. Moreover, the successful implementation of a start-up plan presupposes such entrepreneurial functions as innovation, risk management, arbitration and coordination. “<sup>3</sup>

There are gaps in the private sector’s ability to meet all of a communities need. Social and cultural entrepreneurs have the capacity to promote change and meet needs that the private and public sector may be unwilling or unable to provide. The ability of entrepreneurs to provide for unmet needs does not separate them from operating from within the framework of the society. Entrepreneurs are not only the owner/manager of their start-up but they are also in charge of processing

and evaluating market opportunities. The distinction between social and cultural entrepreneurs can provide clarity towards a specific societal mission. As arts administrators it is important to understand how the arts and cultural elements of the heart and spirit fit and operate inside of the cognitive economical and socio-political environments we operate under for a program's sustainable success.

## BIBLIOGRAPHY

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- <sup>4</sup>Martin, Courtney. "Social or Cultural Entrepreneurship: An Argument For a New Distinction."
- <sup>5</sup>Robinson, Jeffrey. "Navigating Social and Institutional Barriers to Markets: How Social Entrepreneurs Identify and Evaluate Opportunities." *Social entrepreneurship* (2006): 95-120.