



Entrepreneurship in different contexts in cultural and creative industries[☆]



José António Porfírio^{a,*}, Tiago Carrilho^a, Lisete S. Mónico^b

^a Universidade Aberta, R. da Escola Politécnica, 141-147, 1269-001 Lisbon, Portugal

^b Universidade de Coimbra, Rua do Colégio Novo, 3000-115 Coimbra, Portugal

ARTICLE INFO

Article history:

Received 1 February 2016

Received in revised form 1 March 2016

Accepted 1 April 2016

Available online 11 May 2016

Keywords:

Entrepreneurship models

Cultural and creative industries

Hard conditions

Soft conditions

Job dynamics

Entrepreneurship context

ABSTRACT

This study analyzes how hard and soft conditions influence the development of entrepreneurship in cultural and creative industries (CCIs). The study further examines what influence the context has on the effect of these conditions. A multiple multivariate regression analysis examines the importance of both the hard and soft conditions to explain the differences between the United Kingdom and the Mediterranean countries of Portugal, Spain, and Greece. The sample comprises 123 entrepreneurs from the four countries. The use of this method represents an important contribution to the understanding of entrepreneurship dynamics and for the further fine-tuning of entrepreneurship policies in CCIs in different contexts.

© 2016 Elsevier Inc. All rights reserved.

1. Introduction

Cultural and creative industries (CCIs) fuel the innovation and economic development of regions and countries (Bilton, 2007; Oakley, 2006). These industries are gaining more attention from mainstream scholars because of their increasing contribution to the development of Europe and especially to the Mediterranean countries that often lag behind the core European countries (EC, 2014).

The study uses a multiple multivariate regression analysis (MMRA) to model and measure the results of a set of (hard and soft) conditions for the development of entrepreneurship and analyzes their effect in different contexts. Contexts are a characteristic of different departure conditions, the different development stages of the industries, and the cultural aspects that shape entrepreneurs' behavior and model soft conditions. In this sense the United Kingdom (UK) and Mediterranean countries have clear differences (Amway, 2015; GEM, 2016; TERA, 2014).

The sample comprises 123 entrepreneurs from the UK and the Mediterranean countries of Portugal, Spain, and Greece. The results support the influence of hard and soft conditions on the development of entrepreneurship. Not all of the relations have the same significance and are dependent on the contexts where the relations occur.

Findings support the need to calibrate economic policies to balance the influence of contexts on entrepreneurship development.

This study draws on the sociological theory of entrepreneurship (Thornton, 1999) and several basic assumptions of the literature on entrepreneurship to define a set of hard and soft variables (Section 2). Section 3 creates a model of these conditions. Sections 4 tests their influence on the development of entrepreneurship according to different contexts. Section 5 discusses the results and Section 6 provides the conclusion. Section 7 discusses the limitations of the study and the implications for future research.

2. Literature review

The creation of new firms occurs as a context-dependent, economic, and social process. The dynamics of this creation are very dependent on the entrepreneurs' attitudes towards critical factors (Chaston & Sadler-Smith, 2012) and also on the conditions they need to grow and prosper. Knowledge about the context where industries and entrepreneurial ventures develop is crucial to understanding what is behind the phenomenon of the development in CCIs: The UK is a good example of success in this domain (TERA, 2014).

The studies that consider network dynamics usually explore the effects of entrepreneurs' attributes and attitudes on the nature and quality of networks. These attributes and attitudes also relate to hard and soft skills that affect entrepreneurship development (Chaston & Sadler-Smith, 2012; Comunian, Chapain, & Clifton, 2010). Hard skills (e.g., business maturity, entrepreneurs' qualification) directly relate to technical skills and capabilities and usually result from previous knowledge. Soft skills derive mostly from entrepreneurs' emotional

[☆] The authors are grateful to Professor José Augusto Felício, University of Lisbon, for his careful reading and valuable suggestions on revising this essay.

* Corresponding author.

E-mail addresses: Jose.Porfirio@uab.pt (J.A. Porfírio), Tiago.Mendes@uab.pt (T. Carrilho), lisete.monico@fpce.uc.pt (L.S. Mónico).

intelligence (Mayer, DiPaolo, & Salovey, 1990) and personality characteristics (Robinson & Stubberud, 2014). These skills relate more to risk aversion and the motivation to explore business opportunities (Bolton & Lane, 2012). Attributes emphasize sharing skills, knowledge, and experience with other entrepreneurs, and also the importance of belonging to a community of other CCI's (Fillis & Rentschler, 2010; Harryson, 2008).

Hard and soft skills usually inter-relate and depend on cultural issues. Management experience correlates positively with the use of personal mentoring and helpful advice on starting a business (Cooper, Folta, & Woo, 1991). Furthermore, the entrepreneur's educational level has a positive effect on the use of professional advisors.

The literature explains job creation through entrepreneurship in general by studying its relations with several independent variables: education (Block, Thurik, van der Zwan, & Walter, 2013), the culture regarding risk tolerance and power distance (Block et al., 2013; Fernandez-Serrano & Romero, 2014; Sambharya & Musteen, 2014), individuals' perception of personal expectations and probable outcomes, life experiences for the discovery of opportunity (Venkataraman, 1997), prior knowledge for opportunity recognition (Cohen & Levinthal, 1990), knowledge of specific markets (Colombier & Masclet, 2008; Román, Congregado, & Millan, 2011), and embeddedness through social networking (Farashah, 2015).

The studies on employees' growth in CCI's focus on the nature of artistic orientation and founding teams that combine entrepreneurial skills with creative and artistic skills (Protogerou, Caloghirou, & Markou, 2015). These skills represent the need for cooperation and feedback at the initial phase of the businesses (Heebels & van Aalst, 2010), the use of personal contacts to win contracts and access markets (Saundry, 1998), and the existence of market plans and the relation of export orientation with general management and strategic business issues (Protogerou et al., 2015). In CCI's, the sense of belonging to a community is usually relevant. Communities usually derive from formal and informal networks not just to obtain valuable business and market information but also to share job opportunities, skills, and experiences (Fuller-Love, 2009). Communities of practices operating across and within subsectors, are generally informal and semi-organized (Granger & Hamilton, 2010) but with strong interactions (Chapain & Comunian, 2010). Collaboration with other local entrepreneurs to exchange ideas, acquire and maintain reputation (Heebels & van Aalst, 2010), and work across subsectors with a project logic for certain periods of time (Chapain & Comunian, 2010) is also important.

The literature also recognizes the benefits of networks for market access (Hoang & Young, 2000; Singh, Hills, Lumpkin, & Hybels, 1999). Networking and contextual learning are essential skills to access a local market (Chapain & Comunian, 2010; Lange, 2008) and for personal contact and word of mouth by commercial and artisan entrepreneurs in outer-suburban locations (Felton, Collis, & Graham, 2010). The sharing of knowledge, skills, and experiences with local entrepreneurs is also very important (Lee, 2015; Granger & Hamilton, 2010; Bathelt, Malmberg, & Maskell, 2004; Scott, 1988).

Cluster dynamics studies the benefits of networks for the human resources of CCI's. This approach focuses on freelance and project-based work (Chapain & Comunian, 2010), contracting employees (Heebels & van Aalst, 2010) for the media industry (Fuller-Love, 2009), and product and fashion design regarding the cooperation of professionals on a project basis (Protogerou et al., 2015).

3. Method

3.1. Research model and hypotheses

The conceptual model relates the hard and soft conditions with the development of entrepreneurship in different contexts (Fig. 1).

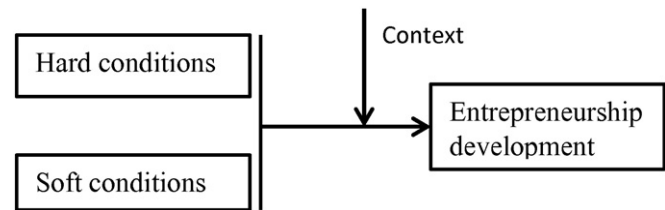


Fig. 1. Conceptual model.

This research tests the following hypotheses:

- H1.** Hard conditions influence entrepreneurship development.
- H2.** Soft conditions influence entrepreneurship development.
- H3.** Context influences the effect of hard conditions on entrepreneurship development.
- H4.** Context influences the effect of soft conditions on entrepreneurship development.

3.2. Variables

Hard conditions comprise the following variables (acronym and measurement scale in the brackets): business maturity (BusMa; years of activity), qualification of entrepreneurs (EntQua; school years), cultural industry (CulInds; dummy, 1 = yes, 0 = no), and creative industry (CreInds; dummy, 1 = yes, 0 = no).

Soft conditions comprise the following variables: risk aversion (RiskAv; a composite score based on four dummy variables of type 1 = yes; 0 = no), motivation to explore entrepreneurial ventures (MotVent; dummy, 1 = yes, 0 = no), importance given to the community of other CCI's (CCICom; 10-point Likert Scale), and the importance given to other CCI's entrepreneurs (EntCom; 10-point Likert Scale).

Entrepreneurship development consists of variables for job creation (JobCre; difference between jobs in 2015 and 2014), entrepreneurship network's benefits in terms of finance and accounting (NetF&A; 5-point Likert Scale), general management and strategy (NetGMS; 5-point Likert Scale), market access (NetMkt; 5-point Likert Scale), and human resource management (NetHR; 5-point Likert Scale) in CCI's.

3.3. Sample

The email delivery of a self-reported questionnaire to the CCI's entrepreneurs, with a link for LimeSurvey®, renders a sample of 123 observations: 39 (31.7%) from the United Kingdom, 17 (13.8%) from Portugal, 47 (38.2%) from Spain, and 20 (16.3%) from Greece.

The enterprises in the total sample are relatively young (BusMa M = 11.2 years), and even younger in the Mediterranean countries. The majority of the entrepreneurs are university graduates. The CreInds are 85.2% of the total sample, whereas 11.4% operate both CreInds and CulInds. The full sample results are available in Table 1. To replace any missing data from observations, the analysis uses the Similar Response Pattern Imputation (SRPI) method for some variables.

The existence of a linear association between the endogenous variables (criteria) and exogenous variables (predictors) makes possible the analysis of the predictive effects of hard and soft conditions on entrepreneurship. The analysis calculates the MMRA with AMOS software (v. 22.0). The values of the DM^2 show that no outliers exist, nor do sufficiently strong correlations exist between the exogenous variables to indicate possible multicollinearity. The value of the $VIFs$ ($VIF < 4$) also indicates that multicollinearity does not exist. The maximum likelihood method (Arbuckle, 2013) for parameter estimation shows a significance level of $p = 0.05$.

Download English Version:

<https://daneshyari.com/en/article/5109754>

Download Persian Version:

<https://daneshyari.com/article/5109754>

[Daneshyari.com](https://daneshyari.com)