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EDUCATION PROGRAMMES FOR ENTREPRENEURS IN THE CREATIVE INDUSTRIES IN ST. PETERSBURG

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Abstract. One of the key factors considered to influence the choice of entrepreneurship as a career is creativity. Entrepreneurship and innovative behaviour have long been associated with creativity (Amabile 1996), and recent literature suggests that creative individuals are more likely to engage in entrepreneurial activities (Ward 2004). We investigate several programmes for creative entrepreneurs launched by creative organisations and "third spaces" to understand the key topics, competencies, and methods of education practiced during these courses. This effort is important because creative and cultural industries (CCI) need a workforce both trained and industry-ready for their development. As a result of this research, we propose recommendations for future entrepreneurial educational programmes at higher education institutions and creative centres.

Keywords: entrepreneurial education, creative industries, third spaces, Russia

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1. Introduction

Creative and cultural industries have attracted the interest of researchers and policymakers for the few last decades, as they are sectors of the economy with high rates of economic growth, productivity and innovation development. (Cunningham, Potts 2015; Throsby 2015). The creative workforce has been the topic of research for many scholars, and the role of higher education in developing this workforce is an important area of study (Bakhshi *et al.* 2013; Comunian, Gilmore 2015; Faggian *et al.* 2013).

Managing creative people is a very difficult task because the nature of creative activities varies greatly between industries. Creative people are not used to limiting their creative process to timeframes, and often they are inspired by non-commercial goals and motivations. However, nevertheless, the assessment of creative projects, like that of many others, focuses on the results of the work. Hence, a broad discussion that includes an exploration of the possible dichotomy between the artist and the entrepreneur at the individual level is well presented in the literature (Caves 2000). Therefore, the topic of creative and cultural entrepreneurship (e.g., the motivation for and roles of creative team members, and the skills and capabilities of creative leaders) tends to be

interesting and complicated. Entrepreneurial creativity leads to new methods of learning and mastering business skills. The question of whether entrepreneurs are born or made is no longer that much debated. Policy makers and researchers tend to accept the view that entrepreneurship can be taught, and compulsory courses on entrepreneurship were included at universities on graduate level in many countries (Oftedal *et al.* 2014).

However, in the entrepreneurship literature, there is a conspicuous gap in the theorisation of and application of entrepreneurship in regard to the creative industry sector (De Bruin 2005). Moreover, creative and cultural entrepreneurship includes not only the aspects of individual entrepreneurship but much more broadly, those of state entrepreneurship and municipal-community entrepreneurship (De Bruin 2005), thus underpinning the social roles and additional effects of creative and cultural activities.

One of the broad approaches to entrepreneurship emphasises the role of the entrepreneur as an organiser of production factors (Glancey, McQuaid 2000). Any creative production requires the organisation and coordination of a range of creative inputs (associated with people from different artistic professions; and ideas). These creative talents have to be combined with significant inputs such as the financing for a project.

Thus, the education system faces great challenges because the cultural and creative industries have become more commercial and business oriented. The growth of entrepreneurship programmes has been observed since the early 1990s and applies to all sectors of the economy. At leading European and North American universities, as well as in Australia and Asia, there are currently many programmes available in the business in creative industries at the graduate level. One of the main objectives of these programmes is to inform students about the regular activities of individual entrepreneurs and to identify entrepreneurial opportunities (Ucbasaran *et al.* 2008; Caurkubule, Rubanovskis 2014; Tarabkova 2014; Išoratė *et al.* 2014; Figurska 2014; Bileišis 2014).

Project-based education, which consists of students conducting their own projects, has been designed to show how disciplines such as marketing, financial management, accounting may be used in daily work. In addition, several studies suggest that educational entrepreneurship programmes increases students' interest in engaging in entrepreneurial activities (Pittaway, Cope 2007).

When briefly describing higher education in Russia, we should note that universities have a narrow focus in building their curriculums. In our previous publications, we noted the fact that business and management courses and programmes, especially in entrepreneurship, have not been offered at art universities (Matetskaya *et al.* 2014). Meanwhile, the latest research using the concept of knowledge transfer brings the new arguments (from the perspective of 'creative human capital' and shared research and innovation) that arts and humanities departments have a positive and rich impact on society and provide good value for money (Comunian 2015). The growing role played by creative human capital and shared spaces corresponds to the emergence of more organic models of engagement, where new knowledge can be co-created and developed across and beyond academia. (Comunian 2015).

Despite the fact that training programmes in the fields of management, marketing and entrepreneurship are offered in many art high schools, generally, the creative institutions focus more on training "artisans" than managers or entrepreneurs. One of the aspects of the formation of such a curriculum we would like to highlight is the theme of leadership in creative teams and in building an individual's career. Indeed, information for start-up entrepreneurs (such as how to register an enterprise and operational procedures) is available through many sources, such as the internet, consulting and educational organisations, and even by 'word-of-mouth'. At the same time, skills related to team building and the management of creative professionals seem to be neglected by educational programmes and consulting.

Thus, the purpose of this paper is to examine the educational programmes in creative fields, realised by non-government educational organisations and third spaces in St. Petersburg. We aim to identify the major methods of learning and to assess their effectiveness in terms of learning outcomes as well as to determine the most popular topics and current issues related to the development of CCI business skills.

The research methodology is based on qualitative methods (13 in-depth telephone and personal interviews with the directors of educational programmes). Based on our analysis of the literature and current market trends, we make recommendations on how to fill the gaps in educational programmes for creative teams and entrepreneurs.

2. The history of creative industries in Russia and the role of education in creative economy development

The creative industries are defined as "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property" (DCMS 1998: 2) and include a range of sectors: advertising, architecture, arts and antique markets, crafts, design and designer fashion, film, video and photography, software, computer games and electronic publishing, music and the visual and performing arts, publishing, television, and radio.

The term 'creative economy' is considered by many to be an evolving concept (UNCTAD/UNDP, 2008), an umbrella term that aims to capture a set of interrelated activities based around the production, distribution and consumption of creative and cultural goods (and ideas) that have a cultural, social and economic impact. Two core components of the creative economy are the creative industries (DCMS, 1998) and the (publically funded) arts and cultural sector, (Arts Council of England 2014), but other interconnected activities (for example tourism) are often included. Art and cultural organisations have traditionally been part of the public sector, and the new market-oriented governance on the micro and macro levels is associated has encountered many difficulties.

The concept of creative industries and its implementation in Russia has been developed since the 2000s, when the first research and educational projects were initiated in Moscow and St. Petersburg. As in many other countries, a significant role in these processes was played by international agencies (such as Euclid and Comedia), which provided comprehensive assistance in the development of the creative potential of these cities (O'Connor 2004). Since its establishment in 2004, the Coordination Council for the development of creative industries, as well as regional centres and agencies, has supported and explored the creative industries in Russia. The development of business projects in the creative industries was also initially fuelled by financial and informational support from international programmes, for example, the TACIS programme¹ (2000; 2002), and special grants from the Soros Foundation. However, these activities were not widely supported at the national or city level, so they had rather short-term outcomes. One of the results of these international projects was the establishment of several educational programmes for art managers and creative entrepreneurs. Today in St. Petersburg, more than 15 non-government organisations have educational courses and seminars (Table 1).

Table 1. The main organisations and educational programmes for creative entrepreneurs in St. Petersburg²

Nº	Name of the organisation	Years of work	Educational and related activities
1	Institute for cultural programs Saint- Petersburg* http://www.spbicp.ru/content41	Since 1999	International Training Programs on Management of Music Festivals and Event management
2	The St. Petersburg Pro Arte Foundation For Culture And Arts* http://www.proarte.ru/en/education/	Since 1999	School For Young Artists School Of Art Journalism Museum Design Education Course
3	NGO "INTERSTUDIO" http://old.interstudio.ru/eng/	Since 2003- untill 2013	Research conferences and educational seminars, professional meetings and consultancy.
4	Creative Industries Agency http://creativeducation.ru (Moscow)	Since 2008	Distance education program CREATIVE ENTREPRENEUR SCHOOL Educational program "Creating a business in the creative

¹ Technical Assistance to the Commonwealth of Independent States" programme

² In the table those organisations that have not been interviewed during the research are marked with *

			industries"; Official operator of Creative Business Cup Russia Summer schools Seminars
5	StArtAcademy, center of graphics, drawings and design http://startacademy.ru/studio	Since 2009	Artists workshops and courses on art management and gallery business
6	Junior Chamber International (Saint Petersburg) http://jcispb.com/en/about-jci	Since 2009	Training, social and charity projects, start-up business consulting, international conferences. Annual program within universities "Business for me"
7	ArtExplorer Group http://www.artexplorer.ru/	Since 2009	Art business consulting, educational courses "Art is business"
8	Educational centre "Benua House" http://www.centrbenua.ru	Since 2010	Educational projects in arts, culture, media, and creative industries, more than 5 annual programs. Among most popular are "Creative space as a business project", "How to open your bar or restaurant", "Management of cultural projects", "Fashion business"
9	NGO "Kaykino Creative Projects" http://creaprok.com/en/	Since 2010	Business consulting (marketing, management, start-up) and educational courses and seminars for creative entrepreneurs
	School of Music Management http://www.light- music.ru/service_teaching.html	Since 2010	Organization of seminars and master classes in music management. Annual programmes "Management of the artist" and "Event management"
11	Nërd Camp http://nerdcamp.info/#keydates	Since 2011	Co-learning, co-working and co-resting events for IT and related sectors
12	Center of New Technology in the Arts "Art-parkING" http://artparking.org/ru/en/	Since 2012	Educational course "Management in the sphere of culture and art"; The course "Fundraising, legal and economic models" focuses on the development of three strategic components in the field of cultural management, as well as the formation of projects making skills.
13	GameChangers http://gamechangers.ru	Since 2012	Two-year program for ad-hoc education in IT industry, marketing and management fields;
14	Co-working event space CHANGELAB* //changelab.me	Since 2014	Co-working, event-spaces, educational center, social projects support center
15	Freedom Store http://freedomstore.ru	Since 2014	Co-working, start-up business consulting, clothes-making work-shop, art gallery

As a comment to the information from the table we should say that the interest to educational programs in CCI have appeared more than 10 years ago. Several ambitious programs on art and event management were launched since 1999 by NGOs with the support of state and international partners. That programs were available mostly for the professionals in creative fields and aimed in providing them with new skills and information on management tools, creating new relationships among the participants. The new wave of entrepreneurial initiatives in CCI and the emergence of educational projects has started after 2009 year in the post-crisis period. According to monitoring of business activity that was a period with increasing number of early-stage entrepreneurs seeking to occupy market niches for new customers, and creative industries seemed very attractive for new business projects. Thus the educational programs have become more diverse and included different areas of CCI: fashion, design, crafts and arts, food services, IT and media production. The main purpose of these programs was the knowledge and experience sharing among creative communities.

3. Findings from the Expert Survey

The main research hypotheses are formulated as follows:

H1. The main educational courses and services in the creative fields allow individuals to obtain the skills necessary to work on creative project; to a lesser extent, they are focused on team building, communication and leadership.

H2. The individual approach to education as well as interactive ways of training (coaching and workshops) are of great importance and demand for creative entrepreneurs. Advanced courses with a strategic view of the development and networking of creative enterprises are lacking in the educational market.

Speaking of the programs' audience experts say that it consists in about equal proportions of "those who are just curious about what is the entrepreneurship; who have an idea to start a business and those, who are seriously working on his or her business project" (from the interview with the director of School of Music Management). Per our interview with the head of the "Benua House" educational centre, the audience of the programme "consists of all kinds of people, who are mostly interested in the programmes (and there is a procedure for the preliminary selection of applications). They are mostly young—some of them are already working in various organisations related to the topic of the course or wish to start their own business and get some fresh ideas". She also notes that one of the latest trends that we have observed is the formation of more 'advanced' groups of students who are interested in specific knowledge, as they already work in the creative business." Moreover, communication with experts confirmed the absence of required courses and programmes for creative entrepreneurship at universities. "Generally, our students are college and university graduates ... those who graduated from college and realised that they did not know how to start their project and have no idea about how the tools and algorithms of business work", says the co-founder of the Art-parkING educational centre.

A content analysis of the educational courses reveals the most popular topics:

- Project management staging (from an idea to a business plan)
- Marketing (particularly social media marketing)
- Legislation (the registration of an enterprise, the type of organisation)

Student surveys on such programmes gave us the opportunity to identify that knowledge about the legislative basis of doing business as well as the promotion of creative projects is of great demand for those pursuing startups. "Our objective was to provide knowledge and some experience to students of how to start your own business or to cooperate with an existing company. We demonstrate the different types of documents required to highlight the clear difference between non-profit and commercial organisations, as well as how individuals can cooperate on single projects", as stated by the director of the Art-parkING centre.

In regard to special and advanced courses on creative entrepreneurship, of note is the programme called the School for Creative Entrepreneurs (Moscow), which is a partner of the international project Creative Business Hub. "During the courses at school, attendees study in detail the issues related to the choice of legal form and type of organisation for creative businesses and the protection of intellectual property rights and copyright registration procedures of their own affairs, and partner and work with donors and sponsors." At the same time, "the main problem for aspiring entrepreneurs who have an idea is the question of "where to start" and how to generate money from your idea. This is due to various practical issues, such as financial accounts, the registration of a legal entity, the search for sources of funding, the rules of communication with sponsors and donors, attracting the first audience, etc. The question of the concept and the presence of unique ideas is also important, of course."

Among the special courses and lectures that were mentioned in interviews as the most popular were "How to Start a Restaurant Business", "Event Management", and "IT Technologies in Cultural Management and Promotion". Still, there is a lack of attention to topics such as leadership, copyright, self-branding, strategic management, and networking. Moreover, we have discovered that third spaces and educational centres have no

distance learning programmes or any MOOCs³ and lack coaching programmes. Cooperation with universities on distance learning development as well as research in the creative industries seems like a good opportunity for collaboration between higher education institutions and third spaces.

Full-time education formats are valuable for attendees, as they give a practical opportunity to obtain the necessary competencies so that one can gain experience in team work. Lecturer "charisma" was also mentioned as an important factor in face-to-face methods of learning during the interviews with the students. Generally, all pf the programmes we observed for our research are unique and allow budding entrepreneurs to obtain the necessary competence to start a business. Moreover, these skills and knowledge are not based on theory alone but mostly on practical cases and close communication with experts.

"The course was very helpful, we were given many interesting and useful tips on what is important, advice, and cases studies of owners of restaurants! I am happy to go to all of the classes; I have become acquainted with the speakers. Additionally, thanks to this course, I've gained useful contacts, which will help me to develop my own business in the future. A year after attending the course, we opened our first restaurant using the information obtained during the course", as stated by a graduate of the course "How to Open Your Bar or Restaurant" in December 2012.

Our finding correspond with the results of other research that confirm a contact with the network needed to start a new business as one of the most important role of educational programs, as well as access to networks and support in finding other entrepreneurially-minded students (See for example, Shirokova *et al.* 2014).

An analysis of the learning formats during the educational courses shows that the majority of organisations practice project-oriented methods of learning (case studies and personal student projects) with expertise from the lecturers and practitioners. The following statement is from an interview with the director of the Benua House: "Our speakers are practitioners in the key areas of our courses. The main learning of the audience occurred via lectures, workshops, the discussion of specific cases and the analysis of the projects and ideas of the participants. As the final task of such a course, students present their project, discuss the methods of its implementation and receive comments from the experts. Students, of course, can get personal advice from the experts and lecturers at any time."

We would like to note that in creative industries, much of a business could be realised off-line, without the registration of the enterprise or high budgets. This is true in the areas of design and crafts, performing arts, cultural or creative events, and so on. The number of people selling products and services through social networks and online stores is growing each year. As a stimulus for conducting official regular business, we could emphasise the desire to protect the owner's copyright of the products, and the desire to increase output or to attract additional funding.

In general, educational programmes for creative entrepreneurs include teaching methods broader than those of in-class learning, and include the possibility of full-time and distance learning; for example, the following aspects may be included in the educational programmes:

- e-libraries of educational projects in the field of creative industries (publications and webinars);
- e-learning courses on entrepreneurship for creative projects; (https://www.canvas.net/courses/thinking-outside-the-box-creative-entrepreneurship)
- co-working spaces and networking activities (art and business incubators; labs and research centres at universities; camping and summer schools).

All these offerings are closely connected to the increasing role of DIY projects and 'open universities' and the development of virtual learning platforms, which dissolve boundaries and create alternative spaces for cultural and business knowledge provision outside of the classroom.

³ Massive open online courses

The role of coaching and networking activities as well as distance learning should increase in creative industries. "In-class training and lectures are not effective methods for management courses anymore, as the trainer should work with the entire group of students. They don't provide an opportunity for the analysis of each particular case or the discussion of the major mistakes", says a business trainer from JCI and PROtraining. According to experts, the format of coaching is becoming more popular both abroad and in Russia, and some educational organisations have only introduced this format in programmes for creative entrepreneurs.

A literature review and expert surveys allows us to conclude that leadership is one of the main factors in the success of creative projects. However, leadership is still lacking in educational programmes and consulting.

Expert surveys revealed another important point: as a rule, existing courses are aimed at the transfer of knowledge and personal experiences from lecturer to student. The organisations we observed are not engaged in compiling teaching materials, and there is no clear understanding of how to teach entrepreneurship and management in the field of creative projects. Even representatives of the oldest and most professional (in terms of educational staff) organisation, NGO "Interstudio", note the following: "We had the workshops and innovative learning know-how during the course, but we were not less interested in methodological aspects. We have prepared some materials on methodological frameworks for the students, and we have distributed them to students for free as we gathered material we recorded. For example, the book by F.Colbert, "Art Marketing", has been translated".

Conclusions

Educational support is essential for sustainable development of creative economy. The main components of such support are designed to bear out the awareness, motivation and business ideas providing creative atmosphere for future entrepreneurs. Some elements of such support could be found in creative spaces conducting educational and consulting programs. The main outputs for attendees is not only knowledge, but the networking and community relations. Third spaces and NGOs have a great role in experience and knowledge sharing among creative community, but the future development of the industry seems to be more successful in cooperation with the universities and e-learning platforms. That cooperation suggests the methodological support of courses, as the ways of teaching and learning of creative entrepreneurship are only tested now.

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