Creativity: key elements for its understanding and interpretation – people, environment and culture.

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SUMMARY

If, as is generally conceded, the world is in a rather sorry mess, crying for solutions to problems that are staggering in complexity and magnitude, the encouragement of creative thinking would seem to be the most necessary and immediate goal of all concerned people.

---George R. Eckstein

This paper attempts to discuss creativity by covering different aspects related with entrepreneurship (theory and practices) under three angles: 

- **People**, where innovators, entrepreneurs and amateurs are at the core of creative production and “function” as agents of transformation;
- **Culture** which help drive people’s motivation and create a value system (embedded contexts) for communities and creative culture be sustained and;
- **Environment** where innovations and entrepreneurial settings through the appropriation of knowledge and the use of technology function as productive factors to stimulate more creativity. Looking through these three angles we present our view for a triple-helix type (Figure 1) for innovation related to creativity or the creative industry.

By relying on a substantive report issued in 2008 by the United Nations Conference on Trade and Development (UNCTAD), the article explores aspects linked with the creative industries or the economies that form part of it. Despite multiple views on the exact meaning of the term “creativity”, the paper tries to analyze creative people as entrepreneurs, forwarding a triad approach to understand and interpret it, thus presenting our second, more consolidated, triple-helix for creative entrepreneurship (Figure 2).

The paper draws from practical knowledge to discuss in more details the core elements of our **entrepreneurial creativity** triple-helix. When discussing these elements, some example is provided, as in the case of the city of Conservatória in Brazil, but much importance is given to the references available under UNCTAD’s report. To address this subject from an implicit stand point, the value placed on creativity and innovation is also explored based on researched literature on the subject which links these with entrepreneurship and its theory.
I. Creativity: an introduction

Human creativity as we know it, has lead many cultures and societies to advance economically and technologically, but also politically and, to some extent, spiritually. Creativity drives human behaviour. When we look closer to some of the unique cognitive signs driving the entrepreneurial spirit creativity is at the heart of an entrepreneur’s search for meaning. Creativity have contributed and greatly impacted important social changes. Societies that facilitate creativity offer its citizen’s unlimited experiences and possibilities.

Creativity is found, when people are recognized by the degree of their creative expressions and thinking. Stephen Nachmanovitch (1990), a musician, author, computer artist, and educator put it this way: “the world is a perpetual surprise, in perpetual movement. It is a perpetual invitation to create”1.

In many economies and innovative environments creativity has become a key factor for a wide range of productive activities; within large corporations or in small-scale social enterprises anywhere in the world. Creativity in today’s economy has firmly “arrived” and most businesses are recognizing that creativity has gained a strategic function in the innovation-competitiveness ladder. It has been pointed out as a type of “survival skill” required for the next decades.

Advanced economies that have been moving from a traditional high-growth, heavily industrialized, deeply dependent on imports of commodities and non-renewable resources, and overzealous with a stable work force and a proper set of protections to intellectual properties (programming of codes for example) – to a more globally integrated, entrepreneurial and eclectic productive fabric, where creativity is influencing or rather, is determining how a country or a region and their entrepreneurial environment should look like, places creativity at the top of a new growth path. Today, in terms of social, technological and innovation capital, the creation of wealth and sustainable lifestyles, the process of generating product value and the ability to respond to market opportunities, is ever linked with creativity.

Notwithstanding the pace and nature of the changes taking place from one country to another, from one market place to another, the knowledge-base economy with its high-tech industries, the astonishing global flow of capital, the revolution in communication technologies, the mobility of people and workforce, and the continual rise of an entrepreneurial culture, is driving creativity at a warp speed through many segments of society. In other words, there are a whole new set of interpretations about creativity and the production of goods and services forming part of this new industry.

In 2004 the United Nations Conference on Trade and Development - UNCTAD, suggested that the gains in national economies by the creative industries are
redefining views about creativity as a new and innovative productive factor. The report also highlights the fact that, today creativity is “at the crossroads between the arts, business, [innovation] and technology”.² We may even go further to suggest that for today’s knowledge and innovation-based economies as well as entrepreneurship, creativity will define what could be the essence of a business’s *raison d’être*.

There are no single, universally accepted, definitions about creativity, but there are growing convergence of understanding about dominant factors related to its industry in economic terms, suggesting that it may represent a new development paradigm industry-wide (UNCTAD, 2008).³ The rise of the creative economy is, indeed, “gaining ground in contemporary thinking about economic development” thus, also bringing a whole new rise for policymaking and discussions on creativity and entrepreneurship.

The policy dimensions associated to creativity is vast and it is also new for it is both implicitly and explicitly related to the potential impact that creativity brings to economic development. On the latter, our view is that the impact should be observed in terms of social emancipation rather than “social inclusion” as well as wealth generation and distribution, and in terms of gains in cultural assets and manifestations. On the former, as detected by UNCTAD’s report (2008), the potential impact of creativity is enormous for the implications it brings for developing countries’ economies which remains somewhat unable to fully exploit (economically) their creative capacities. Furthermore, creativity’s impact has also been recognised in terms of a whole new impact in the global trade agenda.

Another element of discussion on this subject is the need to recognise a new understanding about its multifaceted social and economic dynamism, or paradigm, whereas creativity and entrepreneurial attitude are new dominant factors of productivity beyond traditional notion of labour and capital inputs. UNCTAD’s report (2008) points out the multiple dimensions of the creative economy: (a) in terms of economic aspects as it relates to trade issues, (b) in terms of social aspects as it relates to employment, (c) in terms of cultural aspects [weather in an anthropological or more functional sense] as it relates to value creation, and (d) in terms of sustainable development as it relates to preserved capital, or assets, for future generations (see Table 1).

**Table 1 - Economic, social, cultural and sustainable aspects of creativity**

<table>
<thead>
<tr>
<th>Economic</th>
<th>Social</th>
<th>Cultural</th>
<th>Sustainable</th>
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<tbody>
<tr>
<td>Trade related issues: flows of goods and services</td>
<td>Emancipation: employment generation and wealth distribution</td>
<td>Value (cultural and economic) creation: standing side by side</td>
<td>Capital: tangible and intangibles assets for future generations</td>
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However, central to the discussion about creativity are some particular set of characteristics or conditions which takes place when the subject is studied through the lenses of an entrepreneurial environment and what constitute one. It deserves a critical review, understanding about people; about the entrepreneurs in their own groups and environments, and culture, where creativity forms part of the foundation of a business, where proper characteristics to sustain and energizes it are always found.

We analyse the new dimensions of creativity under a triplex helix approach looking at its role as a new factor of production and acknowledging the cultural and social frameworks sustaining it. We look at the new domains of creativity driving innovation and competitiveness within what is recognised as creative industries and finally, we look at how creativity evoke transformations in terms of markets, dealing with new types of products and services. In sum, our look on creativity is fundamentally linked to entrepreneurship (in theoretical and practical terms), also, as describe later in this article, having implicit and explicit elements.

**A. Creativity as a productive factor**

Studies on creativity show that it is not exclusively a cognitive phenomenon, that is: it is not some sort of divine gift of a given person presenting certain abilities. Rather, creativity, as a productive factor, also involves high preparation, discipline and conscious effort by an individual. In the context of what will be discussed here Alencar and Fleith (2003) suggests that creativity requires a “…ample command of related knowledge types in a given area or existing techniques” when applied to productivity.\(^4\) Creativity is deeply affected by cultural characteristics of communities and their individual groups and it is also deeply embedded in every country’s cultural context and knowledge base, including, traditional types of knowledge exemplified by the production and distribution of distinct forms of creative expressions.

Depending on where and how we look, creativity has already become one of the most valuable and one of the most consumed forms of goods and services been commercialized in most places today. As Florida (2002) put it “…creativity has come to be the most highly prized commodity in our economy”. Although he may be referring mostly to developed economies, mainly US and European markets, creativity, very often intangible in nature – “…and yet it is not a commodity” – has evolved substantially in terms of value creation and generation of wealth.\(^5\)

Regardless of its shape or form, price, embedded technology or location, creativity, as a productive factor, is real – be it in real space or in cyberspace (Lessig, 2001).\(^6\) It is defining what many people are doing with their lives as individuals, as entrepreneurs, as professionals, as consumers and as communities. More and more businesses are developing specific product strategies based on the now called
“creativity factor”. It generates plenty of ammunition for pundits, academics and policymakers alike attempting to assess how important are the socio-economic changes brought by it and to what extent the creative industries is understood as a major productive factor in many economies.

Creativity is sounding more like a buzz word among many firms, carrying plenty of meaning for high-tech companies in Silicon Valley, in Hong Kong’s Creative Arts Centre, for an unknown social entrepreneur developing homemade serum to fight dehydration or even for entire communities making music their strategic choice to promote socio-economic development by exploring cultural tourism. This is what we also see in Brazil at Rio de Janeiro’s majestic carnivals. As Gilberto Gil (2005), artist and former Minister of Culture suggested, the changing nature of the creative industries in the world are shaping, in important ways, how nations makes creativity an essential part of global affairs, as in international trade, information society debate, intellectual property rights and innovation issues. The UN body recognises this fact in their 2008 report addressing the creative economy’s challenges and expansion pointing that this “new” industry average annual growth rate was close nearly 9% for 2000-2005 period.

In many advanced market economies the creativity factor is already applied for the production and distributions of goods, services and organizational design related to creative industries. It is also often applied to business management processes, professional training and on different types of R&D activities. In our view, however, the changing nature of consumed products in a globalised economy based on knowledge, continuous adaptation, less commoditization, driven by deregulation and high-tech markets, defines, in many ways, the critical level and relevance of creativity, as well as, its changing character (Gil 2005). In such market environment, the “intangibleness” of creative products, the highly valued notion it has gained and the experiences it provides to users and consumers lead us to think that such “new commodity” is, perhaps, the key cause factor defining creativity’s competitive edge and also, its progressive economic function. Creativity is ever more put in terms of a profit-driven model in a very new market context where strong entrepreneurial culture clearly leads the way to success.

Levy (2001) pointed out what is now undeniable, that “innovation is primarily achieved by investing in intangibles” for its ability to create value, when coupled with a highly creative environment and culture generating a unique relation between ‘creativity’, as an asset, and ‘competitiveness’, as a market edge. Advances in technologies have dramatically contributed to the ubiquitous nature of this ‘new’ relation. Let us just think of the digital technologies being used by millions of new entrepreneurs and how it has drastically reduced the cost of creating something new – something really cool –, thus making a whole new way of thinking and managing intangible products.
B. Creativity: competitiveness and innovation

Davenport and Beck (2001) affirm that “…the power of attention [in today’s information-knowledge economies] is no surprise to those who depend on it” and that “attention is a limited resource and can be full of constraints.” For creative individuals and entrepreneurs, attention (or the lack of it) in the sense defined by these authors, may not be a limitation, it may simply be a scarce resource; something that a creative entrepreneur may not necessarily become so “dependent” on or worried about. To the contrary, attention will often be replaced with inattention, as part of the creative process, distraction and divergent thoughts. To these individuals, creativity is simply unlimited and attention is not intimidating (Davenport & Beck, 2001) and yet, these characteristics may well be the “drivers” for a competitive and creative innovation.

Looking through the domains of the creative industries (see Table 2); creativity would never become a zero-sum game. While it remains highly competitive in today’s changing businesses environments where innovation-based or creative places are ever more present, this mentality, or approach, discourage collaboration and creativity among entrepreneurs and amateurs. For these ingenious minds who are living in and working with the creative industries and its leading technologies – especially digital technologies – for example, the more gains one obtains with creativity and the more of it can be experienced and shared, the more [new] things and ideas will flourish. Let’s not forget that creation has been in the hands of amateurs and entrepreneurs alike for a long time and these class of people knows that to become successful “…creativity depends in part on access to, and use of, the already created” stuff or product (Lessig, 2001).

The creative production will always involve and be related with three important aspects of the human element: a set of cognitive strategies to process and [generate] new information, in-depth knowledge and skills on a given area or domain and, a range of individual attitudes, personal characteristics and motivation, which may lead to new alternatives, new forms and configuration and new solutions (Alencar & Fleith, 2003).

The Creative Economy Report issued by UNCTAD suggests that the marriage of technological innovation and intellectual capital” when applied to creative industries, inevitably produce positive externalities seen strengthening cultural industries across the globe today. It makes creativity share a strong relation with competitiveness and innovation because it is highly valued “among the different artistic end economically distinct activities that make up the cluster of creative industries, ranging from upstream activities, such as the traditional arts, performing arts, literature and visual arts, to downstream activities such as advertising, design, publishing and media-related activities” (UNCTAD, 2008).
It is our understanding that creativity and innovation will continuously increase their interdependence especially for the thousands of creative entrepreneurs and communities relying on artistic manifestations as an alternative to build sustainable businesses. Furthermore, it is also clearly understood that the relationship between creativity and innovation continues to evolve around new product development projects within many businesses organisations around the globe (Alves, et al., 2007).12

C. Creativity: an agent for transformation

The growing interest in creativity as a “survival” or the “next generation” of skills has produced a enormous amount of literature and research, mostly, but not only, in the field of social-psychology, opening a new frontier of knowledge about questions related with its many dimensions and its strength to generate transformations. It is now common to hear that we must urgently strengthen our abilities and skills to be able to be creative and deal with the pace of technological changes.

The creative process is one that draws from many sources. Creativity is broadly accepted as a strategic, intangible, productive factor not only within the realm of the creative industries (artisans, visual and performing arts, film and audio visual media makers, multimedia, literature, books and publishing), but also with a much wider scale of entrepreneurial activities, sharing so many links with an extensive network of activities related to a multitude of businesses: from telecoms, software and video games for example, to design, tourism and music, that its relation with innovation increasingly becomes more intertwined and valued. Some challenges for this industry remains however, because not every ‘creative action’ can be quantified.

The marriage “technology + intellectual capital” will continue to provide plenty of possibilities for transformation for the industry and endless degree for experimentation for entrepreneurs and amateurs. With the scale of new technologies and the hype of connectivity and information revolution, there is a whole new range of possibilities now “waiting” to be capitalized. UNCTAD’s report strongly emphasized the importance of this relationship as being mutually beneficial and necessarily. One of the most common dimensions attributed to creativity today, is that it is related with the emergence of a new products or ideas (Alencar & Fleith, 2003) unique to new markets and consumers. The new class of entrepreneurs as referred by Florida and other associated concepts related to creativity – “creative cities”, “creative clusters”, “creative districts”, also referred by UNCTAD, Gil, Lessig and others seem, although somewhat intuitively, perfectly suit the benefits of this marriage and are pushing the innovation mantra beyond our imagination.

As a new class of entrepreneurs, culture, business environments and opportunities, and new manifestations of innovation are rising, creativity’s space grows in terms of value and reaches new dimension. It will become more and more pervasive. It has
the potential to give new forms (and meaning) to businesses and entrepreneurial initiatives, while shaping a new class of entrepreneurs and establishing new values within cultural and creative industries, forming a new ecosystem of innovation. Creativity is transforming and increasingly influencing a life style based on experimentation. It is what Florida (2002) refers to as the experiential lifestyle and Pine and Gilmore (1999) describe as “experience products”.13

Creativity has the same potential value to transform and must, simultaneously, impact existing innovation habitats such as science/technology parks and business incubators, as the proper levels of spending on R&D activities, technology commercialisation, innovation and knowledge do. These habitats “are developing fast and evolving into many different models,” where strategic choices must permanently generate conditions for grow and promote transformation (Sanz, 2006).14 Also, as suggested earlier, creativity is an agent for transforming our lives and the way each one of us wants to live. In the end, creativity may also be a synonym for transgression or for, diverging from the norm, for defining new and possibly more sustainable businesses models and introduce new lifestyles (see, for example, the project Creative Communities for Sustainable Lifestyles).15

D. Creativity’s triple helix

Our analysis and central motivation to write this article was to discuss creativity using a triple helix diagram (Etzkowitz and Leydesdorff) as an approach since it is a known theory, well applied in many entrepreneurship practices as well as in building different models for science/technology parks and business incubators in the world.16 We then use the same framework to draw attention to what could be constituted as a triple helix for the creative industry (Figure 1) and, more importantly, our suggested key elements to interpret creativity: people, environment and culture (Figure 2).

First, our triple helix for the creative industry is comprised by the fusion of a mix set of variables and relations. The first set is a combination of society/government inputs and is formed by or is the result of, Art and Culture (A&C) creations. A second set combines university/research institutions working together to stimulate and generate Entrepreneurship and Technology (E&T). Then, the third variable is where the private sector, companies, plays a critical role with Production and Distribution (P&D) of products and services to answer to market opportunities and societal aspirations. Figure 1 that follows represents our proposed triple helix.
Hence, we argue that innovation within the creative industries is, therefore, composed by, or made, resulting from, the creation (meaning products or services design and manufacturing) of E&T plus A&C, and the consumption of these products or services as they are produced and distributed (P&D).

The next figure summarizes the overall idea presented to discuss the key elements for interpreting and understanding creativity and creative entrepreneurship. We suggest that this should be known as the triple helix for creative entrepreneurship. This triple helix framework derives primarily from our experiences and dialogues, rather than an ample analysis of cases using similar model. The three elements of creativity function as a good example of how it can transform the socio-economic dynamics and life for a range of cases. These three elements are: people, environment and culture and is depicted in Figure 2.

Figure 1 - Triple-helix for the Creative Industry
II. Creative Industries: economics

When referring to the creative industries we are using UNCTAD’s position which suggests that: the creative industries “…are those that have their origin in individual creativity, skill and talent and that have a potential for wealth and job creation through the generation and exploitation of intellectual property”.\(^{17}\) Based on this, the following definition embraces the concept:

The creative industries:

- are the cycles of creation, production and distribution of goods and services that use creativity and intellectual property as primary inputs;
- constitute a set of knowledge-based activities, focused on but not limited to arts, potentially generating revenues from trade and intellectual property rights;
- comprise tangible products and intangible intellectual or artistic services with creative content, economic value and market objectives;
- are at the cross-road among the artisan, services and industrial sectors; and
- constitute a new dynamic sector in world trade.

Source: Creative Economy Report 2008, UNCTAD.
A general view to understand what is been referred to as creative industries are pictured in the following Table:

Table 2 - UNCTAD classification of creative industries

<table>
<thead>
<tr>
<th>Cultural sites</th>
<th>Traditional cultural expressions</th>
<th>Heritage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visual Arts</td>
<td></td>
<td>Performing arts</td>
</tr>
<tr>
<td>Publishing and printed media</td>
<td></td>
<td>Audiovisuals</td>
</tr>
<tr>
<td>Design</td>
<td>CREATIVE INDUSTRIES</td>
<td>New media</td>
</tr>
<tr>
<td>Creative services</td>
<td></td>
<td>Functional creations</td>
</tr>
</tbody>
</table>

Adapted from UNCTAD (2008)

According with estimates published by UNCTAD the value of world exports of creative industry goods and services reached $424.4 billion in 2005, accounting for 3.4% of world trade as compared with $227.4 billion in 1996. The creative industries are increasingly recognized as a “new force” driving the expansion of global markets. Its 8.7% annual growth rate (2000-2005) clearly indicates its relevance. More recent estimates found in the report says that “world exports of visual arts more than double” in a decade “from $10.3 billion in 1996 to $22.1 billion in 2005”. Duisenberg reported that in 2003, Brazil exported $54 million dollars in products (only) related with its creative industry – not counting all the revenues generated in the country’s domestic markets. As for China, exports reached the astronomical figure of $5.8 billion dollars, followed by India, with $285 millions.

It is also consensus today that the creative industries offer a wide range of economic opportunities for entrepreneurs and amateurs artists. The U.N. body recognizes that with proper set of incentives, creativity can propitiate new types of jobs, socialize and distribute knowledge, further drive innovation and, in our opinion, strengthen the entrepreneurial culture in different contexts and reach new magnitude.

This industry, however, is much more than a source for growth or a new window of economic opportunity in developing countries like Brazil, China or India for the strength of creativity in a global knowledge society is, indeed, pervasive. As suggested by UNCTAD’s report, it also increases the possibilities in global trade for this group of countries to gain new and unique market niches and to establish new sources of economic expansion, more inclusive and sustainable.

Creativity goes beyond its pervasiveness aspect in emerging economies, for it is constantly producing a variety of creative businesses, while incredibly inducing social innovation and stimulating many people to value cultural traditions in the production of new products, goods or services and in stimulating a new class of entrepreneurs. More importantly, creativity – seen as a product and understood as a viable
economic opportunity – has the ability to transubstantiate a whole system of value, beliefs and customs based on cultural traditions and popular manifestations, into entrepreneurial productivity.

The “pervasive” nature of creativity in a given place or in a community is strongly associated with local dynamics or at least it is quite more evident whenever entrepreneurial opportunities are met with a fertile ground of cultural manifestations – an environment often observed in these countries. No one can deny the significance and impact of one of the biggest and perhaps most socially inclusive and creative businesses in the world today: Brazil’s carnival or India’s Bollywood industry.

The difficult, but never late, flowering of the creative industries and entrepreneurial/innovation culture in these countries has not yet fully blossom. It will demand thorough assessment and new understanding. And while the ethos surrounding creative class and culture today are well expected in American or European societies, the rise of creative entrepreneurs is no longer a privilege of the more advanced economies or affluent societies. The emblematic circulation and commercialization of ideas, goods and services related with creative economies, guided by an adequate level of policymaking and an contemporary regime of intellectual property rights which, in turn, drive even further the technological frontier for new information and digital technologies may, at last, level the plain field of this whole industry.

There are some signs suggesting that the competition in this industry could be somewhat levelled. If we observe beyond Brazil or India and look at other smaller states in Asia-Pacific region, particularly in Korea, Singapore, Taiwan and Hong Kong (China), where the rapid consolidation of their creative industries is taking place, mostly caused by the rapid change of their consumption patterns and because these countries have already consolidated their leadership in the IT industries, than, it leaves little doubt about the dynamic occurrences and opportunities of this industry. The task remaining is a consolidation of an economic model to assist these countries to optimize and further explore the productivity gains from the creative economy (UNCTAD). 21

III. Creative People – creative entrepreneurs:

Universities and R&D institutions planning to create an environment that promotes creative processes and stimulates creative thinking and entrepreneurship culture must pay close attention to and clearly understand the trajectories of the entrepreneur’s mind. A creative entrepreneurs’ mind is a very meaningful world. When evaluating the entrepreneur’s business idea, it is very important to think about their individuality, coming very close to inevitable questions about each distinctive aspect of their perceptions and expressions about the world as they see it and the intrinsic quality and essence of their motivation.
On the matter of the creative process for example, the early work produced by Walls in The Art of Thought (2003), demonstrated that motivation is deeply within the mind of an entrepreneur. Ultimately it will shape the outcome of any new invention or even a poetic expression. Wall constructed this model to analyze the creative process around four stages or phases: (1) the phase of *preparation* – the moment of gaining new insights on the entrepreneur’s field; (2) the *incubation* phase, the moment when the individual chooses to be distance from his problem or work; (3) the *illumination* phase is, according with Walls, a mysterious moment while “resting” the mind, and finally, (4) the *verification* phase, where, it seem, things fall into place – the “problem” gets solved the creation is materialized.22

Walls’ model offers an objective approach to understand the creative entrepreneur, their work and motivation – be as a professional or amateur artist or as socially responsible and creative one. In either case, such approach is helpful when brought into specific institutional contexts. But, still, this model may leave us with some questions unanswered. For example: is it possible to indentify a creative entrepreneurs’ characteristic(s) and understand the intrinsic motivation before supporting or coaching his business idea? Let’s quickly look at an early case of a social entrepreneur told by Bornstein (2004).23

In 1982, Fábio Rosa was trying to get electricity to poor people and the rural communities in his home state of Rio Grande do Sul in Brazil, to help boost their income. In those days the cost of electricity for these communities was prohibited – nearly 70% of the rural population had no electricity. Fabio’s motivation made him capable of completely change the electricity standards of his state. He was able to work out several technically creative solutions to this difficult situation; one being working with the help of a university professor who had developed an inexpensive rural electrification system. As his motivation grew he realized that some of his solutions were not necessarily legal with the state electric company (CEEE) challenging him in the courts and not turning the electricity on. He discovered that CEEE would not invest on his creative solutions, nor would change its standards to benefit those communities. So he moved on to “attack” the problem at its source by running some experiments with his cheaper social technology – more access at a lower cost – to prove to authorities that changing those standards and also its distribution norms was not only possible, but technically and economically desirable (Bornstein, 2004).

This brief description of the pioneer innovative and creative work of Fábio Rosa bring the question about the “quality of the motivation” behind an entrepreneur’s world as addressed by Walls (2003) and more specifically by Bornstein (2004). According with him “…the behaviour of ‘highly successful’ and ‘average’ entrepreneurs”24 is different precisely because of this special, different, unique,
qualitative aspect of the entrepreneur’s motivation – this been the key difference between the two types of entrepreneurs suggested here.

But what distinguishes a creative entrepreneur and innovators like Fábio Rosa? Since we are talking about creativity at the level of the individual (or people), we briefly centred the discussion to point out three characteristics that this class of entrepreneurs seem to be able to do extremely well in a creative/knowledge economy. First, they have comprehensive knowledge (meaning: technical expertise) about the “product” of their work. Second, this type of entrepreneur, normally, has great and continuous ability to maintain an active attitude, that is, he is highly stimulated by the many areas of interest linked with his knowledge base, which “enhances” the quality of their motivation. Finally, this individual must have high skills, usually gained through intensive practice on-the-job experiences and a growing number of linkages with other entrepreneurs ready to collaborate.

There is, of course, a set of unique characteristics that distinguishes the creative entrepreneurs from typical start-up professionals. The “uniqueness”, pointed out here, is fruit of observations in the treatment and day-to-day operation of Gênesis Institute, a business incubator at Pontifícia Universidade Católica - PUC-Rio, in Brazil. These observations do not have pretentiousness to define categories or profiles of behaviour. Instead, it is intended to land a hand in thinking about the place of the creative entrepreneur and the role of those who promote innovative and creative environments – including its mission, objectives and ways of achieving them – as opposed to the better known types of entrepreneurial-based business incubators.

The points highlighted here compare the figure of the creative entrepreneur with the one of an artist. Not that all creative entrepreneurs should be viewed as artists. This entrepreneur can be a professional working in diverse areas of interests, seeking new forms of relation between the product of his work and the consumption of it, and new social interactions or experiences generated by his consumer. Generally speaking, however, it is common to observe a certain distance (of these entrepreneurs) in relation to the more traditional type of the business world. Therefore, we chose to use the figure of an artist as basis for our argumentation.

Like an artist, the creative entrepreneur establishes an intrinsic relation with his business through emotion, because in the majority of times they are people whom had chosen to be distant from the tedious stages of a business formulation: calculations, financial plans, etc. as the essential groundwork for any business lifecycle. For these entrepreneurs, there is a peculiar mental process in place when thinking about most formal stages of an enterprise. They are partly responsible for creating a particular business culture, “to do businesses”, that needs to be carefully understood and be taken into consideration when the promoters of these environments are trying to determine which types or set of business tools and
coaching will make a difference for the entrepreneur’s needs and success. Generally, the following characteristics can be taken into account with respect to a creative entrepreneur:

- **Vision**: While with “traditional” entrepreneurs the objectives are generally related to the company’s growth and core business plan, usually relating performance measures (profit levels/ revenues with an equilibrium expenditures, for example), the intentions (visions) of the creative entrepreneur, in the majority of times, are associated with a broader ideal: something that he feels deeply attached to, that is: the seduction of the target-public, of the clientele; the magical creation of something to be experienced by others is what drives this type of entrepreneur. To reach this stage does not only depend on the entrepreneur’s on will, and because of that, many times, more energy needs to be applied to engage other people in the entrepreneur’s creative activities and goals.

- **Difficulty to value what is intangible**: Even when the intention is to generate creative products or services, very often this type of entrepreneur has difficulty in dealing with the necessity to attribute value to his work or to adapt it to become more “tangible” and marketable with higher sales rate. In addition to know the cost of the productive process(es) involved and the desired profit margin to obtain, in the realm of the creative economy, it is quite important to know how much value the customer recognizes in the service provided; and because most of the times we are not dealing with a physical asset, subjectivity in this aspect is, if not always, the rule to assess it.

- **Relation of intensity and emotion with the “soul” of the business**: A creative (or a social) entrepreneur are “possessed” with a good cause in mind. The creative entrepreneur generally deals with projects “full of soul” and intensity. This gives him a permanent north and a distinguished motivation to carry on with the business. The entrepreneur’s relation with the work is established by a slight, perhaps, uncommon score, registered in this field: his emotion. For him there is no such common dissociation between work and pleasure – they live to work, and they work to live in the same degree, for both means one thing only. While such characteristic gives the entrepreneur an impressive resistance to the frustration, helping him to overcome difficult obstacles during the initial moments of any business development, it is necessary to consider that the “emotion” is a changeable factor. Hence, it seems that their businesses are, usually, vulnerable to the fluctuations of participation of its managers (or other business partners) with the enterprise.

- **Creation x Innovation**: is vital during the course of positioning creative entrepreneurs in relation to, and its effective on, basic market viability of the business. Therefore, it is important to remember that a creative entrepreneur could be, at one moment, closely linked with creation than with innovation and, at a second moment, be completely engaged with an innovative process. What distinguishes these two instances is the fact that creation is the act of presenting or generating a
new thing without any concern with the market, while, innovation assumes a symbiotic relation, or a synergic bond, with the market.

The creative entrepreneur can be contrasted with the figure of the “cultural entrepreneur” as stated in Do Negócio da Cultura à Cultura dos Negócios in the following context:

“…that strangely different free being, curious and spectator that shows that there still are space for fantasy, a creativity, always questioning and twitching; that there could be other types of returns beyond the sheer financial ones; and that there is a lot more to [experience] beyond the repetitive and uninterrupted work in search for numbers and more numbers. Creative is figure that breaches [and transgress] with established standards, that can deal with the pleasure and the sensation that kept the twitch and the tenacity of childhood, that refused ‘to become an adult’.” (Zardo, 2005)

The basic objective of those who stimulates this type of entrepreneurial activity must pay close attention to these particularities. The habit of always using the same tools helps to standardize objects. But an environment that plans to stimulate this new class of enterprises and entrepreneurs must deal with people first and always. And people demands different and unique mechanisms and treatments. We would like to suggest that when reflecting on the possibility of the coexistence between different people – entrepreneurs, artists and others, a series of fundamental questions could be useful to reflect upon the definition of these spaces – the construction of public spaces to talk with the other, to think, to mean, to create and to undertake. To build shared [or creative] places where memory can be activated, stories can be told, where actions would not fall in oblivion and what gives meaning can be constructed for what makes sense to people.

IV. Creative Environments: the building blocks “a,e,i,o,u”

The subject of creative environment is addressed here by focusing our attention on entrepreneurial theory. Nevertheless, it may be helpful to point here that creativity is, and can be, tremendously influenced by both, endogenous and exogenous factors in the entrepreneurial and innovation processes. These factors have been well studied by Alves and other scholar, but less attention has, apparently been given to the building blocks of creative entrepreneurial environments.

In the building blocks – the “a, e, i, o, u” – around the early works on entrepreneur’s theory, no one has doubt that among the five emblematic vowels — the “a” (ardour), “e” (experience), “i” (innovation), “o” (opportunity) and “u” (union) — the “o”, for opportunity, is one of the variables most important in entrepreneurship. The theory builds on early work of Schumpeter (1911, 1934) recognizing the importance of the entrepreneur in exploiting opportunities. But, his theory did not appoint to where opportunities come from and how entrepreneurs can discover and exploit it.
Opportunities are in the environment – they often are subtle and pervasive. However, just because opportunities exist does not mean that everyone perceives them. Acs\textsuperscript{29} says that only individuals with appropriate qualities will perceive them. In this framework, entrepreneurial activity depends upon the interaction between the characteristics of opportunity and the characteristics of the people who exploit them; and in this sense, the creative process is much influenced by the environment as is the opportunity and how it is perceived.

To learn, therefore, how to recognize its proper characteristics (to know oneself) and to identify the interaction between these characteristics and the characteristics of the existing chances in the environment, is one of the ultimate factors as one goes about exploring opportunities.

The learning of the identification of opportunities is related with the use of creativity. Creativity is the capacity, the ability, and the potential that all human being possess to generate ideas. The environment can stimulate it, and in the same way the management of the environment helps creativity and a consequent generation of ideas. Juanita Weaver, a creative writer for the *Entrepreneur Magazine*, has a good grasp about what creativity means to her: it is “a skill that can be evoked and practiced. …a creative culture has systems in place for encouraging creative actions. It is much more than a few techniques; it is a stance, a way of being”\textsuperscript{30}

Idea is the product of creativity; however, an idea is not necessarily an innovation. As once cited in the Brazilian business newspaper Gazeta Mercantil, thirty years ago, of more than three thousand brilliant ideas detected, just about four of them can generate developments that arrive at a product of success. There are many shining ideas that kept at the bottom of a drawer. Yet, an idea is transformed into INNOVATION only when it is realized, materialize or, perhaps, when we can transubstantiate it into something meaningful and concrete, be it in the form of goods or services – preferably, with a market value.

The creative process\textsuperscript{31} is a synthesis of multiple processes to relate, to command – to give meaning to reality. To understand the creative process, one must also consider its historic, social and cultural settings. The creative process is not, solely, an unconscious process because it requires consciousness to put meaning/significance into it. But, it also does not reduce the conscientious knowledge since intuition plays a major role in the creativity process. Creative capacity will need as much as divergent thought it can generate, as it requires substantial convergent thought to be developed.

The opposing thought consists in the ability of producing a great number of ideas in a variety of situations or tasks, without immediate concern with coherence and the logical judgment normally present, in our reasoning. Judgment is reactive to what exists and is a very different process from generating ideas. Judging too soon is one
of the most common ways to shut down creativity. Now, the convergent thought will go directly in one same point from different directions. It is the moment where the individual, the entrepreneur, focuses on the decision about to be taken. It requires a great amount of critical and analytical thought to be able to select an idea amongst the multiplicity of possible solutions.

The creative environments in this context are fundamental in the creativity process and they cannot be created only in the hour where we need to have new ideas. In other words, it is not possible to radically change an unpleasant environment, as much in the material aspects (installations, colours, illumination, etc) as in the psychological one (interpersonal relations, communication, etc) from one moment to another, as if it was a magic trick.

Its construction demands a continuous process. The leadership, management, of such environment can determine the moment for the application of a creative process; they can stimulate creativity of the people in a given task or a determined process, but they cannot change, create and structuralize an environment from one moment to another. For the generation of innovation environments, we need to have, in reality, a propitious environment for creativity to flourish. This environment receives the influence from two other environments.

One is the environment of the local culture which is one of the determining factors for a successful creation of an innovation environment, since it stimulates creativity towards a definitive focus. The local culture depends on the influence received from the environment where we are born, work and live and that has great influence on the culture of people.

One characteristic is local: the culture. Another one is global: the happiness or the mood; however, to understand the local mood it is necessary to participate, to "witness" the cultural process identified in ten different categories of human activity, which can assists in the process of understanding cultural social phenomena. "Play" is described as the primary message system through which man comprehends culture and is one of these categories. Hall suggests that "if you can learn the humour of a population and really control it, you know that you are in control of nearly everything else" (Hall, 1959).

The other environment is the environment of knowledge generation from where we are related. It comes from the cultivated or organized culture of a given environment or location. It is our workplace and its interaction with the environment around it. This can be divided into human environment and the physical surroundings.

Hewlett-Packard managers are evaluated on their ability to create enthusiasm. Pepsico managers must insure an exciting place to work. The leaders of successful companies are concerned about clarifying the corporate value system and breathing
life into the organization. However, each corporation must possess its own peculiar and unique culture system.

Clouse (1993, 1994) reports that humour has been found to minimize differences between employee status, alleviate tension, facilitate work, improve socialization, bond employees together, improve communication, break down barriers, relax everyone, create rapport, and boost morale.

Finally, while working in the corporate environment, we have found that humour is a wonderful way to get attention, either in a meeting or conducting a speech. It is a very effective way to make a point and to stimulate new ideas. In group meetings, it reduces anxiety relaxes the audience and the speaker; in classrooms, it makes learning fun and reduces stress.

The organizational humour that we refer to is not the telling of jokes or making neither fun of other people, nor putting people down. It is the intuitive humour that rises out of the culture of the organization and the individual is empowered to be himself/herself in their work environment. It is an environment that takes our work seriously, but not ourselves. Humour is the element that makes work enjoyable and fun. Laughter is the expression of a happy person. Entrepreneurs pave the way to the future because they like creativity, self-reward, self-direction, and they love the joy of working. They make their own humour and use it as an effective style to create change.

V. Creative Culture

The word culture passes through many processes when applied in our daily lives. It means many things to many people: to individuals or groups inhabiting our planet. When, for example, we open the cultural section of a newspaper, it can be noticed that the majority of subjects covered in the featured articles will be, for the most part, related with creative industries of the arts and entertainment. The recommendation brought by the World Decade on Cultural Development in 1982, stated, in turn, that Culture can be defined as a set of spiritual and material, intellectual and emotional characteristics which defines a social group, bringing together ways of life, basic individual rights, value systems, traditions and beliefs.

There are several concepts applied in the interpretation of the term “culture”. On his Concept of the Political, Schmitt (1992) suggests that just like each state has a proper concept of nation and finds in itself the same constituent notes on nationality and sovereignty, and not in others (meaning: an “enemy”, a “stranger”, or any person), so is all cultures. His views suggest that all cultural periods have its proper and own concept about culture. This is a fundamental supposition to understand new forms to work on culture activities, both economically and socially speaking.
In the age of creativity and innovation, cultural dimension gains great importance since it represents one of the alternatives, or “exits” for the differentiation of products and services that can be offered by many communities in transformation when interacting with global markets. Pereira and Herschmann (2003) at the Federal University of Rio de Janeiro - UFRJ, proposes that among the several measures that can function as catalytic in the dynamics of a business agglomeration (clusters), the stimulation of a process of differentiation in products and services through the incorporation of “cultural factors”, can generate positive and competitive effects. This, in turn, results in an increase of the innovative and associative capacity of local companies capable of interacting with the core economic activities of that locality or beyond regional markets.37

In Brazil, numerous entrepreneurial and innovative actions are carried out involving “culture” or cultural characteristics as a key process for product differentiation; as much as for large companies, as for social movements or even within governmental spheres. However, there is a method, a roadmap, which could be covered between the local culture and the products based on its identity. To create competitive clusters and entrepreneurial locations through cultural identity it is necessary to map out certain local characteristics with existing natural nuances, natural icons, symbols and the cultural references of the place. Mapping such cultural characteristics of a community contributes for the recognition of its territory and the identity of its products (Braga, 2003).38

Zardo (2006) provides the example in the case of the city of Conservatória (Rio de Janeiro, Brazil) where government intervention supported with actions places culture as the fundamental and first characteristic to differentiate a city, by offering incentives and bringing new opportunities to the private sector to compete with products and services originated from tourism’s creative industries.39

The city of Conservatória owns much of its current cycle of economic development through music as its true locomotive among all other, more recent, economic activities. Its population of approximately four thousand inhabitants survives basically of music and the musical tourism, counting on a weekly flow of about 2000 visitors.40

It is a clear demonstration of how government intervention can induce and generate stimulus using culture as artistic products, while promoting the participation of university to support entrepreneurial and technological activities to gain product differentiation thus, matching the needs of consumers of tourism in the city. This is also a case where the focus is found on three key elements: people, environment and culture.

This posture is what allows cultural manifestations represented in goods and services to gain a high degree of authenticity, meaning and, in many cases, generating a memorable experience of what is been sold, through the eyes of the consumer. A product endowed with a certain local and unique or exotic natural identity “fills the
gap” that the consumer seeks in this product: the possibility of “experimenting” the different one. Pine and Gilmore (1999) believes that “the customer is the product”, they want experiences – goods or services that can offer them enjoyment, knowledge, diversion and beauty, all attributes typically defined as essential ingredients for creative industries.41

The valuation of intangible aspects in this in case may be so fundamental for a good or a service delivered, as to the efficiency of its productive process or the economic development of a territory or a small town as Conservatória. It is up to the consumers of such goods and services to “determine” the value of creative culture. In such instance, creativity is, rightly so, valuing the local community, while searching for differentiation, conscientious that this does not only generate economic benefits, but also conceives “the new” expressed in meaningful productive activities linked to culture.

VI. Conclusion

By presenting a triple-helix as a normative model, this paper explored issues related with creativity and the characteristics of a creative entrepreneur and how these (vision, intangibleness, emotion and innovation) relates with early entrepreneurial thinking. Under the view point of government (through actions and promotions), university (through fostering entrepreneurial culture and stimulating market solutions) and the private sector (delivering products and services with perceived added value), the model provides a useful framework, realistic perhaps, to learn more about the value of creativity, as it has been proved with UNCTAD’s thorough report.

As in a traditional approach used to assess innovation and sustainable development and the interdependency amongst the various institutional actors (government, academia and industry), experimenting with a new triple-helix representation and associating it with creativity, perhaps the precursor of any innovation, we believe to be opening a useful analytical framework for discussion and to study the subjective of creativity and how and why it relates to people, culture and environment. But we recognise that this new model for a creative triple-helix requires much thinking and a diagnosis when applied to the existing challenges for the creative economy, specially focusing on developing countries realities.

We realize that creativity is much influenced and shaped by culture and cultural exchanges, at the global and local levels, that we cannot ignore the impact that many creative businesses or groups, and local initiatives, all over the world, are rapidly enabling the rise of a new class of workers and entrepreneurs, and new types of environments transforming, de facto, creativity into a traded commodity. We believe, therefore, that governments must promote policies and implement actions which stimulating various culture expressions as art with embedded market value. Similarly, we find that creative entrepreneurship’s opportunities can be much enhanced and
flourish when innovation places, such as science/technology parks and business incubators are, as they already are, linked with and are part of, one of the helixes “Environment” of our proposed model.

One other aspect which needs more attention is the so called “new social class”. Indeed, a new social class of companies and entrepreneurs is on the rise persuaded by new forms of production of cultural/artistic goods and services, driven by innovation and technology, as well as, by social and cultural movements and the ever increasing levels of connectivity and mobility. In this sense, we are also reflecting on the multitude of factors that makes creativity such a complex and unique type of business asset. This multiplicity is what will give rise to creativity for the new industries engage in producing creative and experience products. The growing acknowledgement by different cultures about these creative products at higher or lower levels will require less time to become accepted in different markets. It will also encourage new patterns of consumption (as in Asian countries for example) for this type global product and, as earlier suggested, will further drive creative entrepreneurs.

All this reflects the changing nature of both the global and local economies and creative knowledge. We agree with this newly formed notion that “creative industries and professionals”, and their environments, are direct linked with the discussion of globalization in respect to local and global on matters dealing with culture, knowledge, technology and entrepreneurialism. Experts and thinkers like Riesman (1961), Castells (1997) and Maffesoli (1999) were pioneers on these analyses.

Finally, we view that universities have a special role to play in this new economy as institutions to form “new citizens” and new entrepreneurs, and making their research and development facilities greater “solvers” to local realities and problems, as well as, cultural needs and services. This is indispensable for the proper functioning of the suggested triple-helix model where local and social development ought to be effective.

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30 WEAVER, J. is a creativity consultant and coach. She writes the Creative Zone column in Entrepreneur Magazine. http://www.score.org/article_how_to_creativity.html. [Visited on: 22/2/2007]


32 WEAVER, J. op.cit.


41 PINE II, B. J.; Gilmore, J. H. op.cit.