

SUPPORT OF INNOVATIVE SMES FOCUSED ON CULTURAL TOURISM IN NORTHERN OLTENIA. A POTENTIAL INNOVATIVE PROJECT

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ABSTARCT: THE AIM OF THE RESEARCH IS FIRST TO OBJECTIVELY INVESTIGATE THE SITUATION OF CREATIVE CULTURAL INDUSTRY IN THE NORTHERN OLTENIA, THEN TO CONCEIVE AND TO DESIGN A MODEL OF BUSINESS DEVELOPMENT AND INNOVATION IN THIS REGION AND FINALLY THE MODEL IS EXTENDED TO DEVELOP A TOOL FOR CATALYSING AND PROMOTING A CREATIVE CULTURAL INDUSTRY AND A NETWORK PLATFORM TO SUPPORT THE GENERATION AND DEVELOPMENT OF CREATIVE INNOVATIVE SMES AND MICRO-ENTERPRISES IN THE NORTHERN OLTENIA REGION.

THROUGH ITS MAIN AIM, OUR RESEARCH PROJECT DIRECTLY TARGETS THE ROMANIAN BY AIMING TO CONTRIBUTE TO THE REDUCTION OF ECONOMIC AND SOCIAL DISPARITIES IN THE EUROPEAN ECONOMIC AREA.

WE MAY SAY THAT THE SOCIAL-ECONOMICS AND ECONOMIC-MANAGEMENT FIELDS FACE THE FOLLOWING FUNDAMENTAL CHALLENGES: THE CHALLENGE OF COMPLEXITY, THE CHALLENGE OF ACTION RESEARCH, THE CHALLENGE OF INNOVATION. AND THESE CHALLENGES ARE BIGGER WHEN THEY ARE APPLIED TO THE CREATIVE ECONOMY.

KEY WORDS: INNOVATIVE SMES, CULTURAL TOURISM, MODEL OF BUSINESS DEVELOPMENT, CREATIVE-CULTURAL INDUSTRY.

Introduction

Considering current short-term phenomena (the current economic crisis), as well as long-term trends (environmental threats, non-viability of current economic systems, and challenges in global governance), it is clear that there are urgent issues that need to be addressed at the global level as well as local levels.

Current economic models and theories are increasingly falling short of being relevant in the face of emerging dynamic, complex, evolutionary reality. In this context, businesses

and policy makers are faced with a crucial choice: continuing with “business as usual” or finding ways to create a purposeful innovation market.

The research starts from acknowledging the epistemological challenges of the socio-economic sciences: the challenge of complexity, that of action research, and of innovation. It assumes that “today, the challenging problem in economy is not how a market functions, but how to generate a (new) market and/or a (new) industry”. And the research targets at practical level to catalyse and promote a creative cultural industry (including the use of “enhanced reality” and “enhanced services” concepts), to capitalize the (economic, social, cultural, institutional) entrepreneur as a key factor for rapidly removing barriers, and to create synergies for accelerating development of a cultural creative industry and an entrepreneurial spirit obtained by harmonizing vision, shaping the future, design, strategy, involvement of local actors, innovative entrepreneurs, etc.

So the research go beyond the “attention economy” and the “experience economy” and put a special attention on the “creative economy”, which is becoming a “powerful transformative force in the world”, as the UNESCO Report 2013 – Creative Economy, Widening Local Development Approach Pathways – shows: “it is clear that the next frontier of knowledge generation rests on understanding interactions, specificities and policies at local levels, and how the creative economy might be practically promoted in communities, cities and regions across the developing world”.

The fields covered by the research are, primarily “Social science and humanities” (to increase innovation and economic growth; to strengthen capacity and human resources development; and to increase the society’s capacity to cope with and cultural diversity) and, secondarily, “Environment protection and management” (to improve compliance with environmental legislation in developing new industry).

Through its trans-, multi-, intra- and inter-disciplinary nature, the research (project) creates the possibility of extending the cooperation and its enhancement among the Romanian partners and different partners.

The persisting elements of the project – brought about by founding a laboratory for entrepreneurial training and a laboratory for ethnographic research – represent support for new research and broadening collaborative research with the different partners. Furthermore, the project can generate other projects in other domains, economic, social, institutional, etc., based on long-term scientific cooperation.

The research is in close relation with the objective “to stimulate interdisciplinary research” through its multidisciplinary and trans-disciplinary nature, as it is framed within a vision of the social and economic sciences and/ or economic managerial sciences, as complex interdisciplinary (pluri-disciplinary with trans-disciplinary tendencies) scientific domains which, par excellence, have as an object of research, complex entities and/or systems.

Theoretical framework and research methodology

The research project draws on the frameworks of the creative economy ((United Nations Creative Economy Report 2013) [1], the experience economy) (Pine and Gilmore, 1998) [2]and the attention economy (Davenport and Beck, 2001) [3] for its overarching framework.

The research methodology to be followed will involve a diversity of views and local-global multi-scale interpretations and comparisons.

The research methodology will include action research Stringer, E. (2007) [4] and case research (Miles M. and Huberman A.M., 1994) [5]. The cultural traditional entities in Northern Oltenia will be investigated using an ethnographic method. By combining objective case research and ethnographic approach with involvement-based action research, the twin goals of contributing to knowledge on regional development in peripheral regions and engendering actual change for the better in one specific peripheral region will be met.

Uncertainty and complexity call for action research, including systemic action research (Burns, Danny 2007) [6], critical reflexive action research and systemic integral action research (Morin André, (2010) [7] and/or network action research (Foth, M, (2006) [8].

The notions of complexity paradigm as non-linearity, self-organization, emergence, dynamics and nonergodic, irreducible evolutions suggest that any action and/or intervention in a complex adaptive system may lead to non-predictable results, to cumulative impact and paradox effects. Thus, the action research component of the research project will not only provide descriptions of how things are, but will actually interfere with existing realities for improvement.

Regarding the action research methodology, (Burns, Danny 2007 [9] points out that „Systemic action research is a process through which communities and organisations can adapt and respond purposefully to their constantly changing environments. It supports participative solutions to entrenched problems, and enables us to work with uncertainty”. Likewise, R.L. Flood [10] asserts that, ”It is through systemic thinking that we know of the unknowable. It is with action research that we learn and may act meaningfully within the unknowable”.

We may conclude that systematic action research enables conceiving and achieving genuine strategies to successfully address the complexities and uncertainties of the real world. Furthermore, action research starts from the principle that „the best modality to understand something lies in the attempt to change it” (Greenwood, D. and Levin, M. (1998) [11].

The concept of *systemic integral action-research* (SIAR) (Morin André, (2010) [12], developed relatively recently by the Canadian professor Andre Morin, in practice joins the systemic approach and action research applied to a social system, yet prioritizing the human being, as the first to be held responsible for its acts towards its own positive change. SIAR is a participative and cooperative approach. It enables the researcher-actor to be responsible for the richness of its subjectivity in a dialog with the others in the team’s subjectivities, community, organization, society, etc. Out of these interplays a joint agreement emerges, enriched by inter-subjectivity, inter-culturalism and/or pluridisciplinarity. Even the title of Morin’s book *Cheminer ensemble dans la réalité complexe-La recherche-action intégrale et systémique (RAIS)* synthesizes almost metaphorically the concept, making it intuitive and immediately perceptive,

The case method can be used for theory testing or development and is particularly appropriate for explorative studies in emerging fields and ill-understood empirical contexts (Yin K.R., 2003) [13]. Economic development in peripheral regions, particularly against the specific backdrop of entry into the European Union, is such an ill-understood context. Hence, the case research methodology is well suited. Case research, when conducted to a high standard of rigor, provides a way to objectively examine phenomena and identify

specific challenges. Thus, it will be based on the findings of the case research that the action research will be used to bring into action the mandates emerging from the case research.

One variant of case research is the ethnographic method, which aims to gain an in-depth understanding of a culture, in order to perceive the specificity and the authenticity of that culture. Ethnographic research will be used in the Northern Oltenia region, where there is a rich traditional culture (including « living human treasures »), that first of all must be well understood, in order to be preserved (cultural diversity), and finally to be promoted by respecting its authenticity.

By setting up and equipping a network platform for entrepreneurial training and by developing a training package for entrepreneurs, both for economic and social entrepreneurs (course or book, hardcopy and online and also an accompanying mentoring guide), the logistic support for further training of a larger number of local entrepreneurs will be put in place. This should lead to a continued generation of projects and jobs within the economic and social entities.

The model to catalyze and promote a creative cultural industry (including “enhanced reality” and “enhanced services” concepts) may be easily adapted and applied for other peripheral regions, as well as be used to generate other projects in other domains, economic, social, institutional, etc.

Project objectives and original and innovative contributions

The aim of the research is first to objectively investigate the situation of creative cultural industry in the Northern Oltenia, then to conceive and to design a model of business development and innovation in this regions and finally the model is extended to develop a tool for catalysing and promoting a creative cultural industry and a network platform to support the generation and development of creative innovative SMEs and micro-enterprises in the Northern Oltenia region.

The goals and results (outcomes) of the research are organized within work-packages (WPs) that pragmatically implement the aim of the project.

WP1: Rigorous objective case research for situational analysis

Case research will be conducted in SMEs and micro-enterprises in the creative cultural industry in the Northern Oltenia region. The case research will explore embodiments of the creative economy, the experience economy and the attention economy in the businesses studied. The goal will be to identify success factors, enablers and hindrances. As part of this workpackage, ethnographic research will be conducted in the Northern Oltenia region to gain insights into the local society and people, particularly individual craftspeople (“living treasures”).

Objective.1. Identification and analysis of the creative cultural industry in the Northern Oltenia.

WP2: Action research for catalyzing creative industries

Action research will be conducted within SMEs and micro-enterprises in the Northern Oltenia region. This action research will be guided by the findings from the case research and ethnographic research (WP1) and the goal will be to examine alternatives for development of a creative cultural industry in Northern Oltenia. In the action research, researchers will become involved in the phenomena being studied and will explore opportunities and means to grasp them side-by-side with business owners and

entrepreneurs in Northern Oltenia. Among the methods to be used are local foresight exercises (see European Foresight Knowledge Sharing Platform).

Objective 2. Conceiving the alternatives for development of creative cultural industry in Northern Oltenia Region by using a local foresight exercise and design of the generic model aiming at catalyzing and promoting a creative cultural industry (inclusive using “enhanced reality” and “enhanced services” concepts);

WP3: Design and development of tool and platform and pilot testing

Based on the results of the case research in WP1 and the action research in WP2, a tool for catalyzing and promoting a creative cultural industry will be designed and developed. Secondly, a network platform to support the generation and development of creative innovative SMEs and micro-enterprises will be developed. Both the tool and the network will be developed as online resources made openly accessible, first for Romanian businesses and, then, for European businesses and policy makers as a whole. Multiple language versions will be implemented to insure usefulness to the greatest number of businesses.

Pilot testing of the resources developed in WP3 will be conducted in small and micro businesses in the Northern Oltenia region. This WP runs in parallel with the second half of WP2.

Objective.3. Design and pilot realization of the network platform to support the generation and development of the creative innovative SMEs in Northern Oltenia

WP4: Development of training package for entrepreneurs

Once pilot testing of the project resources is complete (WP3) a training package will be developed targeted at entrepreneurs. The training package will be built around the resources developed in WP3 and will, thereby, draw on the knowledge gained from the research in WP1 and WP2. The training package will specifically focus on the opportunities of the creative economy, the experience economy and the attention economy.

The training package will be implemented in training sessions conducted in SMEs and micro-enterprises in the Northern Oltenia region and in seminars designed for prospective entrepreneurs. The training package will be available in Romanian and English. The English version will be promoted on the project web site and through partner networks. The training package will be made freely available to organizations or individuals throughout Europe and translation into additional languages will be allowed.

Objective.4.Elaborating the training package for forming and transforming the creative –cultural SMEs and traditional cultural entrepreneurs into successful experience stagers;

The project distinguishes itself on the epistemological level through an integrative perspective that harmonizes the challenges of complexity, action research and entrepreneurial innovation with dual perspectives: economic-managerial with socio-cultural and cultural-creative experience with innovative-entrepreneurial practice on the application level, the project introduces the following novel/original elements:

- development of a research-based model for catalyzing and promoting a creative cultural industry
- pilot testing of the tool to support the generation and development of creative-innovative SMEs and micro-enterprises in Northern Oltenia

- development of a training package and training an initial generation of local traditional cultural entrepreneurs
On the practical level the project distinguishes itself through:
- catalyzing and promoting a creative cultural industry (including the use of “enhanced reality” and “enhanced services” concepts);
- capitalizing the (economic, social, cultural, institutional) entrepreneur as a key factor for rapidly removing barriers;
- beneficial synergy for accelerating development of a cultural creative industry and an entrepreneurial spirit obtained by harmonizing vision, shaping the future, design, strategy, involvement of local actors, innovative entrepreneurs, etc.

To summarize, the research project is characterized by uniqueness (challenging new approaches, strategic vision and action for catalyzing and development of the creative cultural industry in the Northern Oltena region based on rigorous academic research and transfer of best practice and technology sectors), coherence (through action at two levels, that local area and that of the individual entrepreneur), and transferability (the resources developed will be readily applicable to other regions and sectors).

We can also mention that the project promotes the European desideratum public commitment of science (researchers), which can increase scientific contributions to solve the problems of the social environment.

Conclusions

Essentially, the project could prove to create a watershed in thinking about development and strategy in the Northern Oltena region, starting the transition to a better capitalisation of rich, traditional cultural resources. Thus the project will have a strong economic impact precisely by catalysing and promoting the development of a creative cultural industry, especially traditional cultural entrepreneurs, both at the level of economic, social and cultural enterprises and at the level of the entire area.

Through the shared vision, the approach adopted and its successful implementation, the project will contribute significantly to starting up and to catalyzing the development of the creative-innovative traditional culture-based industry, emphasizing the economic and social viability of SMEs and micro-enterprises. The project will also generate multiple positive, direct, indirect and impact effects downstream by transferring new knowledge and abilities to entrepreneurs and local traditional creators in the Northern Oltena region.

Ethically speaking, the project promotes equal chances, gender equality and non-discrimination, through this being a model of viable actions. Through the participative action research approach, the domain of research connects synergistically from the interaction point of view, with innovation and with the transfer of knowledge and abilities, so much more explicit than tacit, towards the economic social sphere.

In conclusion, the project is an innovative solution, viable and sustainable, whose implementation leads to harmonious, balanced and sustainable development of the entire area, by combining the economic and social entities that can innovatively capitalize the human, natural and cultural, anthropological potential. The project decisively contributes to improvement in quality of life through the direct effects of: increasing the income of the creative-cultural businesses involved (creating new jobs), and by contributing to an increase in population health (reducing harmful emissions through viable alternatives) and

increasing the quality of products, services, experiences (creating the conditions for inclusive, transparent competition), etc.

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