CREATIVE ENTREPRENEURSHIP: ENTREPRENEURIAL THINKING, GLOBAL ACTION

All over, self-employed cultural producers are finding it increasingly difficult to make a living from their work. In many cases, it’s not creative ideas they’re lacking, but practical know-how on start-ups and self-employment, local and international networking and entrepreneurial self-awareness.

How does creative entrepreneurship work?
What opportunities and perspectives can the Goethe-Institute abroad offer cultural workers in this area?

In a two-year pilot phase, the Goethe-Institut has developed possible support models designed to enable local artists to work independently and network internationally. This was done in close cooperation with the Strascheg Center for Entrepreneurship (SCE), which has long been researching innovation processes and promoting creative thinking and action from concept to founding.

The Cultural Entrepreneurship Hubs developed in this way together with Kreative Deutschland (Creatives Germany) and regional funding institutions of the German cultural and creative industries in the Promoting Creative Industries (PCI) network form part of a wide-ranging network of actors.
PROMOTING CREATIVE ENTREPRENEURIAL SPIRIT:  
THE CULTURAL ENTREPRENEURSHIP HUBS PILOT PROJECT

Between 2016 and 2018, three new entrepreneurial creative industry centres, called hubs, were created in Thessaloniki, Jakarta and Johannesburg, in which local artists were trained as innovative entrepreneurs.

There, local artists are given access to the methods and creative techniques of a young and dynamic start-up culture through training courses and mentoring programmes.
Due to its open and de-hierarchised learning and working culture, the hub is an ideal place to bring people together who have different practical and theoretical experience and to experiment with a range of methods in an interdisciplinary way.

A hub thus assumes important networking, training and knowledge transfer functions and provides important impetus for the development of cultural and creative enterprises.

How a hub is created, what its functions are, how it is designed and controlled varies from place to place.

Ideally, a hub should always be geared to the local needs of cultural and creative industry players and to existing local and institutional structures and communities.
3 CONTINENTS, 3 CREATIVE INDUSTRY CENTRES – (NEW CULTURAL ENTREPRENEURSHIP HUBS ARE APPEARING AROUND THE WORLD)

JOHANNESBURG – INHOUSE-HUB
The hub in Thessaloniki sees itself as a networking point and cooperates on a project-related and target group-specific basis with city institutions as well as with various other creative industry centres.

THESSALONIKI – NETWORK-HUB
The hub in Thessaloniki sees itself as a networking point and cooperates on a project-related and target group-specific basis with city institutions as well as with various other creative industry centres.

JAKARTA – COOPERATION HUB
In Indonesia, the Goethe-Institut, together with the Academy of Arts in Surakarta, Central Java, is developing content for entrepreneurship education. Students interested in founding a company take part in a mentoring programme at the university.
FOUNDING A HUB IN 9 STEPS

The three hubs founded at the Goethe-Instituts quickly developed into important creative centres in their region.

It’s important to note that every hub is unique.

Setting up a hub is an open process. What exactly is developed and can emerge is left to the respective partners and actors of the cultural and creative industries as well as the employees of the Goethe-Institut on site.

Nevertheless, there are clear criteria and basic prerequisites that by all means benefit positive and promising hub development.

In their foundational processes, the Cultural Entrepreneurship Hubs are aligned to Professor Klaus Sailer’s approach to innovation (Strascheg Center for Entrepreneurship): nine dynamically interconnected steps based on approaches such as design thinking, lean start-up and people-centred design.
First of all, the focus is on establishing the hub team, developing a common vision and the preliminary analysis of the planned hub’s scope of action.

- Who makes up the hub’s core team? How are tasks and responsibilities (in terms of content, organisation and structure) distributed within the team?
  Who is part of the network and can contribute new perspectives?

- What are the common vision, mission and goals of the hub? Can they be visualised?
  Do they unite different actors and interests internally and externally?

- What basic values is the hub subject to or what values should it promote?

**METHODS FOR TEAM BUILDING AND VISION FINDING:**

- **Liberating Structures:**
  Guidelines for developing creative collaboration in teams and organisations

- **Myers-Briggs:**
  The Myers-Briggs Type Indicator (MBTI®) is a helpful tool for a better understanding of one’s own ways of thinking and looking at things, personal abilities and strengths.

- **Team Vision:**
  Creation of a mission statement for collaborative work in and at the hub
UNDERSTAND THE PROBLEM
IDENTIFYING THE TARGET GROUP(S)

It’s important to gain an understanding of the challenges of the local cultural and creative industries through on-site research (Insights-Needs-Pains).

Possible collaborations should be examined and the potential added value of a hub concretised in this way (Validated Opportunity Frames).

- Why is a new hub needed at the location and what is the added value that the Goethe-Institut can provide? Who should potentially use the hub? Mapping can be done for this.

- At what stage should the founding concepts of potential hub participants be? Will a particular phase or will everyone be supervised in the overall process?

- Are there already local hubs with which Hub@Goethe can cooperate? What exactly does Hub@Goethe do, with whom, for what? What hubs offer programmes that meet a similar need and are already active?

METHODS FOR DEVELOPING AN UNDERSTANDING OF A PROBLEM

- 5 Whys Technique: Identifying cause-effect relationships using “why” questions

- (Re)define challenge: Examining challenges of the hub design from different vantage points
In order to offer cultural and creative artists a new entrepreneurial perspective, their genuine needs must be accurately understood.

Conducting interviews with the potential hub user group and existing hub operators is productive here.

- Would it be possible to offer paid services (price indicates value) in the hub, and if so, what would the various target groups be willing to pay?
- What gaps does Hub@Goethe close for the creatives? What is desired, what is needed, what is feared?

**METHODS FOR IDENTIFYING CULTURAL ENTREPRENEURS’ NEEDS**

- Use of qualitative social research methods to learn as much as possible about the subjective experience of situations.
  
  “Triangulation,” the combination of a range of methods and data sources, enables complex insights into social constellations.

- Speak with users at the location of use, in their “natural environment” (if necessary using questionnaires) and observe them there (“fly on the wall”).

  Summarise the observations with an [Empathy map](#).

- Round tables and discussion forums (industry hearings) with operators of existing hubs and organising possible target groups.

  Summarise the results in graphic format with the [Why–how laddering](#) method.
SYNTHESIS & POINT OF VIEW
CONSOLIDATING INFORMATION

Consolidate the results and compare them with the resources defined under Team and Vision. Identify the scope of possibilities for developing a preferred solution together in the hub team. Objective: to be able to offer the cultural and creative industries precisely tailored formats.

- What final target group or community should the hub address?
- What problems of the creatives (space problems, continuing education, etc.) can the hub actually solve? What new impulses are there?
- Who could serve as actual partners („Friends of the Hub“)? Universities, business circles, embassies, German chambers of commerce abroad, political representatives?

METHODS FOR EVALUATING THE RESULTS

- The Value Proposition Canvas helps to tangibly formulate the hub’s value offer.
- Set up a Customer Journey – where can creative people find out about the hub and get in contact with it?
- Persona helps to identify the ideal hub users.
The findings are now used to generate ideas about how the insights gained can be implemented in concrete formats (ideation).

All ideas should always keep the overall project vision in mind.

In the end, a decision is made about a specific idea, which everyone follows together.

- Taking resources and capacities into account, what activities, services and products can the hub offer and how is the respective target group for these offers defined?
- In which way and in what facilities can the hub best be set up? (Online hub? Co-working space? Mentorship programmes? Events? Workshops? Collaborations?)
- How are partners involved in the hub? How can partners and the hub benefit from one another?

**IDEATION METHODS**

- Using the Six Thinking Hats, various positions of different user groups can be simulated.
- Ideas can be clustered using the PPCO Method: Plusses, Potential, Concerns, Overcoming Concerns.
- The Selecting Idea Methode helps in evaluating the various ideas.
BUSINESS MODEL
DEVELOPING A FOUNDATION FOR GOOD IDEAS

Developing a sustainable financing strategy is necessary to ensure the long-term viability of a hub.

Identifying potential backers (institute funds, third-party funds, sponsors)

Development of a verifiable and transparent business plan

The hub should be able to tell a credible story.

- What national and international financing models can serve as prototypes for Hub@Goethe?
  Cooperating with other hubs?
- What story helps to recruit new partners? Everyone involved needs to know the facts and figures.
  Does everyone involved share this story? Are they able to communicate it?

METHODS FOR SETTING UP A FINANCING PLAN

- The hub’s effectiveness can be measured using the Culture works brochure brochure as an instrument.
  It’s based on the Social Impact Navigator of the consulting company Phineo.
- Storytelling has proven very successful in developing business models in the creative sector.
- A Competitor Analysis can help learn how other hubs are financed.
- Your own strengths and weaknesses can be presented in a SWOT analysis.
PROTOTYPING & MVP (MINIMAL Viable PRODUCT)
TESTING IDEAS AND COMPILING FEEDBACK

Hub offers and formats must be developed and then tested in the identified target group.
Suitable evaluation tools must be developed for this purpose.
It is advisable to test widely differing prototypes in order to put the best possible solution into practice.

- Use of a hub and community manager (organisation of events, control over finances, supervision of communication and social media, administration)
- How can I persuade customers to give feedback? How can I assess and evaluate the feedback?
  Do all opinions count equally? Should the feedback be public?
  Can the feedback also serve as advertising?
- How does one bring local and international levels together in the hub programme?

METHODS FOR ESTABLISHING NEW FORMATS

- Here we particularly recommend cooperating with other Hubs@Goethe and participating in their format experiences.
TEST & VALIDATE
ACCEPTING FEEDBACK AND DEVELOPING IDEAS

The principle of trial and error should be systematised and made the basis for further development. The aim is to ask users about the individual added value after each event or test.

- What impact was achieved with the format?
  Have the results of the previous needs analysis been confirmed?
- Are the event formats expandable? What social events follow an exchange of content?

METHODS FOR TESTING FORMATS

- Osterwalder’s test cards are ideal for structured testing of formats.
**IMPLEMENT & GROW**

**IMPLEMENTING SUCCESSES AND EXPANDING NETWORKS**

Being innovative means to be constantly looking for improvements and variations in processes and offers with a clear view to the goal.

The hub team should continually critically examine itself and the hub’s offer.

- How can I engage former users, supporters and partners of the hub further in the work and the network?
- Success can be measured in different ways (development of the offer, partner and network expansion, team development, sponsoring and fundraising).
  
  How do I find measurable indicators in order to grow without losing integrity?

- How can the hub continue to network with other hubs, possibly even internationalise?
  What joint programmes can be set up for this?

**METHODS FOR DEVELOPING GROWTH STRATEGIES**

- A long-term strategy can be visualised using a roadmap.

- To convince partners and sponsors of the work as well (pitching), we can draw on the experience of Guy Kawasaki.

- The Jobs to be Done method helps to constantly examine the hub’s actual tasks and thus hone its value offer.
A cooperation project by the Goethe-Institut and the Strascheg Center for Entrepreneurship, funded by the Federal Foreign Office Germany

Cultural Entrepreneurship Hubs is supported by
Kompetenzteam Kultur- und Kreativwirtschaft München
Kreative Deutschland
Hamburg Kreativ Gesellschaft

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