

## **Culture, creativity and enterprise towards new sustainable value chains**

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### **EXTENDED ABSTRACT**

#### **1. Introduction**

At the European level, some shared strategic objectives for the development of urban and suburban territories concern the growth of the economy from a network perspective, the competitive repositioning of the "local" in the global economy, the definition of a green growth model towards an energy transition to 2050, and the strategic role of culture in sustainable development [1–4].

This is particularly true in inland and mountainous areas where alternative models of economy can be a valid support to overcome the critical issues dictated by the deep economic, social, territorial and geomorphologic inequalities experienced by the inhabitants. Depopulation and the lack of job opportunities, especially for the younger generations, are the main factors that determine the different quality of life compared to the cities. The Position paper "Inland areas and mountains for sustainable development" of the ASVIS Working Group on Goal 11 (Sustainable Cities and Communities) aims to highlight the need to safeguard these territories where 50% of the biodiversity hotspots are located and where the future of the sustainable development of the entire national territory is at stake [5].

In this perspective, the aim of this contribution is to investigate possible culture-led development and business strategies aimed at improving the quality of public spaces and services, harmonising the various social interests and increasing the quality of life of the inhabitants, starting from the assumption that culture is an engine for economic growth and sustainable development [4, 6].

The need to reposition inland areas in the global marketplace and, at the same time, to create an environment suitable for new economic approaches based on technology, creativity and human capital requires the attention of local governments to the development of cultural processes [7, 8].

However, the implementation of culture-led solutions remains a challenge. The various impacts of culture are difficult to monitor, as they affect so many different aspects of the economy, society and people's lives. The most relevant potential is represented by the relational systems embedded in cultural places and activities, where real participatory experiences are lived that generate impacts on the individual and collective well-being of residents.

It is not only cultural participation that becomes crucial in development strategies, but also and above all the identification of community-driven processes [9] able of activating social and environmental changes through interaction with communities that drive transformation.

Several studies investigate how citizens can become "co-decision makers" and how to implement co-creation processes of cultural services for urban regeneration. Many experiences have been developed in the logic of open innovation [10] through user-centred collaborative processes, particularly within the Living Lab approaches [11]–[13], which entrust a decision-making role to citizens by enabling them to co-produce civic services within their collaborative networks. The relationship between co-creation, co-assessment of cultural and creative activities offers an innovative paradigm to be developed for the realisation of 'cultural' welfare [15] of proximity at village or neighbourhood scale.

#### **2. Cultural creative enterprises and community-driven processes towards a new sustainable value chain**

Cultural creative enterprises [16–18] need to build communities through collaborative social innovation processes that no longer respond to the ordinary structure of entrepreneurial projects [19].

In order to identify these tangible and intangible values, intrinsic and economic at the same time, linked to the community, heritage and territory, Collaborative Decision-Making processes [20] can be considered the appropriate context in which community members can be involved and share knowledge on the decisions to be taken and agree together on the approach and decision-making principles to be activated.

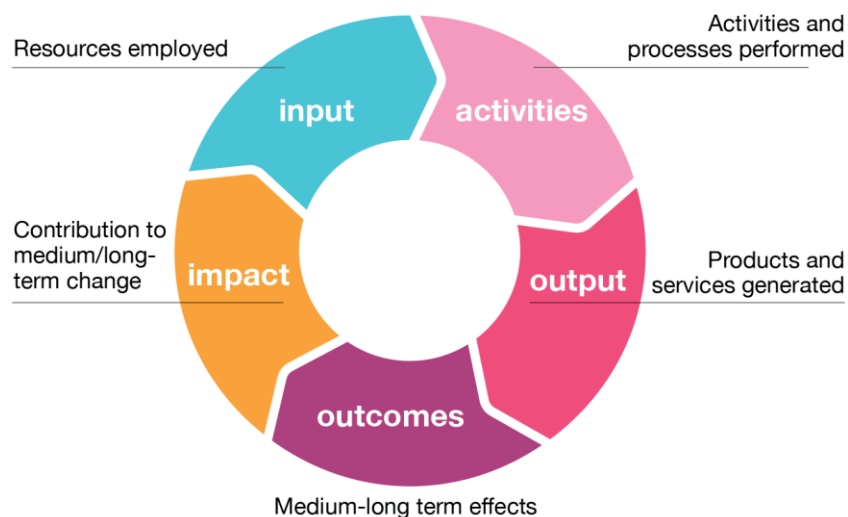
The choice is supported by a collaborative process, the more creative the alternatives will be and the higher the chance that they will become operational, as they are able to manage conflicts and involve both stakeholders and asset-holders [21].

The real challenge, therefore, becomes being able to assess, through deliberative techniques [22], the impacts generated by culture and creativity on the territory. The goal for cultural and creative enterprises is therefore to prove that they produce economic value from intangible values, so that these can be a driving force in enhancement strategies and become determinants in the strategic choices of organisations and territories.

In order to expand the internal dimension of these new hybrid enterprises (change management, soft skills, labour productivity) and their external dimension (engagement/co-production, reputation, financing, bargaining power) [23], the measurement of impact through the theory of change [24] expressed by the impact value chain [25] is strategic.

The impact value chain [26], after defining the inputs, i.e. the tangible and intangible resources available to the organisation, consists of two main phases. In the first step, “performance measurement”, the activities and outputs (in terms of goods or services generated) are defined; in the second, “impact measurement”, the results (medium – long term effects generated by the outputs) and the impact, defined as long-term sustainable change, are determined. At the European and global level, there are currently several methodologies and tools for measuring output, outcome and impact, which reconfigure the overall structure according to the characteristics, territories and communities of reference, identifying appropriate criteria and indicators [27].

A new value chain for the development of inland areas based on cultural and creative services could start from the impacts generated in order to define the inputs for collaborative decision-making and then calibrate and monitor the resources deployed in human, economic, social and cultural terms (Fig. 1). These resources are able to increase the performance of the activities, the quality of the products and services generated, and the medium- to long-term effects that become shared value by increasing the multiplier effect of the contribution of culture and creativity to change in the territory.



*Fig. 1 - Proposal for a new impact value chain (Cerreta, Daldanise, Di Lauro, La Rocca, 2020)*

In this perspective, the shared value generated optimises and uses specific resources and skills to build economic value through the creation of social value, not only generating job opportunities but also building process and product innovation through new models of shared responsibility: from Corporate Social

Responsibility, to Community Social Responsibility, to Territorial Social Responsibility [28] for the construction of complex shared social values [29].

### 3. Discussion and conclusions

An inclusive and sustainable future for inland areas can be ensured through the promotion of adequate public policies and the allocation of the necessary funds to implement them. For this reason there is a need for a new pact or agenda for the sustainable development of inland areas based on the work of the Interministerial Committee for Economic Planning and Sustainable Development (CIPESS). This agenda aims at balancing the disparities and inequalities between low and high areas while maintaining a healthy link of interdependence. In this perspective, it is crucial that the community be involved in the transformation process and contribute significantly to the implementation of the Pact.

Culture, creativity and community, in fact, as integrated and driving components, can make the difference in local development processes: renewing the synergic and symbiotic relationship between business and territory; developing new exchange processes between producer and consumer that guarantee efficiency, effectiveness and equity; empowering citizens and co-creating innovative products and services in the valorisation of cultural heritage and the regeneration of public spaces.

These forms of hybrid enterprises produce goods, services and activities that are recognised not only for their economic value but also and above all for their intrinsic value and their ability to activate new value chains. Indeed, communities and territories become both beneficiaries of the offer of cultural and creative enterprises and at the same time their co-producers.

In this context, the theory of change, expressed by the impact value chain, is a useful tool to produce and evaluate small short-term impacts that are reflected in existing systems and lead to significant long-term changes.

This would make it possible to assess the impacts of organisational innovation, implement new skills and hybrid enterprises serving the community, and at the same time activate new heritage valorisation processes for the regeneration of inland areas in a logic of culture-led sustainable development.

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