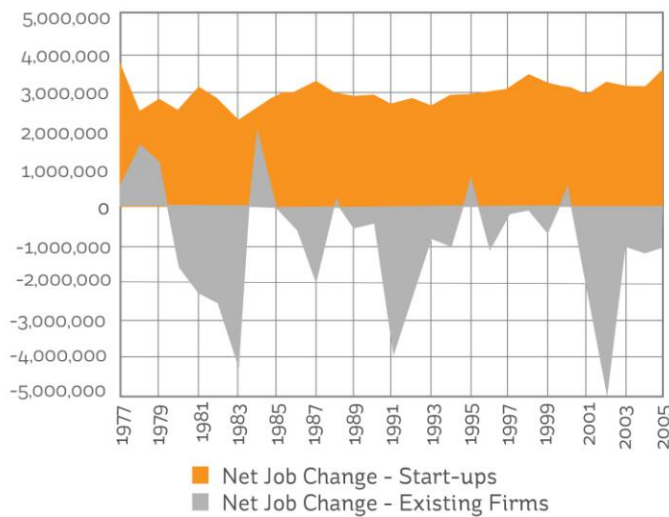




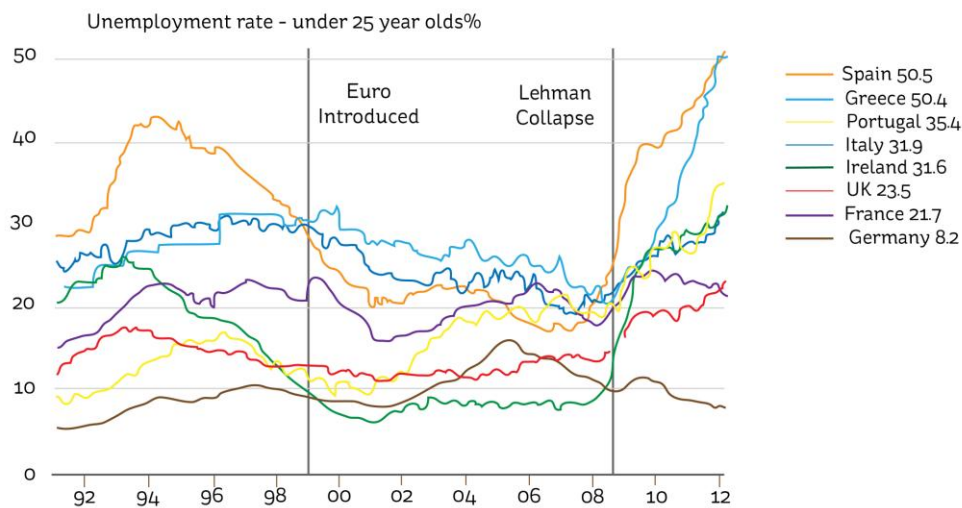
**Study for the Forum d'Avignon 2012:
Design culture as fertile ground for entrepreneurship**

Entrepreneurship is a fundamental factor for the growth of local and national wealth. There is evidence that entrepreneurship (specially young entrepreneurship) has a statistically relevant positive impact on the economic growth. Moreover, young start-ups are also relevant in terms of occupational growth. Studies from the [Kauffman Foundation](#) show how in the American case, **the creation of new jobs is mostly determined by: start-ups**, young companies up to 5 years old and older large companies.



Source: Business Dynamics Statistics, Tim Kane

Entrepreneurship has become more relevant than ever in recent years after the onset of the 2008 financial crisis, particularly in developed countries suffering from high rates of unemployment.



Source: Thomson Reuters Datastream, Eurostat Reuters graphic/Scott Barber 4/2/2012



Identifying opportunities for new businesses is one of the most important activities of successful entrepreneurs. A key moment of the entrepreneurial process is the moment of opportunity creation (or discovery, depending from your perspective).

What exactly defines an entrepreneurial opportunity? For some authors, opportunities are concrete entities that are waiting to be discovered by people who are alert enough. In this perspective, entrepreneurs "rearrange" existing resources (capital, people, suppliers) in order to produce a product or service for a profit.

For other authors, entrepreneurs are creators. **However, having a "creative idea" is not enough. The idea must be feasible and the entrepreneur must act on it. Opportunity as a creative product can be described as continuum that ranges from the initial insight until to a fully shaped idea about starting and operating a business" (Dimov, 2007).** In this perspective, entrepreneurial opportunities are first imagined, and then a sense-making process begins to establish the viability of the idea. A rich social network that provides feedback to the aspiring entrepreneur is thought to be essential in clarifying the vision of the business and strengthening the business idea.

Until now, two of the most recognized sources of entrepreneurial opportunities were either technology-based or marketing-based. In this panorama, until recently design had only played a marginal role in the creation of business opportunities. Today, design is expanding its traditional range of action and designing full business concepts. **Design culture is becoming a source of potential entrepreneurial opportunities and designers are embracing the possibility of becoming entrepreneurs** and not only designing for someone else.

This is not new. In the past, designers and architects created companies that had design at its core and some of them were very successful. In Italy in the 1960s and 1970s, artists, designers and architects founded many leading design-oriented companies such as [Fontana Arte](#), [Artemide](#), [Luceplan](#), [Flos](#), [Cassina](#), [Kartell](#), etc. In these business concepts, design is the "content", the objective of the business.

In recent years, a "new wave" of designers has become entrepreneurial creating IT-based start-ups. In these tech-based companies however, there is a strong design orientation and culture. Many of these companies were born out of observing consumers' behaviors emerging while using new technological devices. These services aim at creating new behaviors between users and technology and helping people relate in a different way through technology. This is a typical design culture perspective. Some examples of these new designer-funded companies are [Airbnb](#), [Flickr](#), [Instagram](#), [Android](#) and [Vimeo](#).

As we can deduct, **there has been a shift from "design as content" of the business idea, to "design as container" of the business idea.** Basically, the act of designing a product has expanded into designing a whole value offering.

This shift has been possible because of the recent focus of both designers and managers in the unique contribution that design culture can bring to the business world. Design culture besides being a strategic resource can be a vehicle for organizational change. This has to do with various particularities of design culture that are deemed as particularly suitable for creating new things.



Design culture can help reconcile multidimensional meanings, have a strong focus in creating and bringing to life, help embrace the discontinuity and open-endedness of today's "fuzzy" and "wicked" business problems including aesthetic sensibility and personal and commercial empathy ([Michlewski, 2008](#)). All of these attributes could be extremely useful when designing a new business venture.

So far, on this topic there are more questions than answers: Does it mean managers or aspiring entrepreneurs will start to get design training anytime soon? Another key issue is the existence (or lack of) support ecosystems for this new breed of start-ups. Will the typical incubator or tech-accelerator be enough to support design-oriented start-ups? Will venture capitalists fund them as enthusiastically as they have done with IT startups in the past? Hopefully we will know the answers to these questions soon.

A contribution of the University Politecnico, by Laura Mata Garcia.