



Iberoamerican Journal of Entrepreneurship and Small Business

CULTURAL ENTREPRENEURSHIP AND CREATIVE ECONOMY: THE GALPÃO GROUP THEATER COMPANY

¹Janaína Martins dos Reis

²Luciano Pereira Zille

Abstract

Purpose: To analyze and describe cultural entrepreneurship in the context of the creative economy, according to the perception of the Galpão Group, based in the city of Belo Horizonte / MG.

Methodology: Descriptive research, qualitative approach through case study. The unit of analysis was cultural entrepreneurship and the unit of observation the Galpão Theater Group. Data collection was through semi-structured interview and analysis by categorical content analysis technique.

Results: The group revealed broad knowledge about the subject, whose main challenges are the difficulty of planning the events in the medium and long term and the difficulty of generating revenue exclusively by the participating public. It was identified that the creation and maintenance of the Cultural Center has contributed to several projects of access to the culture of interest to society, where the Rouanet Law has been playing a relevant role.

Theoretical contributions: It contributes to the expansion of knowledge of studies related to cultural entrepreneurship, emphasizing the creative economy, whose researches are moving towards achieving soundness from the scientific point of view.

Relevance/originality: It mainly contemplates the academic and social contexts, in order to broaden the studies directed to cultural entrepreneurship and its originality is centered on the research of a prominent theater company in Brazil, focusing on cultural entrepreneurship in the economy dimension creative.

Social contributions/management: Encourages the development of a more egalitarian society in relation to the entrepreneurial spirit, through cultural dissemination, focusing on the principles of creative economy and entrepreneurial management.

Keywords: Cultural entrepreneurship. Creative economy. Shed Group. I encourage the culture. Rouanet Law.

Received on: 08/05/2019 / Approved on: 11/09/2019

Responsible editor: Profa. Dra. Vânia Maria Nassif

Translator: Francisco de Assis Machado Drummond

Evaluation process: Double Blind Review

Doi: <https://doi.org/10.14211/regepe.v9i2.1576>

¹Universitário Unihorizontes, Minas Gerais, (Brasil). E-mail: jmartinsreis06@gmail.com Orcid id: <http://orcid.org/0000-0002-1957-7681>

²Universitário Unihorizontes, Minas Gerais, (Brasil). E-mail: luciano.zille@unihorizontes.br Orcid id: <http://orcid.org/0000-0002-1282-3907>



1 INTRODUCTION

Creativity and innovation have become sources of wealth for many countries, especially from the late twentieth and early twenty-first centuries. In Brazil, entrepreneurial activities are viewed favorably, with the valorization of entrepreneurs who develop their own business (Sebrae - Supporting Service for Micro and Small Companies - 2016). According to data from the *Global Entrepreneurship Monitor* report (Gem, 2017) between 70% and 80% of Brazilians consider that starting their own business is a desirable career choice, i.e., they appreciate the success of entrepreneurship.

In this scenario, the creative economy has become an important strategy, being one of the alternatives put into practice by entrepreneurs. It seeks to name business and management models that originate in activities, products or services developed from knowledge, creativity or intellectual capital, with a view to generating jobs and income. Most of these activities such as culture, fashion, design, music and crafts are inserted in this context (Sebrae, 2016).

Referring to data from the *United Nations Conference on Trade and Development* (2018) report, the global creative market, even with the 2008 financial crisis affecting the creation and distribution of creative goods, had an average growth rate of over 7% between 2002 and 2015. The world creative market doubled from US\$ 208 billion in 2002 to US\$ 509 billion in 2015. These numbers confirm that the creative industries have been one of the most dynamic sectors of the world economy, making the creative economy one of the key development strategies of countries for the 21st century.

In Brazil, a research conducted by the Federation of Industries of the State of Rio de Janeiro (Firjan, 2016) shows that, in recent decades, companies have come to recognize the importance of creativity as an essential element of production, having a transformative role in the production system. Accordingly, the creative economy has expanded, and the sector generated, in 2015, a Gross Domestic Product (GDP) of the order of 155.6 billion Reais, creating new jobs, generating income and increasing Brazilian exports (Firjan, 2016). Thus, the creative economy is a sector that has stood out on the cultural level, which has a direct link with the construction of social relations and has been receiving government incentives. In this direction, the Ministry of Culture pointed to the need for the development of cultural initiatives and their relationship in the social, environmental and economic spheres (Brazil, 2018).



In view of the contents presented so far, this study aimed to analyze and describe cultural entrepreneurship in the perception of the Galpão Group, based in the city of Belo Horizonte / MG. In order to achieve the overall objective, the following specific objectives were established: to identify and describe the characteristics of the Galpão Group as a cultural entrepreneur; identify and analyze the challenges faced by Galpão Group in undertaking in the cultural sector; and to identify and to present the results achieved by Galpão Group as a cultural entrepreneur.

Regarding relevance, the study mainly contemplates the academic and social context. For the academic world, the study aims to contribute to the expansion of knowledge of studies related to cultural entrepreneurship, emphasizing the creative economy, as it is a contemporary theme, whose research is moving towards achieving consistency from the scientific point of view.

Regarding the social context, the study is timely and contributes to promote the development of a more egalitarian society, in relation to the entrepreneurial spirit, through cultural dissemination, focusing on the principles of creative economy.

In terms of structure, in addition to this introduction, the article is organized into four sections: theoretical framework, methodological approach, presentation and discussion of results, and the final considerations.

2 ENTREPRENEURSHIP

Entrepreneurship is a very broad theme, and is studied by researchers from various areas, having as reference the means of performance (Sebrae, 2016). According to Unctad (2018), entrepreneurship is based on the attempt to create a new business, such as an autonomous activity, a new company or the expansion of an existing enterprise. In Brazil, it is estimated that 52 million Brazilians aged 18-64 are involved in the creation and/or maintenance of a business, either as an early-stage or an established entrepreneur (Gem, 2016).

Entrepreneurship plays an important role for the economic development of the country, being observed in a research conducted by Almeida, Valadares & Sediyaama (2017), which took into consideration the 26 Brazilian states plus the Federal District. The results showed that, regardless of the state's economic size, entrepreneurship directly impacts the GDP and the workers' income level. Thus, the encouragement through public policies in the financial and legal support for entrepreneurship, in its various categories, is important.



According to Fillion (2011), entrepreneurship is complex and requires a range of entrepreneurial skills with a repertoire of technical, human and managerial characteristics. The author defines some characteristics that the entrepreneur must have to succeed, such as the ability to recognize opportunities, to find viable solutions considering risks in a balanced way, to have the competence to pursue innovation with a different vision, to seek added value through creativity, even with limited resources, thus playing a role in contributing to sustainable development.

For Dornelas (2016), the common characteristics in entrepreneurial behavior are not precisely defined, that is, people in general can develop entrepreneurial skills.

Having as reference data from Sebrae (2016), being an entrepreneur is to produce new ideas through the coherence between creativity and imagination. Until a few years ago, however, it was believed that the entrepreneur was born and predestined for success in the business world. Therefore, if the individual did not possess these characteristics he was discouraged to undertake. In the current context, this discourse has changed and there is a growing belief that entrepreneurship can be taught, understood and developed by any individual, and being so, success is a consequence of various business factors and of the entrepreneur's profile (Dornelas, 2015).

For Schaefer and Minello (2017), the act of undertaking is contained in the entrepreneur's way of acting, in his ability to undertake (that is contextualized in his worldview), self-perception, leadership posture, ability to deal with adverse situations, as well as creative ability to manage resources, generating innovation, social transformation, and their personal accomplishment.

Another relevant factor for the success possibilities of an entrepreneur is the region in which he is inserted, and considering that in globalized cities, linked to innovation, entrepreneurship suffers influence from both culture and knowledge creation (Obschonka, 2015).

However, the entrepreneur's behavior is conditioned by circumstances and conditions that manifest themselves in the course of his activities. From this perspective, a person's dream of having his or her own business must match the values of the entrepreneur, that is, he must believe in his dream, and then move on (Dolabela, 2003; Dolabela & Fillion, 2013).

In this direction, Dolabela and Fillion (2013) consider that there are three types of dreams: the collective dream that is projected into the social future; the structuring dream that can drive the entrepreneur's plans based on self-realization; and the dream



that allows the realization of projects. These authors argue that society needs entrepreneurs capable of expressing the collective dream that leads to an action plan and, consequently, generates economic growth and social welfare.

When it comes to collective entrepreneurship, according to Martinez (2007), it occurs in a team, within a company or network of companies, consisting of an effort based on the talent pool and creativity of its members. However, the author point out that collective entrepreneurship is not merely the sum of the individual characteristics of each team member, but the set of individual characteristics becoming a collective (Dornelas, 2015).

2.1 Cultural Entrepreneurship

According to the *United Nations Educational, Scientific and Cultural Organization* - Unesco (2018), entrepreneurship uses the creative economy for cultural and artistic production, with significant impact on society. Developing countries are part of a growing flow of cultural goods and accounted for 45% of world trade of these cultural goods in 2014.

Also according to Unesco (2018), in order to improve governance systems, it is essential that countries focus their efforts on developing continuous cultural participation; improve information and interaction between organizations through cultural actions; and develop capacities encompassing cultural and non-cultural organizations, in which the creative economy is an important leverage strategy.

For Chang and Wyszomirski (2015), cultural and artistic entrepreneurship can be considered a management process that aims to enhance the capacity of creation and economic and social emancipation of the actors involved. It uses the combination of resources and the search for new opportunities, trying to adapt to different contexts in order to create added values.

In Brazil, cultural entrepreneurship was considered by the Ministry of Culture as sustainable socio-cultural entrepreneurship, capable of correlating with the social, political, economic, environmental and cultural scenarios (Brazil, 2018).

In this context, the cultural entrepreneur has the mission to leverage the development of society through the search for innovative attitudes and opportunities within the environment of cultural organization (Unctad, 2018).

In the perception of Gehman and Soublière (2017), there are two types of cultural entrepreneur. The one seen as magical, capable of bidding the self-realization of the



people involved in economic progress and social development in the same project. And the other one, regarding the adventurers who seek, through cultural production, to develop and implement their achievements.

In Toghraee's (2017) view, the artist's role is to create cultural product, and the entrepreneur has the role of value generation and distribution. To achieve success, the cultural entrepreneur must conciliate financial, human, and cultural capital, knowing that art and culture individually are not economically viable.

Akyol (2016) points out some characteristics that can enhance the success of the cultural entrepreneur, such as self-motivation, independence and the need for self-realization. However, local culture has a major impact on entrepreneurship generating different levels of entrepreneurship, so the entrepreneur is subject to the cultural and economic conditions of society. Thus, the entrepreneur depends on external factors, such as the availability of venture capital, and internal factors, such as personal characteristics.

Regarding the typical characteristics of the cultural entrepreneur, Bujor and Avasilcai (2016) point out that they are more related to intellectual or creative capital, so this entrepreneur is more willing to invest in his talent and in the talent of his partners. It has intrinsic characteristics such as the ability to reinvent itself, to communicate, to emphasize new concepts, to be nomadic, to know how to deal with fame, to put quality in what you do for success, to have ambition and courage, and to have fun with your endeavor and achievement.

According to Qian and Liu (2018), in terms of public policies, entrepreneurial initiatives should be formulated from studies related to the strengths of the cultural sector of each community, observing their real potential for economic development, identifying and mapping cultural assets capable of providing information for the formulation of a strategic plan based on art and culture.

Regarding the motivational factor of the cultural entrepreneur, this has central elements, such as passion and identification with the cultural area, in which the achievement as an artist and the satisfaction of undertaking contribute importantly to society (Oliveira & Melo, 2015). In such cases, personal motivation and external recognition of cultural actions have a positive impact on success. As far as the activity is developed and has the involvement of society, the entrepreneur is encouraged and takes greater risks (Sardana, 2018).



However, living on culture alone is not an easy task, and the challenges that the cultural entrepreneur faces on his way are diverse. The Ministry of Culture points out that there is a constant difficulty in terms of visibility in this segment, and also in terms of maintaining continuity of the activities undertaken, as well as a lack of credibility in some situations (Brazil, 2018).

Another challenging aspect for the cultural entrepreneur is the role he plays in society, since the artistic and sociocultural purposes also constitute as means of learning, innovation, transformation and development of people and communities. In this perspective, it is necessary make a reflection on the sustainability of cultural projects and their adherence to the demands of society, involving the environment and the economic context. Languages, artistic content, equipment and instruments are part of this conjuncture, which contributes to expand the potentials of expression, participation and knowledge aiming at interaction with society (Brazil, 2018).

In Davel and Cora's (2016) view, there is also a symbolic issue with an emphasis on culture, from which entrepreneurs use cultural value to acquire resources and value projects, attracting new partners to the cultural enterprise.

Another challenge is pointed out by Olivieri (2015), related to the fact that only some cultural productions can sustain themselves financially, with sustainability for producers and artists. As a result, it is difficult to afford the human and material resources needed for production, which gives this investment a certain financial risk and often its discontinuity.

In addition, the artists involved in this process, in general, do not have the best working conditions and often run out of prospects, thus, contracts signed by projects prevail (Unesco, 2018).

Concomitantly, there is the fact that many artists do not see their profession as a business, not associating art and culture with monetary values, often lacking entrepreneurial characteristics (Toghraee, 2017).

On the other hand, when the artist or groups have an international ascension through touring abroad, two advantages arise: one from the cultural point of view, promoting cultural exchange between countries and cultural diversity, and the other from the economic point of view, generating revenues for artists, their countries of origin, as well as producing positive effects for their host countries (Unesco, 2018).

In the Brazilian case, to promote cultural entrepreneurship, the Culture Incentive Law (*Rouanet Law*) was created in the 1990s.



2.1.1 The *Rouanet* Culture Incentive Law

In Brazil, in the 1980s, the first discussions about the Culture Incentive Law arose, becoming an almost unique instrument of source of public and private financial resources for the cultural sector. In 1991, the *Rouanet* Law, Law No. 8.313 / 91 was created, which advocates the State's tax waiver in relation to the collection of income tax, with the purpose of financing cultural projects, through sponsorship or donation at federal, state and municipal levels.

In this context, the Brazilian cultural market has shown significant development since the advent of tax incentive laws. Total investments in cultural activity increased through alliances between companies and governments, showing an increase in Private Social Investment (PSI) and Corporate Social Responsibility (CSR) policies, which has been strengthening the cultural sector, generating an increase in number of shows and cultural activities available in the various artistic segments in large metropolitan regions of the country (Brazil, 2018).

In this direction, Firjan (2016) points to the growth of the cultural sector between 2013 and 2015. In 2015 the sector presented over 62 thousand jobs, divided into cultural expressions with 26.8 thousand professionals hired, heritage and arts with 16, 4 thousand workers, music with 11.9 thousand professionals, and in performing arts 11.7 thousand jobs.

In the 27 years of the *Rouanet* Law, it has benefited 53,368 cultural projects. These projects had an impact on the country's economy of R\$ 49.8 billion, and for each R\$ 1.00 invested by sponsors, R\$ 1.59 returned to the production chain. This sum is equivalent to the direct economic impact of R\$ 31.2 billion of the funds raised in these 27 years and R\$ 18.5 billion indirectly, considering the entire chain involved in the Brazilian cultural sector. Thus, the *Rouanet* Law contributed to promote the development not only of the cultural sector, but its results impacted various activities of the Brazilian economy (FGV, 2018).

The Federal Government, through the Ministry of Citizenship, made changes to the *Rouanet* Law from April 2019, which was renamed the "Culture Incentive Law". Among the most significant changes is the determination to reduce the value of popular tickets to a maximum of 50 Reais, the increase in the number of tickets for low-income people, which should be between 20% and 40% of tickets available at various events, and the decrease in the number of projects per individual, individual entrepreneurs and legal



entities, as well as the reduction in the amounts that can be obtained through tax exemption per project (Brazil, 2019).

According to the new guidelines of the Culture Incentive Law, the Individual Microenterprise and the individual may raise a maximum of R\$ 1 million and may submit up to four projects that do not overlap. Individual entrepreneurs may have up to eight active projects, which together may not exceed R\$ 6 million raised. The individual limited liability company and limited liability company and other legal entities will have a maximum ceiling of R\$ 10 million, considering that in the previous law this amount could be up to R\$ 60 million (Brazil, 1991; 2019a; 2019b).

Another important point to be noted is that non-profit cultural institutions in their permanent activities have the possibility of choosing the annual or multiannual plan, in which the execution periods may vary from 12 to 48 months (Brazil, 2019a; 2019b).

Thus, the Culture Incentive Law encourages cultural entrepreneurship, playing an important role in the context of the Creative Economy.

2.2 Creative Economy and Cultural Entrepreneurship

Creative Economy is based on creative assets with great potential to generate economic growth and development. It covers economic, cultural and social aspects related to technology, intellectual property and tourism. It has the capacity to contribute to increase income generation, innovation and trade, create new jobs, stimulate exports, and promote social inclusion, cultural diversity, human development and environmental sustainability, constituting an important strategy to stimulate entrepreneurship (Unesco, 2018).

In Brazil, the Creative Industry totaled 851,200 formal professionals in 2015. Considering that the labor market was adverse in later periods, even so, the sector has been presenting an important performance in the national productive activity (Firjan, 2016).

According to the Industry Federation of the State of Rio de Janeiro (Firjan - 2016), the creative industry's production chain is composed of the cycles of creation, production and distribution of goods and services, and can be grouped as follows: Creative Core, Related Activities and Support.

The Creative Core is made up of economic activities that have 'ideas' as the main input for value generation in segments such as cultural expressions, performing arts,



visual arts, music, film and video, television, radio, publishing, software and technology, architecture, design, fashion and advertising.

Related activities provide goods and services directly, and provide materials and elements essential to the creative core. Support provides the production of goods and services indirectly to the Creative Industry, for example, repair and maintenance of computers and peripheral equipment, translation services and copyright agency (Firjan, 2016).

Another point, with regard to organizational environment in the context of the creative economy, is that it tends to be differentiated from the traditional one. Since creativity is centered on the individual, creative fluidity becomes necessary for the organizational environment. Organizational culture, leadership style, personnel valorization policies, among others, should be in harmony with the individual identities of the creativity-oriented professional. In this sense, the organization becomes more flexible and more compatible with the autonomous, independent individual, aware of the importance of his role in the creative process, favoring entrepreneurial initiatives (Muzzio, & Paiva Júnior, 2015).

3 METHODOLOGICAL APPROACH

To respond to the objective proposed by the study, we opted for descriptive research, which has an abstract connotation, seeking impressions that lead to the understanding of individual and social behavior. Thus, we sought to describe cultural entrepreneurship in the perception of the Galpão Group headquartered in the city of Belo Horizonte, state of Minas Gerais (Collis & Hussey, 2005).

The approach was qualitative in nature, in which a dynamic relationship was established between the researcher and the object of study. As for the research method, it was characterized as a case study.

As a unit of analysis, cultural entrepreneurship was considered, and as an observation unit the Galpão Theater Group. The subjects were intentionally identified because they met the requirements of the study regarding the necessary information, consisting of all strategic members of the institution, the president and two directors of the Group.

Data collection was performed through semi-structured interviews and, in a complementary manner, we researched material produced by the group, such as books, information on websites, videos and other documents that provided important



information about the observation unit. The interviews were previously scheduled, recorded and later transcribed and analyzed.

For data analysis we used the categorical content analysis technique, which consists of a set of techniques for analyzing the information obtained using systematic and objective procedures related to the messages obtained based on the interviews conducted and other researched documents (Bardin , 2011). The categories analyzed were the cultural entrepreneur, the challenges as a cultural entrepreneur, and the Galpão Group's results in relation to cultural entrepreneurship.

4 PRESENTATION AND DISCUSSION OF RESULTS

The Galpão Group is one of the reference theater companies in Brazil, having its origin linked to popular and street theater. The group was created in 1982, constituted by a non-profit association that carries out activities related to culture and art. The Group is made up of 12 actors who, throughout their career, have visited 18 countries.

In order to expand its horizons, the Galpão Group created, in 1998, the Galpão Cine Horto Cultural Center, in Belo Horizonte / MG, which consists of a space open to the community, committed to research, training and promotion, and the encouragement of theatrical creation.

The group's management-related activities are divided as follows: artistic advice, which leads to issues related to the creation and technical preparation of the actors; executive board, which deals with the group's production and management matters; and the executive board of Galpão Cine Horto, which defines the events related to this cultural center.

Over the years, the Galpão Group has accumulated more than 100 Brazilian awards, highlighting the "Shell Award" (1994 - Rio de Janeiro), Minas Gerais State Awards "Usiminas Sinparc", "SESC Sated", as a cultural recognition for its 25 years of activities and the "Order of Cultural Merit", awarded by the Ministry of Culture, which recognizes groups and personalities that contribute to Brazilian culture.

In the sequence, this section is structured in two parts. In the first one, the profile of the research subjects is presented, involving demographic and functional data. In the second one, the previously defined categories related to the study objective are analyzed: cultural entrepreneur, challenges as a cultural entrepreneur and the results of the Galpão Group in the context of cultural entrepreneurship.



4.1 Profile of research subjects

As for the socio-demographic profile of the three members of the Galpão Group, they are male, aged between 59 and 65 years old, have been part of the group since its foundation, have a college degree and strategic direction functions in the organization.

The general director has a degree in Business Administration and Accounting, with specialization in filmmaking, and is an actor (E1), the artistic director is an actor and playwright (E2), and the chief executive officer has a degree in Metallurgical Engineering and is also an actor in the group (E3).

Then, through the subsections, we describe and analyze the categories listed in the study.

4.2 Cultural Entrepreneur

Cultural entrepreneurship enhances creative management and contributes to economic and social emancipation (Chang & Wyszomirski, 2015). When approaching the concept of cultural entrepreneur, the interviewee (E1) presents two perceptions, the first of which is as follows:

The cultural entrepreneur has a greater commitment to the social, to the development of citizenship, and has as its main objective the formation of the human being. There is a connection with social issues, the child issue, the issue of education, etc., having a role almost of public power (E1).

The view of cultural entrepreneurship is described by Unctad - The United Nations Conference on Trade and Development (2018) as a new way of thinking and a new attitude that seeks opportunities and prioritizes cultural mission and its initiatives.

In a second perception, the interviewee (E1) understands that there is also the cultural entrepreneur who is more “linked to profit, to success, to an image, and which depends on the media for the dissemination of this venture, and is behind a company that accumulates resources in order to move on.”

The report is in line with what Gehman and Soublière (2017) point out, analyzing the cultural entrepreneur in two ways. In the first, it uses its skills to bring together personal fulfillment and social and economic development in the scenario it operates. The other seeks to exploit creative and cultural talents to establish themselves in the marketplace.



When approached about the role that the cultural entrepreneur plays in society, the interviewee (E1) says:

The role of the cultural entrepreneur is to provide leisure, information, training, emotion and knowledge, proposing new experiences for the public and society as a whole. It reveals aspects of reality, whether personal, social, political, poetic and aesthetic, and only then he could be called a cultural entrepreneur (E1).

The interviewee's report goes towards the Ministry of Culture's vision that describes the sustainable socio-cultural entrepreneur as one who defends a continuous cycle of activities and interrelationships with the social, political, economic, environmental and cultural context (Brazil, 2018).

In addressing the perspectives and needs of Galpão Group as a cultural entrepreneur, the interviewee (E1) understands that both Galpão Group and Galpão Cine Horto have played the role of supporting the public authorities in the search for the “survival of our projects”, of our dreams, of our need as an artist, educators and social trainers. ”

This report is inherent in the vision of Unctad (2012), which considers that the cultural entrepreneur fulfills a role in society to promote and maintain cultural diversity, ensuring democratic access to culture.

Regarding the characteristics of the creative/cultural entrepreneur, Bujor and Avasilcai (2016) highlight the ability to reinvent, innovate and communicate, to have know-how in terms of dealing with fame, to have quality in what they do, a taste for success, ambition, courage and, above all, to have fun with the achievements.

These characteristics were observed in the Galpão Group, highlighting the quality of the productions and the ability to innovate. According to the interviewee (E2), the Group has already won more than 100 awards in the cultural area, which demonstrates artistic and cultural quality in relation to the work done. He also reported that the Group has performed in 18 countries and 700 cities, including Brazil and abroad. “Galpão is not only a group that practices its theatrical art, but, above all, fully exerts its cultural function” (E1). Also according to (E1), “to maintain success in the cultural sector, you must have quality and capacity for innovation.”

The ability to reinvent itself and know how to deal with fame can be seen in the following report: “Even after the success of the Group, it remains committed to its production, management and communication tasks, delegating functions but not losing focus of its mission.”(E1).



According to an account of (E2) "Galpão has a very varied, faceted and chameleonic language, changing from show to show". This account demonstrates, according to Bujor and Avasilcai's (2016), an ability to reinvent and innovate.

It is inferred, therefore, that the Galpão Group has maintained throughout its trajectory a construction of characteristics that can promote collective and cultural entrepreneurship, achieving artistic success nationally and internationally.

When asked about the characteristics needed by the cultural entrepreneur, the interviewee (E1) considers "that he cannot do without good administration, good management, risk-taking, creativity and constant renewal."

This statement is in line with what Fillion (2011) advocates by stating that there are six fundamental characteristics for the success of the cultural entrepreneur, namely, entrepreneurial dynamism, innovation, opportunity recognition, effective management, action, proper use of resources and added value. For Schaefer and Minello (2017), leadership capacity, resource organization, dealing with adverse situations and contributing to the social environment are part of entrepreneurial attitudes, which characterize the actions of the entrepreneur, which was observed in the study group, the "Galpão Theater Group".

4.3 Challenges as a cultural entrepreneur

One of the challenges related to cultural entrepreneurship lies in the multidisciplinary awareness of the cultural, social, economic, political and environmental impact that cultural projects have on society (Brazil, 2019). One interviewee's view in this context is as follows:

"I see that it is fundamental to develop education in the country as a whole, not only technical education, but education in a broader sense, in which the humanities studies have a preponderant space. Not only the technical and the exact science areas alone, but the whole culture is the factor that allows children and adolescents to have a more interesting look at the world, a look at other people with a different perspective, a more interesting one (...). How would we live together if we do not have a look a more generous view, being a more committed citizen, more aware that we need to participate, to learn how to share. I think there is no other way to promote this feeling among the common citizen if not through education and culture, in search of a more humanistic view (E1)."

The interviewee's matches with what Dolabela and Fillion (2013, p.151) advocate by describing the humanitarian entrepreneur as one who broadens the desire to contribute socially, and seeks to add "value to society in the form of knowledge, well-



being”. , freedom, health, democracy, material wealth, spiritual enrichment, improved quality of life, and so on. ”

Akyol (2016) also sustains that for the entrepreneur to achieve success he has to be highly motivated and feel fulfilled with his projects.

Another relevant challenge is raising funds to maintain cultural enterprises. According to the interviewee (E1), the revenue generation of the Galpão Theater Group is performed as follows: “we basically survive on culture incentive laws, edicts and a little bit of our own revenue.” Despite being entrepreneurial and professionally structured, Galpão shares this challenge, as reported by the interviewee (E1) “until today we face embarrassing situations, as happens every June, a time that we do not have enough financial resources to fulfill all our obligations, which are many.”

In this context, Olivieri (2015) points out that only a small part of cultural productions can generate enough financial results to cover the costs of production and maintenance of cultural projects.

The interviewee (E1) reinforces that the Group's survival is based on tax incentives, which come from the legislation in the federative plans, as well as various sponsorships. According to the Ministry of Culture, in recent years there has been a growth in investments in cultural activities in the country, through alliances between private companies and the government at the federal, state and municipal levels (Brazil, 2018). In this sense, according to Rômulo and Pelúcio (2014), regarding the Brazilian culture incentive laws, “they have created an alibi for the government to transfer its constitutional obligations with culture to the private sector, which decides where to apply public money that comes from tax exemptions.”

Therefore, according to Oliveri (2015), private sponsors of cultural projects use cultural marketing to get closer to their target audience, prioritizing projects that satisfy their image.

Planning is another challenge experienced by the Galpão Group, as pointed out by the interviewee (E1): “It seems that we start from scratch every year after Carnival. We have to once again raise funds, build projects, execute, and at the end of the year be accountable and 'pray' for these partnerships to continue. ”

For Oliveri (2015), the *Rouanet* Culture Incentive Law worked through a Federal tax waiver with respect to income tax collection, funding cultural projects through sponsorship or donation by companies. This format of the law, which links the



promotion of cultural projects to tax exemption, hinders the long-term planning of ventures that depend on these sponsorships to sustain themselves.

The interviewee's statement (E1) highlights this situation: "After so much time on the road and so many efforts to achieve sustainability and financial independence, the reality of Galpão is a continuous pilgrimage to public and private offices in search of resources."

This identified situation is in line with what Unesco recommends (2018), by mentioning that it is necessary for countries to develop cultural governance, increasing government participation in a structured and regular manner, thus promoting awareness of the role of companies in society, involving cultural and non-cultural organizations.

The audience formation is another challenge of Galpão, according to the interviewee's report (E2):

The search for audience formation is accomplished through large and diverse meetings, since many people cannot go to show houses. It is a "desperate" attempt to build audiences, which makes theater a collective place for reflection and entertainment (E2).

In this task of audience formation, in addition to maintaining high quality of their presentations, the interviewee (E1) points out that the Galpão Group is concerned with other strategies ranging from making room for sharing in the area of training, promotion of festivals, courses, publications and disclosure on social media: "this is almost an 'ant' job where every day we have to be work little by little these possibilities of dialogue with society".

In this context, Davel and Cora (2016) consider that cultural consumption is related to the subjective capacity analyzed by the individual, in a process in which only after the experience is established the link between the spectator and the artist. At the end of the meeting, the viewer usually leaves transformed, however, the perception of the quality of the presentation is subjective.

4.4 Galpão Group's results regarding cultural entrepreneurship

The cultural center Galpão Cine Horto is where most of the presentations of the socio-cultural pieces of the Galpão Group are held in the city of Belo Horizonte / MG. When addressing the motivation for the creation of the cultural center, the interviewee (E1) explains that "it was due to the need for space where we could carry out formation



projects, exchanges, meetings in the theatrical area, not only to enable the group's growth, but also carry out the 'exchanges' with society ”.

When the interviewee (E1) is asked about Galpão's dreams about cultural entrepreneurship, he presents the following report:

Our dream is not only being able to create things, doing theater, but it is also about training, empowerment, and the development of young students who come here to have a theatrical experience and through it to become better, to be more tolerant people, to have a better sense of community, and to be more collaborative. So, our dream is to be able to continue doing these two things at the same time, art and cultural presentations (E1).

The interviewee's speech is in line with Dolabela and Fillion (2013) in stating that the entrepreneur moves through dreams and the dream must correspond to values, so that the social context can influence the behavior of the entrepreneur.

According to interviewee (E1), these dreams come true in part by maintaining the Galpão Cine Horto with the purpose of continuing to pave the way for young artists, technicians, producers and managers, expanding current projects and creating new projects. According to Rômulo e Pelúcio (2014, p. 30) “the maintenance of mobilizing and creative energy over time may be the great legacy to be left by the Galpão Group.”

For Sardana (2018), the personal motivation and social prestige of cultural activity have a positive reflection on the success of this type of enterprise, which encourages its entrepreneurs to take increasingly challenging risks.

With regard to the *Rouanet* Law, created in 1991, with the purpose of promoting national culture, it opened the possibility for individuals and companies to sponsor cultural projects, with the benefit of income tax deductions (Brazil, 2018). In 27 years of existence, this Law has been encouraging and promoting economic development in the cultural sector and its financial impact has reached the entire productive chain of the cultural sector (FVG - Getúlio Vargas Foundation, 2018).

Regarding the importance of the *Rouanet* Law for the Galpão Group, the interviewee (E3) discusses:

If you consider the importance that culture plays and its role in the economic chain, in job creation and in direct and indirect activities with all economic benefits (...) *Rouanet* Law plays an important role. Even if they create another culture funding mechanism, it has its unquestionable role, even if they modify or update it. This Law is fundamental! (E3).

The Secretary of Culture of the state of Minas Gerais released, in December 2018, the list of projects authorized to raise funds under Resolution SEC 136/2018. As a result of this authorization, the Galpão Group was allowed, in 2019, to raise funds



totaling R\$750.000. That amount will be destined to the performing arts, including theater, dance, circus, opera and the like. In additional terms, Galpão Cine Horto can raise funds for the maintenance of cultural centers, libraries, museums, archives, other cultural spaces and equipment up to R \$ 749,921.30 (Minas Gerais, 2019). These amounts are being raised from companies in the market, for which the benefit is tax exemption if they are willing to sponsor the Group.

It is noteworthy that the Ministry of Citizenship amended the *Rouanet* Law in 2019, reducing the amounts that can be obtained through exemption (Brazil, 2019). This reduction may compromise the ability of cultural entrepreneurs to seek the financial resources needed to maintain current and future projects. Consequently, there may be a negative impact on the economy, considering the return capacity of capital invested in culture, where each real invested, provides 59% return on the cultural sector's production chain (FVG, 2018).

Regarding cultural entrepreneurship, Unesco (2018) points out that several cities in different parts of the world have chosen to invest in cultural enterprises in the pursuit of sustainable and innovative development, and this strategy is a worldwide trend.

5 FINAL CONSIDERATIONS

The present study reached its objective which was to analyze and describe cultural entrepreneurship in the perception of the Galpão Group, located in the city of Belo Horizonte / MG. The group acts as a socio-cultural entrepreneur, seeking to disseminate culture as a strategy to promote education and citizenship.

By analyzing Galpão Group in relation to cultural entrepreneurship, it was possible to identify its vocation in this area, focused on a real commitment to cultural actions, involving education, art, theater, dance and social development, with broad involvement and contribution in society.

In relation to the characteristics of the cultural entrepreneur, it can be inferred that the Galpão Group has the ability to recognize opportunities, reinvent itself, innovate, know how to deal with success, have quality in what it presents, propagating the culture in both the national and the international context and, above all, showing great capacity of management of the cultural enterprise.

It was also evident that one of Galpão's biggest challenges is raising funds to maintain cultural enterprises. Because the group does not achieve financial



sustainability through its own resources, it is essential to rely on incentive laws that, in turn, have strict criteria for obtaining funds.

Another challenge is related to the medium and long term planning, based on financial resources and due to the dependence on tax incentive laws that, quite often, limit the group's plans. It is also a challenge for the group the definition of effective strategies for interaction with the public, which is the main objective of the group, due to the constant dialogue that it must maintain with society.

The results achieved by Galpão, in a way, count on the importance of the creation and maintenance of the Cine Horto Cultural Center. Through various projects and the promotion of cultural events aimed at the education and training of young people sharing the space, they become some of the Group's effective contributions to society as a cultural entrepreneur.

The impact of cultural entrepreneurship through the creative economy fosters the life of society, highlighting entrepreneurs who dare to make art a democratic means of communication, contributing to the cultural richness of a people and the formation of new generations. However, it is important that the government, society and organizations act together to enable the maintenance and development of cultural projects, providing the necessary and indispensable support for their realization.

It is believed that a research focusing on this theme may have contributed to stimulate the development of studies and actions in the cultural sector based on the creative economy and cultural entrepreneurship, thus providing society with the encounter with culture and art.

However, given the limitation of this study, it is suggested an even deeper research that could analyze the direct impacts that other cultural projects carried out with public and private resources may be generating in the social plan. It is also suggested that the study can analyze the potential of economic and social development of the cultural sector, especially in Brazilian metropolitan cities, thus contributing to the formulation of public policies directed to this sector, taking into account the principles of cultural entrepreneurship and the creative economy.

6 REFERENCES

Akyol, E. M. (2016). A discussion about personal characteristics of entrepreneurs in the context of culture's impact. *Business & Management Studies: An International Journal*, v. 4, n. 1, pp. 63-83.



Almeida, F. M., Valadares, J., & Sedyama, G. (2017). A contribuição do empreendedorismo para o crescimento econômico dos estados Brasileiros. *REGEPE-Revista de Empreendedorismo e Gestão de Pequenas Empresas*, v. 6, n. 3, pp. 466-494.

(FGV). Fundação Getúlio Vargas (2018). *Impactos Econômicos da Lei Rouanet*. Brasília, DF: Autor.

Bardin, L. (2011). *Análise de conteúdo*. Edições 70. Lisboa. Portugal.

Brasil (2019a). Ministério da Cidadania. Diário Oficial da União. *Instrução normativa nº 2, de 23 de abril de 2019*. Brasília, DF: Autor.

Brasil (2019b). Ministério da Cidadania. Secretária especial da Cultura. *Lei de à incentivo*. Brasília, DF: Autor.

Brasil (2018). Ministério da cultura. *Guia do empreendedor sociocultural: reflexões orientações, metodologias e práticas para amparar o desenho e a gestão de projetos socioculturais sustentáveis*. Editoria do Blog Sociocultural em Rede.

Brasil (1991). Presidência da República, Casa Civil. *Lei nº 8.313, de 23 de dezembro de 1991*. Brasília, DF: Autor.

Bujor, A., & Avasilcai, S. (2016). The Creative Entrepreneur: A Framework of Analysis. *Procedia - Social and Behavioral Sciences*, v. 221, pp. 21-28.

Chang, W. J., & Wyszomirski, M. (2015). What is arts entrepreneurship? Tracking the development of its definition in scholarly journals. *Artivate: a Journal of Entrepreneurship in the Arts*, v. 4, n. 2, pp. 11-31.

Collis, J., & Hussey, R. (2005). *Pesquisa em administração: um guia prático para alunos de graduação e pós-graduação*. Bookman.

Davel, E., & Cora, M. A. J. (2016). Empreendedorismo cultural: cultura como discurso, criação e consumo simbólico. *Políticas Culturais em Revista*, v. 9, n. 1, pp. 363-397.



Dolabela, F. (2003). *Empreendedorismo, uma forma de ser*. Sabe o que são empreendedores individuais empreendedores coletivos. AED.

Dolabela, F., & Fillion, L. J. (2013). Fazendo revolução no Brasil: a introdução da pedagogia empreendedora nos estágios iniciais da educação. *REGPEPE-Revista de Empreendedorismo e Gestão de Pequenas Empresas*, v. 2, n. 3, pp. 134-181.

Dornelas, J. C. A. (2015). *Empreendedorismo: transformando ideias em negócios*. Empreende.

Dornelas, J. C. A. (2000). *Empreendedorismo para visionários: desenvolvendo negócios inovadores para um mundo em transformação*. Grupo Gen-LTC.

Fillion, L. J. (2011). Defining the entrepreneur. *World Encyclopedia of Entrepreneurship*, 41.

Firjan. Federação das Indústrias do Estado do Rio de Janeiro (2016). *Diagnósticos e mapeamentos setoriais: mapeamento da indústria criativa no Brasil*. Rio de Janeiro: Autor.

Gehman, J., & Soublière, J. F. (2017). Cultural entrepreneurship: from making culture to cultural making. *Innovation: Organization & Management* : IOM. v. 19, n.1, pp. 61-73.

GEM. Global Entrepreneurship Monitor (2017). *Empreendedorismo no Brasil 2016*. Curitiba: IBQP, pp. 1-208.

Grefe, X. (2016). Conclusion: The Artist-Enterprise in a Creative Economy. In: *The Artist-Enterprise in the Digital Age*, pp. 199-200. Springer, Tokyo.

Martinez, J. M. C. (2007). Una Visión Dinámica Sobre El Empreendedorismo Colectivo. *Revista de Negócios*, v. 9, n. 2.

Minas Gerais. (2019). Secretaria de Estado de Cultura. *Comissão Partidária de Fomento ao Incentivo à Cultura*. Belo Horizonte, MG: Autor.



Muzzio, H., & de Paiva Júnior, F. G. (2015). A pertinência de adequação da gestão criativa à identidade do indivíduo criativo. *Contextus–Revista Contemporânea de Economia e Gestão*, v. 13, n. 3, pp. 139-155.

Obschonka, M., Stuetzer, M., Gosling, S. D., Rentfrow, P. J., Lamb, M. E., Potter, J., & Audretsch, D. B. (2015). Entrepreneurial regions: do macro-psychological cultural characteristics of regions help solve the “knowledge paradox” of economics?. *PloS One*, v. 10, n. 6.

Olivieri, C. G. (2015). *Cultura neoliberal: Leis de incentivo como política pública de cultura*. São Paulo: Escritura Editora e Distribuidora de Livros Ltda.

Oliveira, A. G. M, & Melo, M. C. D. O. L. (2015). Creative economy: Mental models of cultural entrepreneurs in Belo Horizonte, Brazil. *The International Journal of Management Science and Information Technology (IJMSIT)*, n. 15, pp. 94-113.

Qian, H., & Liu, S. (2018). Cultural entrepreneurship in US cities. *Journal of Urban Affairs*, v. 40, n. 8, pp. 1043-1065.

Rômulo, A., & Pelúcio, F. (2014). *Do Grupo Galpão ao Galpão Cine Horto: uma experiência de gestão cultural*. Belo horizonte, Edições CMT.

Sardana, D. (2018). What Facilitates Cultural Entrepreneurship? A Study of Indian Cultural Entrepreneurs. *The Journal of Creative Behavior*, v. 52, n. 1, pp. 35-51.

Sebrae. Serviço Brasileiro de Apoio às Micro e Pequenas. (2016). *Economia criativa*. São Paulo, SP: Autor.

Schaefer, R., & Minello, I. F. (2017). Mentalidade empreendedora: o modo de pensar do indivíduo empreendedor. *Revista de Empreendedorismo e Gestão de Pequenas Empresas*, v. 6, n. 3, pp. 495-524.

Toghraee, M. T., & Monjezi, M. (2017). Introduction to Cultural Entrepreneurship: cultural Entrepreneurship in developing countries. *International Review of Management and Marketing*, v. 7, n. 4, pp. 67-73.



Unctad. United Nations Conference on Trade and Development (2018). *Creative economy Outlook Trends in international trade in creative industries 2002-2015. Country profiles 2005–2014. Unctad Ditec /Ted*. Genebra, Suíça.

Unesco. United Nations Educational Scientific and Cultural (2018). *Organization Reshaping cultural policies: advancing creativity for development – 2005. Convention Global Report*. Place de Fontenoy, 75352. Paris, França.