PAPER

# **Becoming a Part of Regional Innovation Systems: a Study of Cultural and Creative Sectors of Two Slovenian Municipalities**

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Abstract The article addresses the position and the structure of the cultural and creative industries in the two town municipalities in Slovenia – Nova Gorica and Maribor. It focuses on an in-depth overview of the role of the sector's contribution to the innovative ecosystems of each of the municipalities. By deploying qualitative research methods (via focus groups), we provisionally conclude that CCIs can play an essential role in enhancing the innovation potential of the urban areas of Nova Gorica and Maribor. Higher education's solid and active presence in the city seems to be one of the predominant aspects that helps mobilize awareness and contributes to the sector's overall functioning. The need for more entrepreneurial knowledge in the Cultural and Creative sector was also emphasized.

**Keywords:** cultural and creative industries, innovation ecosystems, Nova Gorica, Maribor, qualitative research.

## **JEL Classification:** O30

## 1. Introduction

Creativity and innovation are two issues at the centre of numerous researchers' attention. In the featured article, the author addresses the contribution of the Cultural and Creative Industries (CCIs) to the innovation ecosystem in the context of two Slovenian city municipalities: Nova Gorica and Maribor. The article focuses on the in-depth understanding of the sector's functioning by employing the conceptualisation based on the theory of social fields. Namely, by understanding the CCIs as social fields where the three social forces interrelate, we can adequately understand the dynamics of the sector and its contributions to the innovative ecosystem.

For the purposes of the project RESTART\_4Danube (RESTART\_4Danube, 2020), the methodology was developed. The method itself partially looks up to the one created

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by the British council (BOP Consulting et al.,2010). The mapping of cultural industries was firstly developed in Great Britain in the 1990s, with the notion that mapping extends "well beyond the production of actual maps. It is shorthand for a whole series of analytic methods for collecting and presenting information on the range and scope of the creative industries. Mapping is intended specially to give an overview of the industries' economic value, particularly in places where relatively little is known about them" (ibid. p.11).

The cultural and creative sectors, as in Hojnik (2014) and adapted from Throsby (2010), the creative and cultural industries in Slovenia can be described using the 'concentric circles model' as a baseline for understanding the extent of the sector. In Slovenia, the CCIs include:

- core creative arts: music, visual and performing arts; and art and antiquities;
- other core creative industries: museums and libraries; video, film, and photography;
- wider cultural industries: heritage; publishing; radio and TV; video and computer; software; sound recording;
- related industries: architecture; advertising; design; designer fashion;

Upon state of the art in the field of the Creative sector in Slovenia, modest research was done, predominantly in the past few years. It was the Center for Creativity that conducted broad research in 2020. The research aimed to shine a light on the contribution of the CCIs to the national economy. The findings show that the creative economy in Slovenia employs 7% of all workforce, and CCIs occupy 8,4% of all registered economic operators in Slovenia (Murovec et al., 2020). Furthermore, the analysis results show that the CCIs contribute as much as up to 3,5% of national GDP and are slightly below the EU average (3,9%) (ibid, p.36). However, considerable differences are noted between the East and the West cohesion regions. The west cohesion region is indicated to be more present in the field of CCIs. This could also be due to the fact that the West cohesion region includes the capital city of Ljubljana. Western cohesion region in 2020 encompasses 65% of all organisational units, 68% of all employees, and 74% of all income of the CCIs (ibid, p.31). The distinction between two municipalities – Maribor in the East region and Nova Gorica in the west region is traced through this article. It is worth mentioning that the City of Maribor gained the title of European Capital of Culture in 2012, and the City of Nova Gorica, together with the City of Gorizia (IT), gained the upcoming title for the year 2025.

In the case we are presenting below, instead of mapping focused on the aspect of economic value alone, the methodology was developed to elaborate and understand the dynamics within the social field of innovation and the role of creative industries within. Predominantly, two research questions were proposed as follows:

RQ1.: How are local innovation systems perceived, and what are their strengths and weaknesses?

RQ2.: How does the local cultural and creative sector contribute to the local innovation sector?

The article's content is elaborated as follows: in the first section, we will examine state of the art in researching the social aspect of cultural and creative industries. After that, the methodological approach and data collection will be explained, along with the process of data analysis description. The section is followed by the results and, finally, a discussion that will offer a response to research questions and tentative conclusions.

## 2. Methodological approach and data operationalisation

The data collection took place in December 2020. Our sample included a total of 3+6 persons participating in two group interviews. Each focus group included participants from quadruple helix stakeholders - each of the focus groups included one representative of HEI&RI (Higher Education Institute and Research Institute), one representative of a supporting institution, one municipality representative, and one SME representative. The diversity of the experts in the focus group overweights the lack of numerous participants included. The focus groups were organised via Zoom (due to COVID-19 restrictions on movement and gatherings), recorded, transcribed, and analysed using the standard coding procedure.

The inherent nature of the qualitative research (Vogrinc, 2008; Lamut & Macur, 2012) contributed to the fact that participants were selected based on the snowball approach but also through each city's background analysis. The participants who responded had a track record of work in the field regardless of their provenience. Being aware of the importance of the triple helix approach for regional development (see also Ranga & Etzkowitz, 2013). For this reason, the participants of the focus group were selected among the representatives of university, industry, and government (ibid.):

- HEI representative
- · Policy representative
- · Business support institution
- SMEs or similar working in the sector

The question guide for the focus groups was elaborated based on the SOFIA approach (Rončević & Cepoi, 2022). The SOFIA approach is theoretically framed in the social theory of social fields (Rončević et al., 2022). The SOFIA approach and its roots in social fields theories were tested on several occasions (Besednjak Valič et al. 2020; Besednjak Valič et al., 2021) but also research work under several large-scale research frameworks was conducted on its application (InnoHPC, 2017; Kolar & Besednjak Valič, 2021; Besednjak Valič, 2022). Using both the variations, the delivered results are promising for interpreting innovation activities in regions (Rončević & Besednjak Valič, 2019; Modic & Rončević, 2018; Cepoi & Golob, 2017).

Two main research questions were posed as follows to guide the analysis:

RQ1.: How are local innovation systems perceived, and what are their strengths and weaknesses?

RQ2.: How does the local cultural and creative sector contribute to the local innovation sector?

The materials were analysed based on open coding. Firstly, the coding units were determined. They were in line with the conceptual model developed for the purposes of the research. Those were:

- Innovation in the municipality
- Ecosystem (institutional framework)
- · Collaboration and cooperation (networking) and
- Values and perceptions (cognitive frames)

The thematic units were analysed using open coding and yielded the following meaningful themes:

- Information flow; border proximity; innovative and creative people; the role of support institutions;
- Personal traits and views (self-criticism, fear of failure, lack of self-confidence); lack of entrepreneurial knowledge; motivations behind creativity; public perceptions;
- Rigid and goal-oriented school system; housing potentials; levels of technology transfer; the presence of HEI.

## 3. Interpretation of data - results

### 3.1 Analysis of the code family: innovation

CCIs sector in Nova Gorica nurtures solid international connections due to its geographical position near the border with Italy. As Italian culture is known to be strongly creative in terms of design, also Nova Gorica capitalises on that. However, participants agree there are many unused potentials, and they see the candidacy for the European capital of culture for 2025 as a great opportunity for a breakthrough. Many connections were formed when preparing for the candidacy, and there is optimism to take advantage of created synergies. The presence of the University of Nova Gorica and other HEIs in the city are seen as welcome counterparts of the cross-border ecosystem. In terms of infrastructure, the Municipality of Nova Gorica established the Xcenter. The Xcenter will serve as the main hub for SMEs, CCIs, and HEI, embodying the quadruple helix approach by being open to the general public as well. The initiative is strongly supported by the municipality and will overcome the issue of dispersed information.

Additionally, in Nova Gorica, some companies can be traditional and open towards creativity. The companies are smaller and perceived as more agile for change. Apart from the Xcenter, the Primorska Technology Park manages a coworking space where many creative profiles work – from designers to architects. All have a desire to learn, also entrepreneurial knowledge. Additionally, in recent years, with the HEI's support, the CCIs are past the former fame of being afraid to sell their own skills and their own creative work. People operating in CCIs have many skills and are adjusted to function in contemporary market-oriented work.

The general assessment of participants in Maribor is that people are innovative and creative, with the main problem being too much fear of failure in the context of entrepreneurship. There are good ideas, but the problem remains in a lack of realization. However, progress has been noted in the past years as people have started seeing the potential. Information on the sector and for the sector is available (it is noted that the University of Maribor has a good flow of information, also within research groups) but is subjected to individual engagement. Maribor is currently experiencing a lack of more prominent companies that would have their own research and innovation departments, so the cooperation with CCIs is limited. There are, however, cases of good practice, and one of them is the collaboration between the University of Maribor and the IT sector.

On the other hand, what is noted in Maribor is the fact that innovations are not embodied, and inventions are not supported enough to be developed to reach the market. There are "nice surprises" (as cited by one of the respondents) from the HEI, but such inventions get lost too quickly. Apart from systemic barriers, mental barriers are still present, along with a lack of energy and funding. Fear of entrepreneurial failure is noted in Maribor, maybe also the to past experiences from the times of post-Yugoslav transition.

Additionally, what is noted in Maribor is the overburdening of staff in micro and small companies. Many companies and enterprises use old technology and not engage in research and innovation, and can not compete with recent trends. There are issues noted with optimised information flow, and at times, it seems there are too many funds available for CCIs in the Eastern region of Slovenia.

In Nova Gorica, it is noted that entrepreneurship is not connected with creativity on many occasions, as entrepreneurship and creativity are seen as two different clouds. Due to this, there are few deliberate interactions between SMEs and CCIs. The situation can also be attributed to the fact there is a lack of a common point of reference – in the form o a hub. From this perspective, more work needs to be done to increase networking and to nurture established networks. Additionally, when establishing and nurturing networks, there is a need to understand that both spheres speak different languages. In this context, the main preoccupation of the CCIs is creativity; however, the main preoccupation of the entrepreneurs is market demands.

### 3.2 Analysis of the code family: ecosystem – institutional aspects

In the context of institutions, the University of Nova Gorica plays a vital role in shaping the CC ecosystem. As they are aware of the ever-changing nature of creative industries, they have developed several programmes for visual arts, very specialised and also raising awareness among graduates towards the need to be able to sell their work. Additionally, the efforts of the University were very concrete and directed towards empowering the creative sector on all levels. The creative sector needs to be able to reflect own work and to accept the critics constructively. On the other hand, the municipality has supported the development of tertiary education, also financially. In addition to that, the Municipality is implementing the Urban Strategy based on the Smart specialisation; however, the notion of CCIs is limited and sporadic throughout the document. At the same time, Nova Gorica experiences the growth and success of informal education – the case of the POPRI start-up programme for primary and secondary school pupils.

Regarding the institutional environment, the Museum of Goriška was engaged in preserving some of the heritage; however, the assessment is that the industrial legacy has the potential to serve as inspiration and challenge for the creative sector, but in Nova Gorica, the industrial legacy is neglected. The different organisations collaborate through many active European projects, bi-lateral with Italy and transnational ones. As the primary impulses of the importance of CCIs are somehow top-down, the initiative on successful bidding for the European Capital of Culture in 2025 expresses the sector's potential. In contrast to the creative one, the cultural policy is well developed in the local plan for culture.

When it comes to the human capital in the Municipality of Nova Gorica, there are many international students. As Nova Gorica strives to be the regional centre, the importance of inter-connectedness with other nearby municipalities is in place, especially Ajdoviščina, Vipava, and Šempeter -Vrtojba were outlined as the most important ones. The local inhabitants are characterised as people with strong identities and pride. Talented people have moved to Nova Gorica and established a life there. Many foreign students are in the city, as mentioned, since the city offers numerous study programmes from different fields – from natural sciences, through arts to social sciences.

In Maribor, the respondents recognise the city as attractive, and the Municipality is considered to be aware of the need to improve conditions. As a significant strength of the city, the nature, in terms of the landscape, is recognised and the ability to engage in cross-border cooperation, as the Municipality is located favourably near Graz (Austria). The University of Maribor is recognised as a precious player in the city, as long as the reputation signifies experiences and industry-academia cooperation. University is also the one that engages students in developmental projects. However, some programs the University developed seem to lack entrepreneurial knowledge (especially those dedicated to cultural and creative sectors). Speaking on CCIs, some strategies and

directions on maintaining the sector were already established. For example, the Melje area is a part of the city with great potential if the municipality decides to revitalise it. Apart from Melje, many empty spaces (especially industrial heritage places) in the city itself can be used for CCIs. Other aspects of the sector are determined by a good network of regional development agencies that could participate in awareness-raising, as the CCIs are not sufficiently recognised to be further exploited. On the other hand, the local programme for culture exists, and also, in times of COVID-19, the municipality introduced scholarships for cultural workers to mitigate the COVID-19 situation.

When it comes to education, the respondents understand the benefits of the university in the city. Good and internationally recognised lecturers deliver lectures. Additionally, the national conference on entrepreneurship and start-ups is hosted in Maribor – the PODIM conference. The conference attracts relevant entrepreneurs, investors, and lecturers. Similarly, the well-known LENT festival attracts people. From this perspective, the city expresses the potential to attract and attain human capital. The inhabitants are described as being very self-critical and with not enough self-confidence. However, they exhibit great potential and are peaceful and creative. As the quality of life is good, people like to stay. Also, those who recognise the cities' qualities tend to return.

In Nova Gorica, the main weakness of the institutional aspect of the ecosystem is the existence of abandoned spaces in the city. Sorrow was expressed towards the behaviours where industrial heritage is turned into a store. The usage of heritage in such a manner does not inspire optimism for the creative sector. However, there is a need to see broadly and seek potential through tourism and industrial heritage in furniture design by Meblo. Industrial heritage is considered as being able to be awakened, even with EU funds. More actors could be connected to explore the further potential. The municipality must react to people's needs and put less effort into much strategic thinking. The CCIs sector could also benefit from housing, education, and similar but also could use some emphasis in the municipality plans.

Considering human capital in Nova Gorica, some barriers are detected, as students experience issues with student work, international students experience issues with obtaining permissions on time, and students of colour even feel being supervised by the police. Students also experience difficulties in housing, and no adequate dorms are available for Erasmus students. Overall, the city has better capabilities to attract than to attain.

Considering Maribor, the respondents feel much can be done to attain the local young people. There is a need to increase the cooperation between inhabitants and raise awareness of the value of the CCIs. Maybe this can be done through a common meeting point to interact, also with CCIs. Additionally, the opinion prevailed that CCIs should start connecting with persons who have complementary knowledge, like economists, as the people working in CCIs are significantly individualised, and they

frequently underestimate other profiles and skills. Following this, the entrepreneurial spirit and skills seem to be often underestimated by the contributors of the CCIs.

In Maribor, the students were seen to be able to cooperate well; however, not all the students have entrepreneurial skills or spirit. A case of very good cooperation was introduced, where four students of different backgrounds initiated to work together and managed to launch their own brand. A scholarship or even a system of mentorships could be introduced to support such actions. When it comes to the industrial heritage, the respondents seem pessimistic, declaring that much of the knowledge and skills were left to be forgotten. On the other hand, there is much potential to develop existing galleries, such as Kibla gallery, that can offer big spaces for productions.

As a general observation, the ecosystem in Maribor lacks a common reference point that would distribute the information evenly, that would enable gatherings by people and would contribute towards the improvement of the networking and collaborations between creatives and industry. The municipality would have to appoint one person, to be the point of reference and knowledge and would serve as the stakeholders coordinator. The main weakness of the current system is the fact that no policies have been prepared for the development of creative industries. However, the cultural sector has its own policy programme for Culture. All participants agreed that the tasks are challenging, and it takes time to integrate the ecosystem. Especially compared to the start-up ecosystem, where sectors are well connected and operate among each other well. The additional setback is the existing job market – where the respondents are aware that all well-paid jobs are in the capital, and they admit it is not easy to find a job in Maribor.

Lastly, another aspect of the ecosystem that can not be neglected is that people operating in the creative sector share greater levels of intrinsic motivation and do not care much for the outer world. Considering this, the participants conclude that creatives might get lonely in the system surrounding them.

#### 3.3 Analysis of the code family: collaboration and cooperation

In Nova Gorica, the collaboration between NGOs, Municipality, and CCIs is good and is also extending beyond the region. Connections exist, and the levels of awareness are high. Much work was needed to introduce the stakeholders to one another, and this work was predominantly done through EU-funded projects. After a lot of work getting the stakeholder acquainted, now the synergies have begun to form, and there are several cases of good collaboration practices. The general assessment is that there is a lot of potential opening up at this stage of development. Especially beneficial are connections starting to form between students of the University of Nova Gorica and the SMEs. Such collaborations can also serve as a showcase for other sectors and fields.

Another good example of successful systematic collaboration is the rise of the startup ecosystem in the Goriška region. Mentors engaged in the ecosystem derive from many different fields. Additionally, the originally local start-up competition POPRI grew to become a national start-up competition for elementary and high school pupils. Another showcase of good collaboration was the action of pupils from local technical schools, with the help of local companies, to set up the Nova Gorica city Christmas decorations that were powered by stationary bikes. By running a stationary bike, the visitor could produce electricity to power the Christmas lightning decorations in the city centre. The general assessment is that trust is created through such cooperation actions and is also a basis for any further joint activities.

In Maribor, there is, in general, the desire to cooperate. Industry reaches out to academia for potential joint projects. In general, the opinion is that by more cooperation, the stakeholders get to know each other and their cooperation can be better shaped to serve their needs. In order to increase the industry-academia collaboration, many projects also involving students were already carried out. When it comes to project work, in Maribor, it is easy to find partners, the same as it goes for collaboration partners. Established partnerships function well together, and cooperation improves as all stakeholders are engaged and interested. Cooperation and collaboration networks also exist outside the municipality since a network of good supporting institutions can also be found beyond the municipality borders. At this stage, everyone sees the potential and good results of the collaboration as numerous cases of best practices are available. This is especially true for the tourism sector. In order to establish good networks and collaboration, high trust is required, and in Maribor, trust is assessed to be one of the main characteristics of the creative sector. Interestingly, the participants excluded tourism by being characterised by a lack of trust among tourism service providers.

As the main weakness of Nova Gorica, the lack of one joint place/space that could serve as an information and meeting point was emphasised along with efforts to overcome this situation. However, many individualistic actions are being undertaken. Individualistic actions are also taking place within the implementation of different projects. There is a firm belief in the start of clustering, as the stakeholders know each other and after having a joint space to work and co-work. The belief is that joint systematic actions will initiate. After all, the stakeholders know each other, and no negative competitiveness is detected. Actors of the sector prefer learning from each other and even supplementing each other if necessary. The overall assessment is that also due to this, the trust among stakeholders is increasing. Regretfully, many od good showcases do not reach the public, and successful collaborations go past.

When speaking of weaknesses, in Maribor, the levels of cooperation remain low. Cooperation depends on individual motivations. If there is a lack of motivation, there is not enough openness to collaboration. In this context, the lack of long-term cooperation is noted, and there is a need to reach a consensus. Another thing that can hinder cooperation is the question of intellectual property and issues related to it. Sometimes, people simply do not trust each other, mainly if a bad experience exists. The fear of getting creative ideas copied was emphasised as relevant. Additionally, the potentially complex relationships between more prominent and smaller organizations were noted.

#### 3.4 Analysis of the code family: values and perceptions

In Nova Gorica, the students are taught to understand the public position of art. Students are oriented towards entrepreneurship in their studies, and both creativity and entrepreneurship are highly appreciated. Results produced by students reflect this connection as favourable and appreciated. Speaking of education, in Nova Gorica, there is a broader interest in obtaining knowledge since also elderly are included in longlife learning. The least interest in long-life education is noted among youth. Younger people seem to be more burdened with their daily educational or work activities. At times, the younger generation seems apathetic. Speaking of the school system, the participants are critical, noting the school system being severely oriented on goal achievement. Working with youth demands a lot of work to relax them and focus them on something other than school goals. Middle-aged people, on the other hand, lack time to get engaged in long-life learning due to work and family obligations. However, the presence of HEI in the city contributes towards the development of the awareness of the importance of education. The overall assessment is favourable since readiness for learning is considered high, and knowledge is easy to access. Additionally, life skills gained give people confidence.

The competition is desired, as participants note several cases of positive competition. There are cases of creative persons being entrepreneurs working in architecture, design, or IT, working in the same spaces of Technology Park with the rest of the start-ups. The interexchanges of views between creatives and traditional start-ups emerge in presented cases. Such interconnectedness contributes to learning and knowledge exchange. Such exchanges are necessary, as today, the market dictates the adjustments and demands creative solutions.

In Maribor, the culture is well recognised among the general population; however, the creative industries are not. Not even among the creatives of the sector. In general, the attitude is positive among the ones who recognise it. However, people understand creativity in terms of personal hobbies and are not aware of market dynamics and competition surrounding the creative sector. To raise awareness, the PODIM national start-up conference initiated tailoring the content for CCIs as well. In the context of education – there is a need for less formal education programmes, especially in the form of seminars, training, and mentorships.

In terms of weaknesses, the creative industries in Maribor are not well recognised, and their potential is not fully visible. Additionally, the companies do not know the benefits of including creatives in the development of their own products. In certain sectors, one can still encounter the orientation to value formal education more than real knowledge. Moreover, one can also detect the inability to transform theoretical knowledge into practical solutions. The reason for this is said to be the structure of formal education and its focus on the reproduction of knowledge instead of problem-based learning that would help students become creative employees who seek solutions. It is noted that students have low motivation towards obtaining new knowledge, and this is especially noted when they are required to exit their comfort zone.

When it comes to developing long term-project, there is little awareness of the need for them. However, cooperation is possible, and it is happening.

In terms of competition, there is, in fact, too little quantity of an offer to have real competition. However, some can be noted in the fields of marketing and design. On the other hand, tourism is competitive negatively, similarly to fashion. The latter elaborates the case where a fashion designer from the outside capital city has difficulties in presenting their own work in the capital. The experience shows more favourable conditions when organising presentations outside the country in this context.

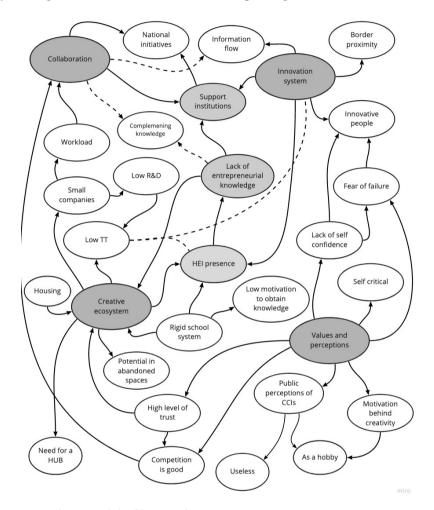
When it comes to creative start-ups, they are not presented as they should be, and additionally, the majority of them are not investor ready. Sometimes the problem is that start-ups are understood too narrowly in the people's minds – they consider start-ups as only working in the field of technology. Another known issue of the CCIs is having only a national focus; they frequently are not focused on the international environment and international projects. Additional issues exist in terms of financing or potential financing since the CCIs usually legally operate either as a form of NGO or social economy companies, which is why they do not consider themselves start-ups.

On the other hand, the general observation in Nova Gorica was that people in public discourses tend to consider culture as something useless and without value. This is too critical as the sphere itself needs lots of support. Additional support is also needed to train the people to understand art and the whole field surrounding it. Considering this, the general attitude towards culture is considered very low. Public discourses and issues with payments from the Ministry of Culture in times of Covid-19 are even more burning. Issues also arise from the media, where social network users tend to name artists as parasites. The latter was well-considered and discussed when the Cultural Capital of Culture bid was being prepared. The bid authors put much work into the bid to reflect the possible life improvement cultural activities will deliver to local inhabitants.

The respondents admit the school system is too rigid and goal-oriented, making pupils and students focus on obtaining a degree and not focusing on knowledge. There is too little knowledge of entrepreneurship in schools, and there is too little awareness that entrepreneurial skills are also skills for life. An example was made on the skill of how to obtain a loan.

### 3.5 Paradigm model of interactions

To be able to offer a coherent response the each of the two proposed research questions, the key findings were summarised in the below paradigm model.



**Figure 1.** Paradigm model of interactions *Source: Own analysis and results interpreation.* 

Observing the interactions between the concepts closely, we can provide insight into the situation with the proper response to each research question.

What is visible from the paradigm model is the fact that the innovation system holds some characteristics wherein both cities' supporting institutions operate well and provide their services efficiently. Both cities also benefit from the border proximity, and in both municipalities, people are recognised as innovative. However, as both innovation systems benefit from the presence of the HEI, people in Maribor seem to lack confidence and expressing self-criticism. The fear of failure is also present. The lack of interest in knowledge is detected among youth in both municipalities. Also, the creative sector lacks knowledge of entrepreneurship. The rigid school system is to blame for the present state. When it comes to values and perceptions, people can perceive culture as useless or as a hobby, with motivations behind creative work being predominantly intrinsic. In terms of institutions, the creative ecosystem is characterised predominantly by local HEI but still faces low levels of technology transfer. The situation seems to be related to issues of the shape of local economies small enterprises with overburdened staff have low investments in R&D, and therefore the technology transfer processes are not implemented. This holds true, especially for Maribor. When it comes to collaboration, the support institutions provide good services that can go beyond national borders. The case of good practice is an entrepreneurial competition for school pupils titled POPRI. As the cooperation is generally seen in a positive manner, as well as in terms of trust and competition, the main hindrance to the cooperation seems to be the workload employees are dealing with in small and microcompanies. Both are again one of the characteristics of the sector. The creative sector could benefit from abandoned old industrial heritage buildings - in both cities.

## 4. Discussion and conclusions

Following our two research questions, the responses are the following:

RQ1.: How are local innovation systems perceived, and what are their strengths and weaknesses?

The local innovation systems are perceived as modest. They face their strengths and weaknesses, but the common characteristic would be that both systems are in the developing phase with modest steps forward. In both cases, there are examples of good practice illustrating progress. In order to obtain a major breakthrough, the weaknesses are to be addressed appropriately, and strengths need to be turned into opportunities.

The strongest points of the local innovation systems are surrounded by the presence of the HEI, followed by the support institutions that deliver services. Also, people are considered innovative. Among the biggest weaknesses, the low levels of technology transfer are noted, which also relate to the structure of the local economy. When it comes to people and skills – the lack of entrepreneurial knowledge is noted, and generally lower levels of motivation to obtain knowledge in comparison to obtaining a graduate diploma.

RQ2.: How does the local cultural and creative sector contribute to the local innovation sector?

Following the theoretical stances of social fields theory (Beckert, 2010), the CCs were analysed through three premises – social forces. Therefore, the contribution is threefold. Firstly, in line with cognitive frames, people are considered creative, but the main

setback is that creativity is understood as something to satisfy intrinsic motivations. Culture, on the other hand, is sometimes understood as useless. People tend to be selfcritical and lack confidence. The national schooling system and its rigidity and lack of problem-based learning were heavily emphasised. When speaking of collaboration, the second premise of the social field, people like to work together, trust each other, and generally complement the knowledge. The overload of work and low investments into R&D in small companies hinder the processes of technology transfer.

Within the third premise, the institutional part, HEIs are present in both cases. However, sometimes a lack of entrepreneurial knowledge is detected. This gets mitigated by efforts and the work of support institutions.

At last, the cultural and creative sector can be analysed as a social field where the actions are shaped by three social forces: institutions, networks, and cognitive frames. Following this research, we can observe, the cultural and creative sector can be a part of the innovation system. However, some characteristics require special attention.

Firstly, awareness needs to be raised on the value and potential contributions of the creative sector to innovation. If creativity becomes perceived as a potential entrepreneurial path or even can work with R&D of the industries, the levels of technology transfer that are currently low can be enhanced.

However, HEI is recognised to play a central role, placed in the centre of the creative ecosystem.

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## **Conflicts of interest/Competing interests**

The author declares no conflict of interests.