



Cultural Enterprises in the Member States

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FOREWORD

I am pleased to present to our readers this study on cultural enterprises in the Member States. This is a brand new issue that has been viewed not without apprehension, the more so as it deals with the traditional view of the objectives that relate to culture within a given society. Indeed, there has been little or no understanding of the role of culture in the economic cycle because, inter alia, of the low industrial and profit structures for cultural products. But, given the cultural invasion facing world cultures as a result of globalization, the actors of the cultural field have grown increasingly aware of the economic dimension of culture.

Amid these major world mutations, our view of the world has changed and with it our relationship to time and space, as the planet is being reduced to a small global village where cultural distances are annihilated and where people are more sensitive to their identity in relation to those of others. In this global context, the Muslim world had to access to the knowledge economy, reduce cognitive and language gaps and highlight the true value of its heritage and its contribution to human civilization in general, through the creation of companies, with as a mission to manage culture and creativity in general and qualify professionals in this sector to present the cultural product in an attractive, pleasant and constructive form.

Despite the importance of this change, it should be noted that the dominance of market-led values under economic globalization is such that it tends to emphasize the aspect of entrepreneurial management in the cultural field at the expense of the production systems of values and symbols that preserve and immunize identity.

Recognizing the need to reconcile these two aspects, ISESCO has prepared this study that has linked these two objectives by considering the symbolic value of culture, while bearing in mind that the creation of cultural enterprises contributes to the preservation and immunity of Islamic culture. In fact, cultural enterprises have as a major objective to train cultural professionals and respond to the public demand for cultural products in accordance with the law of supply and demand.

This study is in two parts: the first, presenting the economic enterprise in its general acceptance, highlights the objectives, characteristics and different types of professionals who work in this area. As for the second part, it focuses on the concept of cultural

enterprise, along with its types, its features, and its role in promoting culture and cultural policy. Furthermore, this second part presents the management method of cultural enterprises and the legal framework to regulate them.

For all these reasons, the Islamic Educational, Scientific and Cultural Organization (ISESCO) has developed this study to assist the Member States to build a national cultural policy that links cultural production to economic development. The objective is to heighten the Member States' awareness of and interest in cultural enterprises, and encourage them to establish them. This study is also an open invitation to the relevant parties in the Member States to encourage youngsters, creators and other actors in the cultural sector to invest in cultural projects and manage them in accordance with entrepreneurial standards, thereby contributing to the desired economic development. Our hope is that cultural enterprises may ultimately be able to generate cash flow and not depend on intermittent aid of public and private sectors, as this hinders the construction of an integrated national cultural policy. This was confirmed by the Consultative Council in Charge of Implementing the Cultural Strategy for the Muslim World at its 11th meeting (Algiers, October 2011) when it approved this document and submitted it to the seventh Islamic Conference of Culture Ministers (Algiers, December 2011) which adopted it.

ISESCO is therefore pleased to publish this study in its three working languages (Arabic, English, French) in the interest of specialists in this field in the Member States.

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INTRODUCTION:

The efforts extended by the Islamic Educational, Scientific and Cultural Organization (ISESCO), over three decades of ceaseless contribution and rich interaction with a multitude of central and regional administrations and relevant institutions in Member States, have borne their fruits and stand witness to the bounty of a rich and mature harvest. Nonetheless, the efforts required preserving such profusion of yield and the need for the constant development and renewal of production tools and mechanisms, call for a collective action and for the solidarity of role players of the cultural field, particularly those hailing from the private sector and from the civil society. Such endeavors require coordination, consultation and communication, as well as information and expertise sharing, and technical and technological support. They also entail the promotion of cultural action towards a dynamic of productivity that ensures its interactivity with the people, secures a considerable part of its resources and guarantees its readiness to benefit from the achievements made on the Islamic and international cultural scene within a framework of cultural diversity, takaful and development.

Considering the importance of culture for human development and ISESCO's determination to produce functional reference documents to help Member States build their cultural policies, the Organization has chosen to publish the present study on cultural enterprises and creative business development in a bid to assist Member States revitalize mechanisms of action in the cultural field, empower their mechanisms to boost the sector's various components towards creative and innovative productivity and competitiveness, and entrench identity values in all development projects. The study provides officials and various role players of the cultural field in Member States with a reference tool in the creation and management of enterprises, in building strong performance levels and enhancing the quality of output in such a way as to bring about cultural development levels that meet each country's needs and specificity.

Analyzing the reality of culture and communication and monitoring Member States' achievements in this field, and evaluating the support and orientation programmes undertaken at various levels, the Organization has come to the conclusion that cultural enterprises, by their authenticity, steadfastness and myriad activities, have proven to be society's gateway to the world, enabling it to gain knowledge of other cultures, serving as the mainstay of its activities on the local and regional cultural scene and boosting its interaction and co-existence within its international context. It has also proven to be a pivotal axis in economic self-development, be it through the number

of job opportunities created, the volume of its contribution to GDP or its outstanding role in consolidating specificity, preserving values and protecting social identity, or through its participation, along with its partners, in production and contribution to various development fields.

The study seeks to draw attention to this lively form of enterprise and extend the care and attention its importance warrants, particularly in light of growing awareness of the need to bolster society's historical and civilizational identity before the inexorable onslaught of globalized culture. Another key factor is the existence of positive aspects to current changes, leading to the emergence of a new breed of heavy-weight role players from the private sector and civil society who part a crucial role within the cultural society and social field and such related sectors as commerce, economy and communication.

Cultural enterprises concentrate most of their efforts within the creative department and don't pay enough attention to such priorities as sound business management and economic viability with the restraints inherent to the latter as to the guarantee of profitability, carving a market share and meeting the challenge of competitiveness. And that is the Achilles' heel of cultural enterprises, particularly at crunch time when the support and assistance ordinarily extended by the State or certain institutions or personalities known for supporting cultural action, diminish dramatically.

This wholehearted dedication to creativity, to its rules of art and loyalty to its civilizational heritage exacerbates the fragility of these enterprises and saps their energy and their ability to confront market fluctuations and deal at the same time with a fragmented sector where visibility in terms of consumption demands remains blurred. Considering the cultural market's particularity and constraints, these enterprises are called upon to show great flexibility in management and adaptation to the diverse nature of the sector, and to have the exceptional ability to manage complex processes with cultural, political, financial and economic implications. This is all the more important since cultural enterprises rank high within economy and at the marketplace in terms of shaping the identity of society and rallying the human masses around personality-building artistic projects.

The term 'cultural enterprises' can be interpreted in a broad as well as in a narrow sense. On the narrow scale, it applies to companies and institutions producing and distributing artistic and literary works such as dramatic arts (theater, dance, circus, music, opera...), visual arts (museums and exhibitions), as well as libraries and material and immaterial heritage. As for the broader definition of the term, it includes,

in addition to the above, such aspects as cultural industries (films, CDs, festivals, entertainment, publishing, arts and crafts...), or the media (radio stations, television, magazines, newspapers, periodicals...).

As one can see, cultural enterprises are numerous and diverse in their objectives, whether they deal with cultural industries or creativity support, pursue profitability or seek to provide a service to the community, or target the domestic or international markets.

The importance of promoting this type of enterprise at the current juncture and at this turning point in the development experienced by the Islamic world lies in the fact that cultural action, with its diversity and civilizational charge, and at a time when the increasing sway of free economy has conferred on it a competitiveness that transcends the local and regional contexts, has been propelled into an economic and entrepreneurial framework that dictates that cultural managers control the mechanisms of marketing products and strategies inherent to market transactions. This is particularly important since they do not deal with private sector institutions only but with many other role players either in charge of managing cultural policies such as ministries of culture, intellectuals, or management and administration school students, locally elected officials, officials in charge of cultural institutions or economic stakeholders in the services sector.

To bolster ISESCO's endeavors to promote the cultural sector in the Islamic world towards more achievements in effective strategic edification, and in response to the ever-renewing demands for the promotion and institutionalization of the cultural sector and regulation of its services, this study comes with the purpose of shedding light on the cultural enterprise as an effective component on the cultural, social and economic scene, a component in dire need of support and assistance to be reorganized, restructured and developed in the best ways possible and in such a way as to serve development, reinforce diversity and consolidate specificity, guaranteeing at the same time a local and international cultural presence and enriching civilizational diversity, cultural exchanges and cooperation.

SECTION I

1. DEFINITION OF ENTERPRISE

1.1. Difficulty of accurately defining 'cultural enterprise'

Defining the term of 'cultural enterprise' has always presented a challenge except for jurists and culture experts. This is owed to the fact that the concept of commercial enterprise has always prevailed on the legal and intellectual scene and at all levels. In the minds of the clear majority of people, culture is removed from the realm of commerce and economic ventures, despite knowing that industries related to the cinema, music, theater, ballet, concerts, entertainment shows and art exhibitions, pertain largely to the commercial sector and as such, are motivated by the quest for profit and fame.

Even for parties whose countries were first to issue draft laws and legislative texts to develop this type of enterprises and tangibly promote them had to somewhat fall back on jurisprudence in order to define the cultural enterprise and its various economic and legal components. They also endeavored to identify attributes that set it apart from the rest of the market's active enterprises, albeit without the in-depth definition and theoretical and legal etymology observed with other aspects of economic classification and commercial legislation. Yet, and despite its continuity and its drive for more in-depth research, this jurisprudence was initially motivated by a desire to issue laws that encourage a specific genre of enterprise. Experience has shown that the latter needed banking and tax incentives in order to survive and grow, and as a means of boosting their role in advancing culture and related educational, social and economic fields.

The majority of legislative bodies in the Islamic world are convinced that the cultural enterprise differs in approach and style from its conventional sister, and in administrative as well as commercial management, and that it should stand out in its structure and legal form by the cultural dimension of its products, its field of operation, its heritage component and its historical and civilizational symbolism and cultural charge. Yet, we continue to witness a certain legislative and legal void that extends to the enterprise's classification and entry on the register of commerce as a cultural enterprise. This may be owed to a lack of awareness about the importance of this classification and its legal and procedural implications, or to reservations against the exploitation by some enterprises of the tax rebates and financial support that may be provided for by such legislation.

The difficulty of concurring in one definition of 'cultural enterprise' resides in the prevalence and domination of the concept of commercial enterprise in general, and in the relatively novel awareness of what cultural enterprises represent as a dual structure with a cultural and an economic affiliation. It is also explained by the prevalence of commercial profitability values in the modern arts of entrepreneurial management and their impact on the administrative rules and procedures in force in matters of economy and commerce. This often places the cultural enterprise, besides its immersion in a free and globalized economic market today, face to face with financial setbacks and economic repercussions that threaten its existence in the absence of special laws and regulations to protect cultural industry and encourage cultural production. Such law and measures will not only enable it to survive, develop and grow but also confer on it attributes that help it shine and achieve distinction, but also to ensure that the term 'cultural enterprise' finds its way to the agendas of legislative and regulatory policies in a more consecrated manner, and from there to be adopted by dictionaries and thesauruses, true to dictionary specialists' belief that terms are born out of practice.

Some cultural products carry a strong identity connotation and reflect a deep attachment to heritage. They represent a vibrant expression of cultural specificity, playing in the process an important role in showcasing the authenticity and richness of cultural diversity and the vivacity of Islamic heritage. Unfortunately, these products are not as highly in demand as commercial products that enjoy a solid packaging and marketing drive and benefit from a systematic publicity effort aimed at attracting the public and influencing its consumption patterns.

Considering the tremendous role they play, cultural enterprises must be treated at preferential banking and tax levels and provided with support and assistance in order to stand fast and persevere in their vital role and fruitful civilizational and cultural mission. For these considerations, they should benefit from a proper classification using the relevant terms and concepts.

The definition of cultural enterprise that we strive to present by showcasing its attributes and specificity indicates in itself that we stand before a particular type of enterprise that requires great attention in formulation. This process is bolstered by a media and information endeavor that elevates both the product and its consumer to the highest levels of taste and mastering the tools of cultural distinction, taking in stride market pressures that dictate the reduction of costs and the increase of productivity and without prejudicing the cultural charge of the product or affecting its heritage dimension or creative statement.

1.2. Towards a scientific approach to the concept of 'cultural enterprise'

The enterprise has many definitions. Some are legal or economic, and others combine both. Attempts are also made to confer a social and cultural dimension on the previous definitions. In fact, even within the economic and legal definitions there are many sub-definitions that vary in accordance with the rigidity of management, the leadership's communication drive, the enterprise's weight within the market, its strategic strength or its adherence to governance principles and transparency norms.

Our approach will focus on defining the concept of enterprise in general but also tackle what interests us in this approach, i.e. the enterprise serving the cultural sector both through its form of management and through its production. Our goal is to identify the aspects that set the cultural enterprise apart from other enterprises by pondering the characteristics and differences that affect its classification and differentiation between the various forms of enterprise in existence today.

Our main concern is not the culture of enterprise, although this culture has benefitted from so much attention in management sciences and modern administration that ignoring it would be a grave mistake and betray poor judgment. Our main concern is the cultural enterprise which we consider the powerhouse of cultural production and cultural industries.

We start with the generally accepted concept of enterprise and move towards the more specific definition which specialists corroborate with rules and principles. These seek to give body to a more accurate and global definition of cultural enterprise. The general definition provided by economists and competent authorities, states that the enterprise is **“a legally and financially independent economic unit producing goods or services to the benefit of the economic market.”**

This definition does not encompass all components of the enterprise such as size, scope of action -whether local, regional or international-, or economic, social, cultural and human role. All these elements add specificity and some dimensions that make this definition more complex and as diverse as the economic schools of thought, institutions and experts.

Another definition that is no less popular among economists and commercial jurists states that **“the enterprise is an economic component of which the primary function is to manufacture products or provide services within an economic-**

commercial framework. To reach its goals, the enterprise uses tools such as technical means, structures, mechanisms and human and financial resources.”⁽¹⁾

On the other hand, certain encyclopedias define the enterprise as an economic and social structure and a legal framework that combines the human, material, financial and immaterial resources within an organized system with the aim of providing goods or services to clients within a competitive (market) or non-competitive (monopoly) context.⁽²⁾

But defining the enterprise can also be approached from the angle of its executive fields:

- The enterprise as a role player in the economic field;
- The enterprise as a role player in the cultural field;
- The enterprise as a role player in the social field.

These fields can be addressed in further detail by defining the enterprise's major tasks:

- Job creation;
- Community service;
- Boosting economic activity;
- Adding value to the commercial and manufacturing processes.

The definitions adopted by merchants, entrepreneurs or other enterprise workers are diverse but most closely associated with the prevailing culture within and about the enterprise, largely linked to the location of the enterprise as the latter is a geographical fact as we will show later. It is briefly touched on here in reference to the cultural dimension prevalent within entrepreneurial circles and among the sector's diverse role players, particularly the masses of workers and employees who in light of their association with the enterprise consider it a specific geographical location that provides a source of employment and income regardless of market issues. For them, the enterprise is:

- The place where a large swathe of the population working within enterprises spends more than 15% of their life;
- The 'Box' where the worker spends more than 35 hours a week;

(1) Cf. the French educational website: <http://frit.lss.wisc.edu/fda/bibliotheque/definition1.html>

(2) Cf. the popular electronic encyclopaedia Wikipedia: <http://fr.wikipedia.org/wiki/Entreprise>

- The stage of the social conflict between workers and capitalism;
- The place where the employer exploits the employees;
- The place where work is carried out;
- The place that embodies the investors' funds;
- The place where the individual can acquire professional experience and skills.

Another approach to this definition involves the angle from which the enterprise is perceived:

- **From the angle of economics:** The enterprise's *raison d'être* is making the highest possible profits.
- **From the perspective of its director:** The enterprise is a ship sailing choppy waters under his command. Every time it sails safely through a storm or leaves port laden with profits, he reads this as the fruit of his good guidance, seasoned navigation skills and wisdom without which these achievements would have been impossible.
- **From the perspective of its financial adviser:** It is an investment project that strives to win and preserve the trust of financing companies in order to obtain loans.
- **From the perspective of the executive officer:** The enterprise is the theater of his excellence and the place where he acquires his experience. It is also the platform where his professionalism is put to use in order to gain professional advancement and from where he can aspire to higher social standing, whether within the same enterprise or as a launch pad towards a larger and more prestigious one.
- **From the perspective of the employee:** The enterprise is the entity where his time and effort are converted into money.
- **From the perspective of the unionist:** It is the stage where conflict is engaged in within an ideological frame of reference to achieve union and political positions and serve the interests of the working class. It is where the unionist seeks to occupy pressure positions from where he can steer the course of the enterprise according to his ideological vision.
- **From the perspective of the commercial manager:** The enterprise is a 'trademark'⁽³⁾ that can, through its power of attraction and image, guarantee the affluence and fidelity of a segment of the market patrons.

(3) Consult a study by Michel Volle on: <http://www.volle.com/opinion/medecine.htm>

- **From the perspective of the engineer:** His definition is conditional upon the degree of the enterprise's reliance on him in the use for advanced technologies, and how needed he is in facilitating the processes of transformation from raw state to final product.
- **From the perspective of the systems engineer:** The enterprise is only up to par with the times if it uses a state-of-the-art information system complete with equipment, central systems and sub-systems, and where he occupies a position of power in managing and developing this system.
- **From the perspective of the accountant:** The accountant considers himself the beating heart of the enterprise and cannot see this entity as existing without accurate records of expenses and income and a solid audit of every transaction, guaranteeing an elevated status for the financial manager and good position in the job pyramid for the accountant.

We omitted the perspectives of the investor, the banker, or the stockholder since they are all covered in the first angle dealing with the financial aspect.

Experts have sought to combine all these perspectives within one general definition. We will tackle this definition at length since, to judge by the various sources, economic blogs and studies perused, it does encompass the various definitions of the term '**enterprise**' and seems to also accommodate the meanings of the compound term of '**cultural enterprise**' that is our goal. In expanding this concept, we will address a definition that experts corroborated with rules and regulations which, when analyzed and compared, seem to be in cohesion with the pool of definitions used to describe the cultural enterprise through a connotative approach that is more appropriate and applicable to this type of enterprise.

This definition states: “**The enterprise is the place where human beings organize their work in order to affect nature and obtain useful results.**”⁽⁴⁾

To further explain this definition, the author proceeded with the deconstruction and explanation of its main components, such as '**good results or useful results**', '**affect nature**', '**masses organizing their work**'. In turn, we will try to further elaborate on this with additions and amendments effected in accordance with the conclusions reached through theoretical study and field analysis of the cultural sector and its components in many parts of the Islamic world and over the last three decades:

(4) A definition French expert Michel Volle. Cf. <http://www.volle.com/opinion/entreprise.htm>

- **Useful results:** The output of work is ultimately products and services that are useful to the consumer, and to other products and services from other enterprises.

The champions of this definition believe that it covers administrations that provide public services and private companies that produce commercial goods or sell useful services.

If these services or goods lacked in usefulness, the enterprise would run the risk of extinction as a result of the lack of consumers, unless it is generously state-subsidized. This is the case of public administrations to which the concept of enterprise is far more applicable than that of administration but which are not held liable as to the usefulness of their services since they are affiliated to a ruling or influential party.

The fundamental mission of the enterprise is to serve society, particularly if it deals with culture or a field associated with the cultural sector. Competitiveness and profitability come second to the usefulness of the services rendered.

Jurists poring over the definition of enterprise have brought in several concepts such as the concept of '**predation**'⁽⁵⁾ to draw a distinction between enterprises that render a service to society and those serving either a majority that prevails by force, or a minority supported by the regime under the pretext of serving society (cases observed in some Third World countries where large corporations prevail through the exploitation of natural resources that serve the interests of former colonizers). If the market could serve as a guarantee against predation, the enterprise would be in a better position to serve society; and achieving usefulness at the same time as profitability would be a driving force behind innovation and creativity.

Predation annihilates useful results and acts as an inhibitor of social benefit since it limits these benefits to a specific category, giving birth to class differences that disrupt social cohesion and generate disparities and herald social crises, particularly in cases of cultural predation. In this situation, and in light of their broad economic

(5) The expert has many studies on what he calls predator enterprises, particularly in Africa where they tend to take advantage of ethnic conflicts in target African societies, funding military or political strife so that power is taken over by the party they finance, then move in to exploit local and regional resources and riches with no fear of competition or challenge of shrinking profits. There can be no real role or existence for true culture or active cultural enterprise within an environment where there are predator corporations that annihilate or dominate the other, regardless of their type or origin.

hegemony and control over the political class, large corporations take command of culture, imposing one that serves their own interests and those of the beneficiary class instead of benefitting community and social development.

The concept of predator, whether in natural or social sciences, is used linguistically to refer to someone living at the expense of the others without producing anything. His main concern is to gobble up what others prepare. Ants, bees and a host of other creatures manage their strength and livelihood from season to season, but others have no concern but to prey on and hunt other animals. Such is the situation in corporations pursuing objectives other than community benefit and that pounce on all opportunities of gain. Such enterprises can never be labeled as cultural or serve culture.

Some predator enterprises have little regard for innovative and creative production and cannot be expected to influence overall community development or the prosperity of culture there. There are also 'domesticated' corporations that grow up pampered and well surrounded, confident in the support they enjoy and fearing no obstacle because they are above accountability. This was the case for example in the former Soviet Union where institutions attached to the ruling communist party enjoyed the status of cultural or social enterprises. They benefitted from the State's budget and banking and customs privileges and were provided with subsidies and grants to ensure a good image, manufacture products that stood for a strong ideological culture and that were distributed at cheap prices if not freely, until most people turned away from them and only acquired them out of hypocrisy.

- **Impact on the environment:** The term 'environment' as meant here encompasses various environments: the natural, the social, and the cultural environments and any sphere providing a context for action, including obstacles and achievement opportunities.

The enterprise impacts on the environment and is in turn influenced by the environment through its exploitation of raw materials and the intellectual capacities of its human resources who, through their dynamism and productivity, transform this environment's resources into marketable goods. Impacting the environment presupposes the existence of an often highly complex internal pattern within the enterprise. Those moving according to this pattern often forget its physical elements and focus more on its procedural aspects.

The more flexible the enterprise is in its operation and the more adept at its action it becomes,⁽⁶⁾ the weaker its management's interest in its physics becomes as its

(6) The physical organization of an enterprise comprises any matter, action or tangible activity, tools and materials as well as the processes of design, production, marketing, distribution, maintenance and others.

attention is turned largely to higher profitability and gains. Thus, when it stops at the enterprise's symbols and cancels its physics, the social approach to the enterprise runs the risk of missing the elementary conditions of seriousness and could sorely miss the prerequisite of an efficient management that keeps ahead of field developments.

The interaction of the enterprise with its environment and with its various social, cultural and economic dimensions is the core of its activity and dynamism. Any apathy that could affect this interaction would jeopardize the vitality of the enterprise and its interactivity through service delivery and mutual benefit, most particularly if the said environment is cultural in nature.

Interacting with the external environment entails continuous action and a constant monitoring of the enterprise's internal environment. If this enterprise lacks the dynamism and fruitful interaction between its various components, it would hardly keep pace with events in the external environment where it has to meet the pressures of demand, the pursuit of quality, competitiveness, the appeal of creativity and the need to attract investments. It would fail to respond to the call of innovation, keep abreast of developments at the pace required, avoid clashes or uncalculated digressions into uncharted terrain, and to showcase diversity as dictated.

- **Organized activity of a group of people:** The enterprise draws the maximum from its working masses, each from his position and leadership status, but these masses are made up of human beings who do not live in isolation. They share a culture that embodies their identity and social belonging, a dynamic cultural spirit that stimulates their emotions and governs their values and behavior, and skills that mark their performance and define how they discharge their missions. The skills of each are interrelated to the skills of the others, and needless to say it is the threads of this network, spun in the fabric of values promoted by their culture, that enable the enterprise to perform in a sustainable manner.

Skills are built, grow and complement each other in accordance with a complex pattern. The skills of the strategist, the organizer, the designer, or the management expert, each in their field of expertise and from their position of responsibility, enable them to take decisions that are carried into action by their subordinates the technicians, workers and employees. Without this complementarity of skills it is not possible to bring any action to fruition.

Managing skills presupposes the respect of the human element; and for this reason it is important for the management pyramid to steer clear of overburdening the base or disrupting the harmony and complementarity of skills.

Many enterprises neglect this organizational aspect of skills and even do without the strategist, confident in their own 'seasoned leadership' and of mastering market developments and tactics. In fact, management often places the enterprise's accountant in charge of financial matters and human resources, or allocates to the same department or the same staff member the missions of management or planning and marketing.

As for creativity, innovation and modernization, many are the enterprises where the manager or general director is personally entrusted with this aspect, confident that he holds the necessary experience and broad knowledge, not even bothering with reports on the issue or with drawing up a plan.

In neglecting the complementary nature of skills and underestimating the importance of their diversity to meet requirements and job profiles, enterprises suffer falling sales, lose their competitive edge or experience market crises. Management often attributes these hardships to external factors, leveling accusations at institutions, administrations and other enterprises that mistreated them. They also blame the market troubles that undermine the soundness of the enterprise's economic setup, or the grave social conditions that call for drastic solutions. The problems are incessantly rehashed, implying that management has fully understood all causes but is powerless before the situation. Meanwhile, the grave danger lies in their neglect of the cultural and human dimension of the enterprise and in reducing it, in terms of administration and organization, to an accounting department or a production unit.

If this can be considered as dangerous for any type of enterprise, it is lethal for a cultural one which cannot be reduced to financial management or to an organizational unit. The mainstay of a cultural enterprise is creativity; its beating heart and its brain is the creative department, and just as the heart and brain are crucial and focal in the human body, so is creativity for the cultural enterprise.

Before concluding this general definition, I wish to draw attention to a problematic issue that the term '**cultural enterprise**' gives rise to. This problem resulted from a definition of this term in some countries where the enterprise is defined as “**a contract that gives rise to obligations on both parties. The enterprise, similar to any form of contract, gives rise to specific obligations on the part of both entrepreneur and contractor.**”

According to this definition, the enterprise is a contract and the means by which an entrepreneur undertakes to carry out a given action. It is difficult for those accustomed

to such a definition to understand the concept of cultural enterprise except as a contract of which the signatories undertake to carry out a cultural project or program. Considering how well accepted and entrenched the concept of the contract within the business environment is, they may even question the relevance, on the part of an international organization dealing with culture, of dedicating studies or research to special contracts that deal with cultural work and affairs exclusively.

The law, in one part of the world, defines the enterprise as **a contract whereby one party undertakes to manufacture something or provide some service against a return agreed upon by the other party**. In some other countries, the law runs along the same lines and states that the **enterprise is a contract by virtue of which one party undertakes to manufacture a good or render a service against a return from the other party**. **The contract has replaced both commodity financing (*istisnaa*) and lease contracts 'shared or public lease' in legal organization and stands separate from these two contracts**. **When the entrepreneur provides labor and materials the undertaking becomes a sort of commodity financing, and when the entrepreneur provides labor only then it is a labor lease transaction**. **An entrepreneurial contract is based on three main principles: it should be concluded directly between the entrepreneur and the beneficiary, either through a sub-contract or through a financial institution such as a bank or other, or what is known as parallel commodity financing**.

Earlier on we pointed out that the concept of enterprise is highly ambiguous and versatile, changing in accordance with the large number of economic and commercial role players in theory, legislation and activity. Other factors of variety include conjuncture, motives, objectives and laws and regulations of each country, and the myriad terms and concepts referred to in these laws and that are as diverse as the traditions and customs that consecrated them.

However, the most internationally recognized definition of the enterprise is the one presented and summarized here. However, and in view of its inherent complexity and problematic nature, we saw fit to reinforce ours with another definition adopted by many economic and legislative schools as a suitable angle to approach a better definition of the enterprise, namely the definition of 'entrepreneur'.

1.3. Who is the entrepreneur?

Experts agree that the entrepreneur is the person who runs or creates an enterprise. He enjoys the managerial and administrative qualities that enable the enterprise to

engage in sound and dynamic operations and initiatives and to fulfill its objectives within an environment that stimulates human entrepreneurial potentialities and guarantees the reduction of production costs.

For those focusing on the concept of entrepreneur in their attempt to define the enterprise, the former is seen as a leader and the power engine of the intended undertaking. He is able to envision the desired future, relying on reason, a rich experience, and brilliant mental capacities that he is able to develop and express from a strategic angle even if he serves as both entrepreneur and owner.

As for international experts who theorized on the economy of enterprises and the art of their management, we will present the definitions of two renowned experts from prestigious American universities:

- For the Austrian economist Joseph Schumpeter (1883-1950), the entrepreneur is the person with the will and ability to transform an idea or invent something of value;
- For the other Austrian economist Peter Drucker, the entrepreneur is the kind of person willing to put his or her career and financial security on the line and take risks in the name of an idea, spending much time as well as capital on an uncertain venture.

This enterprise is therefore not conditional upon the experience and performance of the entrepreneur only, but involves an essential determination to adventure in serving the core idea of the enterprise. This is embodied in the entrepreneur's willingness to sacrifice his career and financial security for that and his readiness to invest time and capital in furthering this project. The qualified entrepreneur is therefore the one entitled to lead the enterprise. He is the powerhouse propelling it ahead and directing the enterprise's economic dynamism with a vision of the future based on a realistic assessment of the relevant market. He is engaged in a strategic action that is a trouble-free, fluid and quickly responsive, and strives to master the means of raising confidence in the viability and seriousness of the decisions taken on management, financing and investment.

If we associate these two approaches to reach a definition, the academic approach that we addressed and which defines the enterprise as per its role and components such as services, environment, management and employees, and the approach that adopts the entrepreneur as the key element in defining the essence of the enterprise, we will come up with a reconciliatory definition that better suits the nature of the

cultural enterprise. For record purposes, we did disregard enterprises with a purely industrial nature or those that stand out in an economic field that is not directly related to culture.

According to this approach, “**the enterprise is a legally and financially independent economic entity that produces goods or provides services and where groups of people engage in an activity with the aim of influencing the environment and achieving benefits. Its founder has the willingness and ability to transform an idea or discover something new of value, ready to run risks for it and put his or her career and financial security on the line, taking risks in the name of an idea, and spending much time as well as capital on an uncertain venture.**”

2. OBJECTIVES OF THE ENTERPRISE

In addition to the main objectives determined by the nature itself of the enterprise and which include the positive impact and benefits for society, culture and nature, the objectives of an enterprise, including a cultural one as defined later, can be as follows:

- **Benefits**, whether these are material or moral, including profit making, attaining an advanced status on the market or gaining a good reputation and customer satisfaction about its products or services from users, importers and other relevant parties.
- **Productivity** makes the product compatible with market requirements, endeavoring at the same time to raise quality standards and reduce costs through efficient management systems and marketing, management and production strategies.
- **Profit making**, productivity and profitability should be at their highest to ensure a good return on investment for the owners.
- **Credibility**: This refers to the credibility of the enterprise vis-à-vis financing institutions such as banks and investment companies. This credibility lies in the enterprise's ability to cover its debts, respect its financial commitments and guarantee demand for its products. It is also manifest in its ability to guarantee the continuity of its services and goods at the quality required and with a high degree of competitiveness.
- **Continuity** refers to the enterprise's sustainability either in terms of performance (goods or services), maintaining the satisfaction level of beneficiaries and clients, its ability to continuously honor its maintenance or development commitments or its commitment to present special offers.

3. CHARACTERISTICS OF THE ENTERPRISE

The enterprise is a cultural fact

Much has been written in recent years about the culture of enterprise. It became clear that whatever form it takes, the enterprise will always play a part in culture and that it is impossible for it to follow a straight path if lacking an identity culture and a cultural environment that allows for the cohesion of its universal elements and the strength of its value.

Each enterprise has its culture which springs from its human attachment, its interaction with its economic environment and its support of social institutions or cultural centers. This applies to all types of enterprises as long as the human element carries the task of its management and production and as long as the society to which it belongs and which it serves demands that the enterprise fulfill the economic conditions of its creation and its development goals.

But if this enterprise is one that produces and serves culture, i.e. a cultural enterprise, then its responsibility increases as does its obligation to sport its own cultural identity and even stand as a living testimony to a culture steeped in society's roots and imparting a cultural message that is perceived through its administration, services and media discourse before being marketed in the form of products and services.

The enterprise is a human fact

No matter how distinguished an enterprise is in production and industry, and how well fitted it is with the finest equipment and advanced technological means, it remains a human enterprise and an almost human entity that serves basically human purposes. This entity plays host to human resources and capacities that embody strength and brainpower represented by directors, advisers and workers who, organized as human teams, enjoy traits that confer on them a special character defined by the nature of their daily work, technical specialty, leadership positions and their involvement, as individuals and as a team, within the enterprise.

Both the relational system linking them and the work regimen governing them reflect the prevalent educational level, the management style adopted, how deeply ingrained in their mindset and way of work is corporate strategy, how they interact and how consistent their performance is as they go about making achievements.

This human dimension of the enterprise helps in evaluating the interrelatedness of the development of services and production with the growth of the social attention

and benefit extended to the human groups evolving within the enterprise. The identity of the enterprise is closely associated with this human facet which confers positivity, credibility and continuity, and makes the enterprise more resistant to crises and more capable of preserving its productive creativity.

The enterprise is an entity with a mission

The management need to understand the enterprise's fundamental nature which takes shape in its economic and social mission and its cultural and civilizational dimensions even when the products are limited to a specific sector or seem far removed from the social or cultural realms. This is even more so when the product or service have a clear cultural charge and an evident social content. The element with the strongest impact remains the human component although the main focus, the market being what it is, is usually the quality of the product and its competitive edge.

Throughout the many economic crises experienced lately by the world, the importance of the human aspect of the enterprise was brought to the fore, acquiring a priority status from the economic or the social perspective, through the values it advocates and in the way it serves the strategic objectives of the society where this enterprise evolves.

Accomplishing the mission in the best possible manner requires a mechanism of competitiveness which is based on awareness of the multi-dimensional surroundings where the enterprise evolves. The higher this awareness is, the broader the enterprise's horizons become and the better its vision is of the fields where it can acquire competitiveness and play a leading role.

These surroundings, irrespective of their time and space considerations, share an all-encompassing incubator which combines the unifying factors of language, culture, religion and customs but remains at the same time open to diversity.

Enterprise as a social fact

In addition to the services and products they provide, enterprises are also a source of employment in as much as the market and development needs allow. They also raise the threshold of industrial and technological innovation, develop service delivery, enable social economy to be competitive regionally and internationally and bring about social, economic and political progress.

Through its effective presence and advanced productivity, the enterprise influences the local and regional markets by generating competitiveness, through the market

dynamics of its economic sub-sectors, the dynamism it achieves through job creation, attracting capital and foreign and local investments, and through the development of the technical and architectural infrastructure that it stimulates within its social and economic environment.

On a different note, enterprises may have a negative impact on society through noise levels or pollution, social unrest, workers' strikes, and mass dismissals owed to social crises or bad management.

An enterprise cannot be summed up in an entity with no concern other than profitability and self-interest. It is a free economic, social and cultural unit that embodies the aspirations of the human masses it is associated with, whether those within or around it, and that benefit from its services and products. Enterprises carry a social responsibility and uphold values in light of which relations are weaved between the enterprise and society on the one hand, and between the enterprise and the societies that benefit from its goods and services.

An enterprise's awareness of its development role enhances important aspects of its cognizance and advancement of its social responsibility, and consolidates relations between management, investors, technicians, workers and beneficiaries, myriad as they are. It also imposes on the enterprise a balanced and noble value system that enables it to enhance its own performance and accrue its interest for the local and national community. It also ensures that the enterprise receives its due respect, enjoys distinguished social standing and acquires the right to be one of the dynamic elements making up the economic fabric of society and warranting support and sacrifice.

The enterprise as a civic fact

The civics of an enterprise pertains to its community service aspect which elevates it to the status of serving the values of a true civic society and that supporting an exceptional interaction between economy and society. It has a moral quality as an institutional entity but also as a member of the community, contributing towards laying down the foundations of good performance and fidelity. Thanks to its internal cohesion, external dynamism and institutional solidarity, it reflects the soundness of the development fabric and its harmony with its components, whether administrations, individuals or groups.

Needless to say, this category of enterprise does not extend to the ones dealing in the unlawful, that consider just a form of acquiring experience, whose objective is not

progress and whose activity runs counter to cultural development. It also excludes enterprises that are inherently anti-civic by the very nature of their activity, but which do have intellectual and cultural contributions, particularly in their research components, but their institutions and enterprises operate within limits and pursue highly specific objectives.

The civic dimension of an enterprise is a reality, and whenever such dimension is occulted the enterprise falls into isolation and runs the risk of being uprooted from its original soil. Its civic image becomes blurred and reflects an absence of cohesion between its internal elements who are the investors, leaders, managers and workers, and its external environment which comprises suppliers, distributors, clients and beneficiaries.

What proves the civic quality of an enterprise is its direct or indirect integration within the social development plan within which it operates. Society has a right to development and growth that the enterprise has to fulfill whether its production goes partly to the community or is routed in its entirety to the outside world. The enterprise is a living entity that moves in tandem with society and its roots and identity are embedded in this society.

Among the tasks and services the enterprise renders to society is contribution to job creation, enabling the local economic market to be dynamic and lively and enriching the human, material and immaterial capital of society. It is equally involved in the moral and material support of 'civic society' projects, either by guaranteeing human rights respect and defending the rule of law or fighting fraud, corruption and pollution, as well as other issues that preoccupy the contemporary civil society throughout the world.

The enterprise is an organization

The enterprise is an organization that rejects chaos and upholds order, whether in terms of finances, administration or production. In this regard, it has a measurability dimension that measures the soundness of market elements and the components of production.

The close interaction between leadership and base, between the top of the pyramid and its other elements, between the enterprise and its social and economic environment, is a key element in the rating of the enterprise and its success as a model to be emulated on the local and regional levels.

Cohesion between the elements of organization and their responsiveness to modern management and production arts reinforces market strength locally and nationally, raises the levels of trust in the enterprise's ability to meet market needs, its strength vis-à-vis the market's diverse challenges and its adeptness at putting to contribution the social and economic environment to reach the goals set.

The solidity of organization is an indication of the strong strategic dimension of the enterprise, the credibility of its management, good decision-making and governance, and a judicious course towards the future in the short and long terms.

4. TYPES OF ENTERPRISE

There are as many enterprises as there are entrepreneurs. Each enterprise has its own calling card and style and although an enterprise cannot be summed up in the person of its founder or manager, he or she still exercises a strong influence on it, sets its tempo and defines its course and administrative style.

The classification of an enterprise is subject to systematic divisions that can be **legal**, **economic** or **social**. It is defined by the legal setup (form of taxation), size of capital at time of creation, form and limitations of responsibility, form of liquidation at times of bankruptcy, and the various legal procedures and laws related to every classification. Most often, they evolve around the following criteria:

- Legal status;
- Economic field determined by main activity;
- Public, semi-public and private sector affiliation;
- Size and economic weight;
- Private ownership or legal entity;
- Form of creation: individual, partnership or cooperative;
- Material capital;
- Liability of shareholders and its limitations;
- Affiliation to a headquarters, regional branch of an economic organization, or another enterprise.

Each of these classifications determines, in terms of laws and procedures, the mode of financing, the form of creation, the administrative setup, the fiscal form and the social regime.

Many countries, including Muslim ones, do not have a specific definition for the cultural enterprise. On the other hand, in countries that take a keen interest in this form of enterprise they are classified as '**cultural industries**' or '**creative businesses**'.

The compound term of '**cultural industries**' refers to a set of economic activities engaged in the production or utilization of knowledge and information and that are mostly associated with culture. In fact, cultural industries are considered part of creative industries and a major and focal component of what is considered today creative economy. Creative industries encompass all activities of cultural or artistic production including printing, multimedia, audio-visual films, audio recordings, crafts, design, calligraphy, painting and other forms of material and immaterial arts and artistic expressions.

In view of the growing importance of the cultural sector and its creative aspects in modern societies, and within the context of what is called today the new economy, a revolution took place in the coining of new economic terms to keep abreast of developments and keep pace with language use by people. Prominent among these new terms is 'creative economy' which was coined by the economist John Howkins in his book titled: '*Creative Economy: How People Make Money from Ideas*', published in 2001 and where he sees that economic dynamics are not born out of creativity alone, nor of economy alone. They are the result of the fusion and of the mutual push and pull of their relations.

According to Howkins, creative economy comprises publicity, architecture, arts, traditional crafts, design, fashion, filmmaking, music, theatre, publishing, research and development, programming, children's toys and games in general, television, the radio and video games. He cites examples and field experiences that confirm that creative industries play an increasingly important role in the economic wellbeing and that contemporary economy is relying more and more on knowledge production through creativity and innovation.

The sectors and sub-sectors referred to by Howkins and that became the reference par excellence in defining the new economy, economy of knowledge or creative economy all spring from the heart of culture and cultural action. This includes scientific research for development, science being part of culture; and cultural products are the fruits of enterprises that are essentially cultural and that serve culture and embody its diversity.

Economic dynamics are propelled by a three-dimensional engine: science (technology), communication and culture. This has modified the level and form of demand

for products and the exigency of specific features as to technique, aesthetics, symbolism, environment protection or the respect of norms and traditions.

We have observed increased interaction between science, communication and culture to such extents as to influence the rates and distribution of urbanization through the emergence of new cities. These are inspired in names by the one or other prevailing component of the three-dimensional engine, such as 'Creative City', 'Information City', 'Science City', 'Smart City', 'Clean City', or 'Expo City', and similar names that denote the sway that culture, science and communication hold over the re-design of innovative terrain and that is built around a spatial relationship between science, culture and architectural urbanization.

As a key component of this dynamic, the cultural enterprise will soon impose itself on all countries striving for development and advancement, with the help of a sound methodology and well-studied strategies. In fact, cultural enterprise will end up occupying a substantial section of the lists of legal and economic classifications of enterprises and commercial undertakings.

SECTION II

1. CONCEPT OF CULTURAL ENTERPRISE

As defined earlier, the largest share of the goods produced or services rendered by a 'cultural enterprise' has a predominantly cultural load. In some definitions, the cultural enterprise is one that is active in the cultural field and, through its products and services, caters to this field's needs.

A cultural enterprise is an economic and cultural entity that engages in an activity or a set of activities that take shape in processes serving cultural action and reinforcing its diversity and richness. The definition, at its conceptual level, refers to enterprises of which the production involves the design, creation and marketing of a creative and innovative cultural content.

The cultural enterprise is not a novel form of enterprise in the Islamic world. Since the early years of Islam, the Muslim countries have enjoyed a thriving handicrafts sector that carried a strong cultural content, and a dynamic cultural economy market with proper organization, integrated laws, special jurisprudence, religious references and judiciary systems under the (*hisbah*) system. All this enabled the cultural enterprise to progress, thrive and develop within a flexible legislative framework, to respond in the best possible ways to the needs of various social categories and participate in their growth and prosperity.

Our *fiqh* heritage and our ancient cities stand witness through their architectural landmarks and historical monuments and through the crafts that have survived to date, to the solidity and resilience of cultural enterprises, whether individual or collective, in every art, craft or industry, managed by authentic artists who stood out by their cultural levels and historical consciousness and in whose products and activity one senses a richness of innovation and creativity and perceives a genuinely attractive aesthetical framework.

The cultural enterprise revolves around the artist or cultural craftsman. Without him there can be no cultural cachet or genre for the enterprise. The product of the cultural enterprise is the fruit of an essentially artistic practice, executed by the artist working either on his/her own or with the help of technicians and workers. It is their work and effort as individuals and as groups that confer on the product its cultural cachet.

An enterprise can design a cultural product, manufacture it, record it, publish it or distribute it. Once it accomplishes any of these missions it becomes de facto a cultural enterprise.

Authorities such as the Canadian government have defined the cultural enterprise in such a way as to unify the laws and procedures related to this type of enterprise. For example, the Canadians consider that a 'cultural enterprise' is essentially an 'association' of several activities aimed at implementing a given number of cultural programmes and projects. As such, they represent the units operating in the cultural field and engaged in carrying out these projects.

According to this definition, the enterprise becomes part of an interrelated web of cultural centers and associations, museums, historical and civilizational sites with a cultural dimension.

The term 'cultural enterprise' covers all enterprises that operate within the various fields, expressions and manifestations of culture such as fine arts, theatre, music, opera, painting, calligraphy, engraving and cultural heritage. It also encompasses cultural industries such as communication, publishing, recording, photography and exhibitions, heritage enterprises and all other enterprises associated with culture.

Some even consider as cultural enterprises dealing with the local culinary arts, traditional clothing and design and all other enterprises producing culture-related goods or providing services with a distinct cultural cachet.

Some cultural enterprises belong entirely in the cultural sector while others are only partially involved, the distinction depending on how culturally reflective and symbolic the produced goods are.

Cultural enterprises are a distinct feature of society's economic fabric and follow their own plan. They are structures built around adding value and showcasing the importance of cultural work. As such, they confer a priority status on artistic contribution and creativity and place it above financial profitability, economic performance and competitiveness - elements controlled by the market -, the degree of competitiveness and the levels of demand and offer, as well as other elements that govern the economic field as per the methods of modern entrepreneurial management.

Such premises of cultural enterprise represent a constraint in terms of competitiveness and response to the demands of the current economic juncture, but they do not represent an obstacle to the enterprise's distinction and shining performance. On the contrary, they serve as incentives for more efforts in the financial and social field

and in strategic management. Similarly, they encourage those in charge of the social system and its market to innovate in matters of management and harmonious interaction within this type of category, and to identify ways of assisting the enterprise in playing its role in developing culture and boosting cultural contribution.

As a lively element that is strongly associated with civilizational and cultural heritage, the cultural enterprise seems dynamic at the moment of its inception and during the first phases of its life. But very few are the cultural enterprises that avoided becoming conservative (with the claim of respecting art and heritage) and still managed to maintain the momentum, dynamism and sense of adventure that marked its launch and its access to the world of commercial competition and the marketplace.

The concept of '**cultural field**' that the term '**cultural enterprise**' gives rise to is extensive. It includes enterprises dealing with fine arts such as theatre, music, dance and opera, other cultural enterprises such as museums, monuments, historical and tourist sites, and cultural industries such as label companies, film-making companies, printers, artifacts, and audio-visual recordings, as well as cultural expression enterprises dealing with culinary arts, fashion design and other activities that fall within a cultural field marked by diversity, immaterialism and heritage.

In the Canadian and French models, these two countries being the most active in cultural enterprises after the United States which takes the lead, the 'cultural enterprise' is legally defined as a cultural association of public or educational utility, sponsored by a governmental, semi-governmental or institutional organization and supervised by a legally appointed board of trustees dedicated to fulfilling the enterprise's social and educational objectives.

2. CULTURAL ENTERPRISES AND CIVILIZATIONAL ADVANCEMENT

When we address cultural enterprise, we are basically speaking of the dynamic part of the private and semi-private sectors that supports the local and regional culture and promotes its activities. To serve society and advance civilization, this key role player needs to consolidate and facilitate its presence and ensure its dynamism and sustainability by issuing laws and regulations that protect its presence, safeguard its essence and consolidate its activity and contribution.

It is an established fact that the public sector in charge of culture and of the orientation of its policies is unable, alone, to shoulder all the responsibilities inherent to cultural matters, and that this sector should, more than the economic one, involve and put to

contribution all relevant role players in implementing cultural projects that are vital for society. Ranking high among these role players are the private sector and the civil society. The cultural market is an important part of the market if it is not its heart. In fact, the vitality of the cultural market and the broad scope of its activity are an indication of the good health and dynamism of the entire marketplace.

If we give as an example the media sector, the filmmaking and theatre industry, or the crafts sector, we will find that these sectors carry a tremendous cultural charge and are called upon to intensify cooperation and coordination, consult each other and work as a team, share in crucial decision-making, draft policy and orientation documents to guarantee excellence in performance, and enhance cultural and artistic contribution.

If we peruse the studies and research conducted on the role of legislation and decision-making in advanced countries as a preliminary step to issuing laws and measures that promote culture, its institutions and enterprises and that call upon relevant official authorities to lift the constraints hindering the sector, invite them to openness, initiative, and to extend support to the private sector by bringing into play the civil society, we will fully appreciate the role of culture and its institutions in furthering society's growth and development.

3. TYPES OF CULTURAL ENTERPRISES

Many distinctions can be drawn between the various categories of cultural enterprise, between the commercial, social, industrial types, the crafts enterprise, the distribution enterprise and so on so forth. Some are closely associated with heritage and the roots of cultural authenticity and their products reinforce these ties to heritage and entrench identity. Others operate closer to the marketing side, advertising and enhancing the attraction of a product. But both categories are classified as cultural enterprises.

The first one focuses on the product's design and manufacturing and its priority lies in fidelity to the cultural heritage and commitment to a cultural symbolism and load that stands witness to the depth of authenticity and rich diversity. The second one, on the other hand, was created for the purpose of marketing the product as widely as possible and induces the public to buy and use it. The second category's priorities are determined by the public and its wishes and not by the product or its requirements.

These are complementary components of cultural economy but they differ in their management. This is clearly manifest in the artistic dimension of theatre, filmmaking

and such activities that are much closer to the public. But how do we protect the first from the hegemony of the second, and how do we preserve the authenticity and strength of the cultural product while ensuring the public's attraction to it. This will be addressed in the following chapters, particularly as we address the challenges of survival and growth.

Managing a cultural enterprise differs in method and objective from that of a normal enterprise. The enterprise is by nature under obligation to meet the needs of the consumer for its products and satisfy its conditions of good quality. Seen from this perspective, both good and service bow to the requirements of consumer satisfaction and quality and, as a result, are constantly under review and renovation, the cutting line being always customer satisfaction. And that is the normal condition that falls under 'market orientation'. But in the case of cultural enterprise, the sound or most appropriate approach or method seems almost to be the opposite.

Gaining consumer satisfaction is a key condition and efforts focus on influencing the customer through sensitization, enticement, and suspense, motivating him to embrace the service or the good and taking pride in this as a contribution towards the consolidation of local culture and the encouragement of society's cultural activities.

If the director of an economic enterprise transfers to a cultural enterprise without the impetus born out of faith in the importance of cultural action, in the loftiness of cultural work and in its crucial role in self advancement, he or she would notice a stark difference between operation systems, priority and administrative methods. He would suffer boredom if he lacks faith in the precious value of what the enterprise produces. He would find himself in a novel competitive environment that requires novel marketing tools and the obligation of ensuring the success of the product by piquing the interest of the target consumer, showing the product under favorable light and enticing consumers to buy it and appreciate its cultural value and civilizational charge.

The same is observed when parties assess the cultural enterprise's profitability in the absence of criteria that measure its social, educational and cultural contribution and the impact and value added resulting from this contribution. To achieve good results, focusing on the profit aspect when engaging in a cultural action needs to rely on new and different criteria in assessing capital in all its material, social, cultural and civilizational manifestations.

4. CHARACTERISTICS OF THE CULTURAL ENTERPRISE

One distinctive feature of the cultural enterprise is that customer service is not its utmost priority as is the case for other enterprises. In fact, its focus is directed at production according to the rules of the art it promotes and which should be representative of culture before being marketed as a product. Once this is achieved, efforts will be made to attract beneficiaries and only then will the product's appeal be taken into consideration. Marketing comes second to the guarantee of creativity, good quality and, before all that, of fidelity to the cultural value of the product.

There are in the products of the cultural enterprise elements that define the enterprise itself and facilitate its classification within or outside the cultural sector. A product can take two forms: it is either a unique work that has no equal, such as a play, a choreography, a song, a painting or a work of art, or one product of which a small or large number of copies is made such as books, films, records, CD-ROMS, etc...

We also need to draw a distinction between two types of enterprise: those that innovated and created the product and these are truly cultural enterprises, and those that made copies and marketed the product in private or public markets and these are closer in nature to the industrial and commercial enterprise but with a cultural product as their focus. In fact, it may even be the number one beneficiary of the product although the first one enjoys a more culturally consecrated status and stands better chances of being labeled as a cultural enterprise.

As said earlier, the first category relies on cultural competitiveness and distinction on the cultural scene and therefore focuses on the product's creativity and quality, while the second's primary focus is the public and how to market the product as widely as possible. Therefore, the customer, his needs and how to meet them, take precedence.

Cultural enterprise production is still noticeably and alarmingly weak in the Arab and Islamic world if compared to the cultural market in Europe and America and their diverse and outstanding enterprises. A European or American music band can have an annual turnover of 40 to 60 million dollars. This amount corresponds to the budget of an entire State in our world, one that produces so little despite the authenticity and richness of its cultural life, a historical heritage and an abundant civilizational legacy.

Artistic production for example is a highly dynamic field on the cultural scene. It entails working within the open workshop system as opposed to the serial production

used in most industrial enterprises. Making a film, for example, entails a time and location-based distribution, diverse filming forms and roles that vary according to sequences, locations, events and people, repeated interruptions and resumptions of work, then reviews and retakes with additions, omissions and editing, facts that a serial production cannot possibly accommodate.

Once filming is over, the commercial marketing of the cultural product begins by companies that produce the required number of copies of the end product to meet a distribution schedule. Such companies are part of the industrial sector that sports a cultural cachet. Advertisement companies that ensure publicity for the product are considered part of the communication sector despite their commercial identity and cultural activity.

There is a complementarity of the three sectors in cultural production, the guarantee of its quality and its proper distribution and publicity. Each is linked in a way to the concept of cultural enterprise despite variations in their cultural impact and in how effective each is in expressing the cultural significance of the product.

In large enterprises of this type, the objective is usually to re-invent a cultural project in the form of a work of art, achieve a set result, serve a specific event, gain fame or win awards. As a result, the process is often subject to gradual progress, interruptions for review, preparations, and the overlapping of its various components. This requires great flexibility in the management of such enterprises and other features that set them apart from others, whether in the management of human resources or in providing financial liquidity.

Movie, play or concert producing companies find it hard to follow the logic of general enterprises which is marked by systematic working methods and mechanization possibilities. However, this type of cultural enterprise stands out either by its seasonality, by progressive accumulative production, or by voluntary or involuntary interruptions for periods of various lengths. This indicates a lack of constant administration as it is exercised in traditional enterprises. In fact, most of their strength springs from non-managerial, creative and specialized elements that are always associated with the director or manager who is often the pivotal point of work and production. Most often, this person is unable to combine the quality of creative artist, which creativity is his source of motivation and inspiration, and that of the good manager who struggles with the constraints of effort and time to accomplish his duty.

Many features set the cultural product apart from the normal product, which pushes investors towards reserve or reluctance to invest in the field, placing the burden of

supporting cultural enterprises and promoting their market on the shoulders of local authorities and regional and international institutions that are active in culture and development. One of these characteristics is the immaterial component and the heritage symbolism:

- First: Its **immaterial** aspect lies in the difficulty of classifying the cultural product as an economic product without addressing its attributes as it remains largely immaterial in value if we look at its cultural load. Carpets, for example, diverse in color, design and shape from east to west and from north to south, have a much stronger cultural load than the silk, wool or cotton that goes into their weaving. It is the aesthetics and authenticity of the craft, the creativity of the artisan and other immaterial factors that are the key element of attraction in the product and that inspire admiration and pride in it as an expression of the culture, heritage and identity of an ethnic group that has a history, a civilization and a geo-historical presence and that strongly contributes to symbolizing a highly specific local or regional culture.
- Second: It is a **heritage symbol** in that its cultural and symbolic load is a reflection, within the framework of diversity, of a cultural identity and specificity that embodies authenticity and the civilizational depth of the culture expressed, the continuity of its existence and its perseverance on the local, regional and international cultural scene.

It is therefore no wonder that the cultural sector, enterprises and markets reflect a stronger attachment to the artistic side, to cultural expression, good quality and creativity at the expense of market needs and trends.

There is therefore a niche field where we observe a cross-cutting of market and consumer needs with the cultural enterprises' goods and role players. This field experiences more than others a form of activity that is the closest to the traditional management, advertising and marketing styles adopted on the modern economic scene.

And just as there are field discrepancies between cultural enterprises and others, there are also organizational differences, particularly in the legal form of the enterprise. Cultural enterprises are often classified in the non-commercial and non-lucrative class in as much as the law allows this. This entails encouragement and incentives to creativity and innovation dictated by their very nature, and assistance against financial exhaustion and daunting financial expenses. It is equally justified by the

need to reinforce their resilience to obstacles and determination to face challenges, to survive and grow, and to bestow on them a legal framework that exempts them from the taxes and levies normally imposed on commercial enterprises.

Their administrative and legal setup is usually closer to cooperatives and institutions, difficult to be owned by one person, and supervised by a board of directors or trustees who protect their interests and guide their investments.

Another distinctive feature of cultural enterprises is their passion for environment protection. While many industrial and commercial undertakings undermine the environment in many ways, cultural enterprises are mindful of their beautiful surroundings and protective of anything authentic in the society where they evolve.

Even cultural enterprises that utilize natural resources such as wood, minerals, stones and clays adopt a consumption mode that is in harmony with nature and with man's capacity to harness and serve nature's resources. The interaction of a cultural enterprise with nature takes body in an environmental culture that is governed by the values of man's relationship with the environment and with the universe.

Another distinctive feature is the mode of interacting with the beneficiary public. The ordinary enterprise begins its campaign with a survey of consumer needs and requirements in its chosen field of operation. The public represents a dormant power which if properly attracted and served transforms into masses of consumers for the enterprise's products and the power behind increasing demand for them. The cultural enterprise on the other hand searches the public for those suitable to respond to its services and acquire its goods. It does not focus on increasing sales in as much as it strives to raise the aesthetical appreciation of the public, reinforce its attachment to culture and to the products symbolizing it and to authentic cultural creativity. It seeks to sensitize the public to the importance of its products and their civilizational and heritage value.

For such considerations, the advertising of non-cultural products focuses on enticement and presenting sales opportunities to create an impact and stimulate buying and demand urges. Cultural enterprises focus on the historical moment, in time and space, and seek to advertise the cultural event and the schedule of presenting the service or the offer. The first lot focuses on raising consumption levels and product popularity, while the second one showcases the cultural significance of the discourse extolling the product and convincing the buyer of the benefit to be drawn from this purchase.

We often notice that the advertising discourse of the regular enterprise is short and appears repeatedly in various media channels, focusing on the advantages of buying and inducing more consumption with a commercial language riddled with figures and discounts and promises of millions in awards. Many digits figures occupy the position of choice in advertising while this same advertising from a cultural enterprise focuses on the information part, drafted in an elevated cultural language and with the pivotal point of the advert being the cultural event, product or service.

The other characteristic of the cultural enterprise is its form of organization which may not be far from that of its ordinary counterpart but differs widely in terms of content. The first one requires the managing hand of people of arts and culture as no one is better qualified to manage a cultural enterprise than an artist or someone with good cultural management skills. This however does not mean that every artist or intellectual can manage a cultural enterprise. Such task inevitably requires experience, but although the director and his executive team need a conscious knowledge of culture and of local, regional and international cultural affairs, they also need managerial skills to be able to run the cultural enterprise, boost its activity on the cultural marketplace, attain a distinguished position and attract the public. A person with no knowledge of enterprise management has no place in the cultural enterprise's leadership whether he is an intellectual, an artist or else. But someone with expertise and experience in enterprise management needs to master the principles and rules of cultural affairs, activity, market and institutions and the characteristics of this specific market's public.

5. CULTURAL ENTERPRISES AND THE FORMULATION OF CULTURAL POLICY

Mindful of the sensitivity of some administrative authorities to criticism, albeit objective, despite their efforts to accept it, we will steer clear of the subject of cultural economy in Member States to avoid praising one party and criticizing another, although we are all experiencing this historical moment in the Islamic world, a moment that augurs development and growth for some and threatens the less fortunate with economic recession and cultural crisis. We will address some concepts taught at distinguished universities on cultural management and the criticisms contained in these courses of the cultural policy of many advanced European countries.

UNESCO defines cultural policy as **“the sum total of the conscious and deliberate usages, action or lack of action in a society, aimed at meeting certain cultural**

needs through the utilization of all the physical and human resources available to that society at a given time.”

Every cultural policy is embedded in the civilizational and cultural history of society. To present an eloquent image of the various types of policies, the Canadian school presented three models of cultural policies from three advanced countries: the architect state model represented by France, the patron state model represented by Britain and the facilitator state model represented by the United States.

- **The (architect state) model:** In this model, the state plays a leading role in the public and private sectors. It is the main funder, the most important sponsor, a prominent leader in cultural matters and the master of the cultural scene;
- **The (patron state) model:** In this model, the patronage supersedes the managerial aspect. The state supports and sponsors cultural enterprise on certain terms with the aim of serving the objectives set by the government.
- **The (facilitator state) model:** Represented by the United States of America which considers that cultural matters pertain to society and social institutions and that the state's role should be limited to coordinating, regulating and implementing policy, without the responsibility of sponsoring or carrying a major part of the sector's obligations. The State urges the private sector to play its role in sponsoring and protecting the local culture but rarely issues laws to regulate this sponsorship.

France, a model of the architect state, enjoys a distinct cultural status where it is easy to perceive the hand of the State and its management. The cultural enterprise's presence is manifest in cooperative companies that are subsidized by the State and enjoy other financial and tax incentives.

In the case of the facilitating state, such as in the United States, we have observed the emergence of heavyweight enterprises that inject millions and reap billions, particularly in the film industry and the information and communication sectors. This type of giant conglomerates benefit from globalization and move hand in hand with ideology and the spirit of expansionism.

In the patron model, as in Britain, there is a rich plethora of activities by cultural enterprises in distinct fields despite the presence of constraints and conditions.

In the Islamic world we need an outstanding model that draws benefit from all these experiments and takes into consideration the strategies adopted within the frameworks of cooperation, exchange, takaful, cultural crosspollination, and diversity, as well as the policies planned in light of current changes. The aim is to adopt a policy that makes it possible to regulate and boost cultural enterprise, be it in villages, towns or remote areas, and benefit from the fruitful outcome of the marriage of science, communication and culture.

6. INTRODUCTION AND GUIDELINES TO CREATING A CULTURAL ENTERPRISE

The creation of an enterprise is an event of temporal and at the same time spatial importance. It is personal and communal at the same time. It is personal in that it involves the individuals who intend to create an enterprise, but it affects the community at large. When an enterprise is born and its concept transferred from the mind of its creators into the incubator that society is, it grows to become part of that society and stands witness to how lively and renewing society's economic fabric is and how ready it is to seize the promising opportunities of well designed and studied projects.

The project of creating an enterprise requires a profound awareness on the part of its creators about the opportunities on offer, the challenges ahead and a balanced sense of adventure to give shape to a new, lively and effective offshoot of society's economic, social and cultural movement.

The creation of an enterprise requires three elements: the maturity of the idea, determination and a sound strategy.

- **Maturity of the idea:** This means that the idea was extensively studied after the idea became a viable project that deserves risk-taking and adventure.
- **Determination and strong will:** The presence of strong will annihilates hesitation and paves the way for the necessary determination.
- **Sound strategy:** The soundness of the strategy would do away with any sluggishness and ensure the patience and determination necessary at all phases, from inception to the crowning moment.

The maturity of the idea, coupled with a strong willpower and a sound strategy, gives rise to a new tool for testing the efficiency of the social and economic market

and its interactivity with the innovative and the novel on its active scene. They represent a testing moment for the dynamism and interactivity of the economic society and its ability to reinvigorate its fabric, modernize its tools and expand its power and influence.

The creation of an enterprise is an event that affects all these tissues and tools at degrees that vary according to the size of the enterprise and its financial ability, and human resources and know-how. This starts with the real estate operations involved in building or acquiring its premises and facilities, then the employment opportunities created as it sets about hiring the necessary human resources, the acquisition of the necessary equipment to carry out its operations and become productive, the movement of funds and investments made in it, and finally the economic and social market that absorbs its services or goods.

The maturity of the idea, coupled with the strong willpower and the formulation of the appropriate strategy, makes possible the following at the moment of creation:

- 1- Understanding motives and incentives to create an enterprise and its ability to take roots in the market;**
- 2- Defining the system best representative of the enterprise's project and that addresses the various stages of its implementation;**
- 3- Determining training prerequisites and evaluating the need for capacity-building and skill honing;**
- 4- Training in reality diagnosis and analysis and willingness to acquire the capacities necessary to meet needs in the sector where the founder is an expert and of which he masters the social, professional and financial correlations.**

In the absence of judicious thought and insightful approach to reality, and without the capacity to read and analyze, the person wishing to start an enterprise will have great difficulty in avoiding a number of administrative and procedural pitfalls. Therefore, he needs to begin by drawing inspiration from the experience of others instead of hitting one failure after another and becoming a lesson for others.

One phase that can in no event be abridged is the concept's maturity and its progress, with insight and understanding, to the stage of implementation. It is part of the preparation phase, and its final chapter, when reached, corresponds to the state of preparedness. Preparation serves to advance the project from the state of concept to

that of total conceptualization. Preparedness translates into the mobilization of resources with great determination and a firm intention to announce the birth, and deriving the strength and courage to sally forth with sure steps towards the desired future.

The labor pains and the birth's historical moment is essentially a human adventure. At that moment, man's interaction with his society plays a crucial role in success and in the move, with determination, to the genuine recording of the newborn on the book of life as it is not enough to just name it and spell out its place of birth.

Determination to embark on adventure - a well calculated adventure - is therefore essential. But assessing risk, its weight and the need to contain it, is equally necessary as there is no risk-free project. In fact, the presence of risk is the power behind innovation and creativity and success in accessing the workplace and the marketplace. All this implies carrying out the preliminary studies, surveys and in-depth analysis without which the risk would be the harbinger of failure and the equivalent of disaster.

The existence of desire and ambition is essential but the domination of wishful thinking can be fatal. The import of preliminary studies lies in careful consideration of the social, economic and legal implications of the project, ensuring its suitability for its founder and its compatibility with his material and moral capacities, and the cohesion of the project with the set goals, civilizational vision and human values set.

There is no avoiding the internal and external analysis of the enterprise's virtual and real entity. It is essential to study all possibilities and alternatives before taking a decision on the final form of the enterprise so that this decision is an informed one taken in full cognizance of a changing reality and with an understanding of the market and its fluctuations, and its capacity to receive a new ambitious but unseasoned element.

Before the creation of the enterprise, its project is the exclusive property of its founder, but once it becomes a reality its success or failure become the tribute of all people involved with it, investors, employees, suppliers, distributors and beneficiaries alike. In fact, an important part in society's development becomes conditional upon the promising future of this enterprise. Will it embark on the desired success odyssey or will it fall into oblivion?

The first element of import is testing the enthusiasm and dedication of the project founders who intend to turn it into an enterprise, and measuring their faith in its profitability, the weight of their determination to see it through, their faith in the

motivations that led them to it, the nobility of the goals they aspire to achieve, their own appreciation of the risks they run, their professional skills and ability to shoulder the responsibilities that could be entrusted to them, their readiness to experience the labor pains inherent to its creation and their patience in the face of nursing and care responsibilities.

In parallel, it is essential to assess the soundness of the project, the cohesion of its elements, its applicability and viability to serve its founders, its smooth fostering within its host society, its compatibility with the market and its meeting the latter's general and specific conditions. It is equally important to evaluate its ability to start, survive and grow, ensure the attraction of its goods and services, win the trust of the beneficiaries, investors, distributors and suppliers and all social categories and institutions.

We hope that this study - which we wish to present as a guidebook - would stand out in our cultural history thanks to:

- 1. Facility in understanding content and ease of application;**
- 2. Comprehensive and self-explanatory graphics and charts;**
- 3. Indicators that clarify the context, phases and the implementation process of enterprise creation.**

In view of this, we invite anyone wishing to create a cultural enterprise to first assimilate the contents of the guiding principles that we will address below, understand their impact in theory and practice, and then carefully and accurately answer the investigative questions we set forth. By doing so, he or she will have at their disposal a guidebook to help them put to practice the graphics and charts detailing strategy formulation, strategic planning of the management of their enterprises, and decide on the most suitable strategy for their specific project.

These guiding principles and investigative questions and graphics can help achieve the three prerequisites of maturity of concept, determination and sound strategy.

A- Guiding principles

- Determination and renewed self-confidence;**
- Avoiding pessimism and fear of failure;**
- Careful identification of the enterprise's field of activity and ensuring that it is compatible with the founders' knowledge and experience;**

- **Studying the feasibility of the project in all technical, financial and organizational aspects;**
- **Studying the market and its needs in the enterprise's specialty sector and understanding its inherent opportunities, risks and challenges;**
- **All these studies must be preceded by a reading and analysis of reality and of similar past experiences, testing potential alternatives through a scientific approach and with an eye for a strategy that guarantee a reasonable enough degree of certainty and conviction to serve the project, its founders and its social multi-dimensional environment.**
- **Putting to contribution experts and consultants, sparing no expense to ensure maturity of the idea and broader knowledge scopes, disregarding in the process any desire to underestimate the importance of resorting to experts and consultants considering such exercise an intellectual luxury or that the project's size does not warrant such expenses;**
- **Avoiding a launch without a clear vision, a well-defined mission, strategic goals and a precise step-by-step plan;**
- **Taking time to fully answer, in all serenity and in a clear and concise written style, all questions mentioned or those that arise in the various phases of the project.**

On the other hand, there are a number of pitfalls to be avoided such as:

- **Rushing and bridging the various pre-launch phases of the project and preliminary tests;**
- **Launching an ambitious project that exceeds existing capacities;**
- **Isolation, secrecy and lack of team spirit;**
- **Embarking on a field without any relevant experience or one that requires a specific capital of knowledge and know-how;**
- **Giving in to frustration and giving up when confronted by thorny issues or obstacles;**
- **Arrogance and excessive self-confidence;**
- **Disregarding advice, particularly from experienced people with good knowledge of market dynamics.**

One indicator of the project founder's good command of these qualities and immunity against these pitfalls is his or her ability to present the project in brief, without this brevity impinging upon the project's gist, in a clear language, with enthusiasm, systematically explaining all aspects, and showing an ability to convince the other of its viability and boost confidence in its success. In addition to faith in the project's viability, this requires full understanding, training on the convincing discourse, and fruitful dialogue.

This training in skills and adherence to its outcome helps the project founder perceive the fine line between what he aspires to and the limits of what he can achieve. This sober awareness helps the person embarking on a project creation to avoid the pitfalls of arrogance and excessive optimism as well as any pessimism or debilitating hesitations.

B- Investigative questions

It is hoped that by answering the following sets of questions, the project founder will be able to fully understand his project's gist and build up his readiness to prepare the proper environment, logistically and organizationally, to make a reality of the project, while adhering to the guiding and warning instructions mentioned above:

First set of questions:

- **Who am I? How good is my experience and how knowledgeable am I about the field I chose?**
- **What are my desires and the aspirations I wish to fulfill through this project?**
- **How convinced am I of its viability? How convincing will I be vis-à-vis those whose help or services I seek to enlist about the project's viability and importance?**
- **When did the project's idea first strike me? How mature is it in my mind?**
- **What impetuses encouraged me to translate the idea into a real project?**
- **How independent are the necessary decisions I took for the creation of the enterprise on the one hand, and for managing and developing it on the other?**
- **What are my sources? How reliable and accurate are they? How can they be up-dated and renewed?**

Second set of questions:

- What are the project's subject and field?
- What are its main contents and attributes?
- How much is this project needed by society and the economy?
- How do I visualize its interaction with the market and people's willingness to acquire its goods and services?
- Who are the experts I can resort to for further study, research and analysis?
- What are the priorities to pursue in order to carve a position for the project in the social and economic fabric?
- What are the main objectives and secondary goals that I envision for the project?
- What are the implementation phases set initially for the project from the budding phase to leadership status?
- What culture do I wish to see prevail within the enterprise and among management, executive staff and employees, and outside between the enterprise and its public made up of investors, suppliers, distributors, beneficiaries and consumers?

Third set of questions:

- What are the financial needs of the project?
- What are my financial capacities?
- What are the means, mechanisms and facilities needed to kick-start the project?
- What are the financial resources I will need and how available they are at the level of the local labor market?
- Who are the funding parties and what are their conditions?
- What are the investment rules and procedures in the selected geographical site?
- What are its financing and tax privileges?
- What is the share of creative investment and knowledge capital in the project?

Fourth set of questions:

- What are the administrative procedures necessary to obtain the authorization to create the enterprise?

- Which relevant authorities should be contacted in this regard?
- What are the policies in force in the sector of my choice?
- What are the provisions, executive clauses and terms of the business law?
- What similar enterprise can be visited or consulted?
- What are my and my co-founders' needs in training?
- To what extent do I need training to master the digital and information tools of production?
- How much time, at the least and at the most estimates, is needed to implement the project?
- Which companies or enterprises can be enlisted in implementing the project in the best possible configuration and within the set timeframe?
- What communication, information and publicity tools are available?

Fifth set of questions:

- What are the possible development courses when the project is successful?
- What is the threshold at which I can continue to spend without a major return in the hope of developing production and simulating demand for the service or product?
- What is my potential market share?
- What are my main target client groups?
- Who are my distinguished clients?
- What is my competitive edge?
- Who are my main competitors locally, regionally and internationally?
- What are the estimates of offer and demand for the good or service in the local, regional or international markets?
- What is the cost of the good or service?
- What are my needs in basic equipment and technical services?
- What is my energy consumption?
- What is the estimated profit margin in the launch years?

- **What are the red lines that could instigate an overall review or the cessation of all activity?**

Sixth set of questions:

- **Do I have the intention to sell the enterprise at a certain point in time or if the level of success achieved calls for a more ambitious project?**
- **Is there a need to register copyright to protect my concept and creativity?**
- **How do I treat the environment? To what extent do I contribute in its protection?**
- **What is my anticipated contribution to community development and to intellectually and culturally advancing my society?**
- **Does the enterprise require my total dedication to ensure a good performance?**
- **What are the opportunities for my family to help run the enterprise and how do they perceive it?**
- **How does my work at the enterprise affect my personal and family life?**

Providing an honest answer to these sets of questions, in any order, will help draw a distinction between material ambition, exploitation inclinations, love of adventure, aspiration to scientific status, etc...

It will also delineate the framework and elements of the project, its chances at seeing light, growing and surviving, the requirements and limits of assiduousness, market evolution and opportunities, obstacles and how to overcome them, challenges and how to confront them, possible alternatives and projections, and other equally important data and information which will be consolidated by further studies. These will be essential in the formulation of an orientation strategy in terms of vision, mission and goals, an executive strategy in terms of methodology, fields of action and executive mechanisms, and an evaluation and monitoring strategy in terms of assessment, development and upgrade.

C- Graphics and charts

In the present study's annexure we have included graphics and charts that address the formulation of project creation and the strategic planning of its management. The perusal of these graphics will be highly instructional and beneficial for anyone wishing to create, restructure or upgrade a cultural enterprise, reviewing at the same time the questions referred to above and the detailed answers.

First of all, we address the definition of strategy adopted in many of the strategic studies carried out by ISESCO. According to this definition, the strategy is the art of directing will-power to achieve specific goals, facing challenges and overcoming obstacles thanks to an alert mind and a sharp, all-inclusive vision, using efficient executive mechanisms and quantified human and financial resources, mobilizing efforts and conducting regular review and assessment. The strategy does not impose perfection but dictates an ability to meet the requirements of embarking on the quest to fulfill the set goals, with these potentialities expanding and growing continuously in line with the goals set and priorities determined, to reach, after constant review and mobilization, a state where aspirations are met.

When carried into action, this interaction of wills, abilities, actions and development take shape in executive mechanisms referred to by the experts as 'strategic management'.

In terms of capacity, action and development, the strategy stands apart from other forms of programming and planning in that this trio (ability-action-development) is primarily born out of deep reflection, full understanding of the action elements and benchmarks, proper evaluation, and sound management. These elements are dynamically interrelated since every development expands the scope of ability, and every expansion calls for further development.

Mastering strategic management calls for a rich experience coupled with a fourfold capacity:

- 1- Capacity to analyze the economic, social and cultural reality, understand its dynamics and the strengths;**
- 2- Ability to identify reality development needs and priorities and the obstacles hindering this;**
- 3- Ability to understand the strategic act that responds to these needs according to a scale of integration and development priorities;**
- 4- Ability to properly utilize the tools of influence within this reality.**

If we address these four forms of capacity, which embody the second element in project creation and launch (willpower), as we try to shed more light on its impetuses and its manifestations on the ground, we will come out with the expressive graphics appearing in the annexure on the method of creating and managing an enterprise, irrespective of the laws and procedures locally in force.

7. MANAGEMENT OF CULTURAL ENTERPRISES

As mentioned earlier, the term '**cultural enterprise**' encompasses a heterogeneous mix of enterprises operating in various cultural fields (public libraries, museums, exhibitions, arts, heritage preservation, entrainment, theater, cinema, audio records, cultural tourism, cultural industries, etc...). This entails a large diversity in approaches and practices, wide dissimilarities in focus on financial and administrative independence, discrepancies in the perception of growth through the capitalization of profits, and whether the enterprise's capital is predominantly public, semi-public or private.

The multiplicity of technical, financial and human options and the need to invent new management forms enable cultural enterprises to engage in a review with the intent of modernizing and upgrading their enterprises and drawing benefit from the commercial sector's instruments to optimize the utilization of their resources; as well as speeding up the process, driven by authorities in charge of cultural policy, of legislating and issuing rules and regulations that promote profitability, and particularly those related to financial analysis, auditing, restructuring expenditures and the guarantee of profitability.

An enterprise is a living entity that grows, expands, falls prey to ailments and crises, toils and struggles to survive, grows old and ceases to exist. Any management approach that does not take that into consideration will fail to meet the basic conditions of survival or those of expansion and stability.

Once it has gone through the phases of the personal glory of its founders, the enterprise tends to become more conservative, less inclined to adventure and more cautious in its approach to new developments. It raises the level of its confidence in its own market projections and approaches its expansion and the diversification of its investments with more firmness and caution.

It may also have to analyze and review its components and working conditions to ensure a constant state of soundness. However, the fear of accusations of being in full crisis or ailing prevents many enterprises from engaging this comprehensive self-review and analysis, so much so that they end up with the inevitable stumble and spreading weakness as result of tergiversation. The situation is only reversible through the drastic restructuring of management and working systems and the implementation of advanced management strategies, both in theory and in practice.

The term 'management' has gained notoriety especially within the modern management sciences. Its schools and methods are numerous and diverse, particularly in

the United States where the first management theories were put forth and in whose academic centers and institutions an impressive amount of development, review, amendment and innovation takes place in this field. Such progress inspires awe in some people's ability to keep pace with development and in the others' inability to assimilate it.

Today, two major schools of thought share the activity of theorizing in modern management sciences:

- The **classical school** which adopts the approaches of Taylor, Ford, Fayol and Weber and which sought to make the art of management a universal science by searching for the best practices in corporate management.
- The **contemporary school** within which falls Mintzberg who considers the art of management a complex science with many cross-cutting methodological applications and a host of elements of correlated and advanced movement.

Entrepreneurial management is not a mere sequence of legal and administrative processes. It is instead a form of integration within a development project, a contribution to moving the wheels of economy, the advancement of social sectors, and a direct and indirect impact on society's cultural expression and enrichment of its diversity.

Entrepreneurial management as logic and a *modus operandi* requires prior awareness of reality, of the interplay of its elements and of its full potential. It also requires an assessment of the human and material resources, but most particularly an awareness of the social ground and components of society and the foundation where its specificity is rooted. This would help avoid clashes, for only the few experienced and seasoned appreciate that an enterprise will, come a certain time, clash with the reality's unyielding limits.

The view of perfect management as one where the human and financial resources are put to use to secure the highest profitability at the lowest cost is adopted by many schools, including Taylorism, as the true definition of management. But this approach is far from suitable for cultural affairs and the management of its industries and service institutions in view of the difficulty of tailoring culture to fit the market with its rigid capitalist definition.

Economists and management experts all concur that one of the success factors in entrepreneurial management is the existence of close ties between leadership and subordinates on the one hand, and between the enterprise and its beneficiaries on the

other hand. These relations inherently entail the existence of noble values that govern behavior and regulate relations, values that are represented in culture by practices and actions inspired from the spring of society's authentic culture that advance the activity of its institutions and enrich its manifestations.

Major crises were experienced in recent years in the enterprise sector when some leaders diverted the natural course and objectives of their enterprises to serve their own interests and whims. This has led to the current stifling economic crisis, gave rise to theories of governance and monitoring, and forced modern theoreticians to reinstate culture, values and transparency as key elements in guaranteeing good management and sound administration in every company or enterprise, irrespective of its size, field or scope of impact.

The enterprise is a social edifice, a cultural component and an economic powerhouse, an entity where these three dimensions of which none should overpower the other move in symbiosis even if the economic dimension continues to be the wide open gateway of all transactions to the marketplace.

Crosier and Mintzberg consider the enterprise a social unit before being an economic one, evolving within a dynamic framework where a number of elements are at play. Each of these elements tries to fulfill its strategies and specific goals, and endeavors to expand its scope of action, bridge the gap in its information on relevant social and economic fields, improve its knowledge of market dynamics and demand and offer levels, and understand the cultural, psychological and social factors impacting on these levels.

Business management considers the success of an enterprise to be its ability to achieve its own goals within mechanisms and methods that meet at the same time the social goals which serve both the enterprise and society.

Modern management sciences consider that a manager's expertise is evident in his ability to direct the market and influence the customer. But in the case of the cultural enterprise, he has to concentrate his efforts on cultural aspects, endeavor to showcase the product's heritage component and cultural dimension in all their manifestations and symbols and its role in representing society's cultural identity and contribution to the intrinsic cultural diversity.

In each of his steps, he needs to be very knowledgeable about society, heritage and civilization and master the skill of elevating the public's taste to higher standards to better appreciate the cultural product and what it stands for, extolling the public's participation in promoting and consolidating cultural contribution through product acquisition.

Culture and its inherent element of creativity cannot be listed among endangered goods at times of recession, regression and bankruptcy, except in the absence of a dynamic cultural policy and of a cultural interaction with the public and its diverse cultural and artistic interests.

The cultural product is special and needs further cultural, educational and information efforts to bring the consumer up to higher levels of taste, enable him to master the tools of cultural distinction and appreciate the need for culture in its myriad forms of creativity. This product can at no cost be subjected to a mutation in nature or construction by reason of cost and increased productivity considerations as these only result in the distortion of its cultural connotation and its civilizational message.

Cultural enterprises differ in style and approach from commercial undertakings in their management and commercial administration. Each has its own managerial style and methods that are dictated by the cultural cachet of the product and its artistic and civilizational cachet.

This specificity which calls for a clean break from the concepts of pure profitability propels the cultural enterprise into a market replete with material risks and consequences, as these are perceived through the dominant economic perspective, that threaten a breakdown of the enterprise. Some products carry a strong connotation of identity and social specificity, with what this entails in terms of boosting cultural diversity and preserving the cultural authenticity of society. Unfortunately, these products do not enjoy wide popularity and are not in as high a demand as similar but commercially packaged industrial products that benefit from publicity campaigns built around attracting the public and influencing consumer trends.

In many cases, local publicity and orientation tools are busy at work promoting some foreign cultural product, exploiting the openness, progressiveness and alleged universality of the market culture and the pressure to espouse the drive of cultural globalization.

A- Ensuring compatibility of strategy and initiative

Time within an enterprise is not the normal perceived time; it is more of a timeframe for achievement, performance and investment. Enterprises vie with each other to master time as a capital to be utilized in the short, medium or long terms. Management has to reconcile the demands of each timeframe to avoid clashes and ensure that profitability or financial constraints within the timeframes set for programmes and projects do not impose a change in plans in the near or distant future.

The creativity and innovation capital is more important than the financial capital when the weight of the immaterial grows heavier in the industrial and economic field. Thus, honing skills and building capacities, adopting ongoing training systems to enhance know-how and build capacities, introducing the enterprise to management innovations and adopting a strategy with a culture and value dimension, consecrate the role of the cultural enterprise and consolidate its presence and impact on the economic scene.

This explains the move towards decentralization in the organizational structure of the enterprise following a task allocation strategy and with the guarantee of an environment conducive to decision making and consultations on the choice of alternatives, and the cohesion of the main processes of classical management from planning, to management, to coordination and finally monitoring but within a dynamic context that is fully interactive with the economic market and that serves society in accordance with a value system dictated by actions geared towards social development.

Mintzberg's school which monitored the interaction, activities and efforts of managers and management institutions for decades noted that such efforts and actions evolved around three activity axes:

- **Interpersonal:** The manager represents the enterprise in the outside world, motivates his subordinates and supervises their coordination.
- **Informational:** The manager is in charge of the information setup specific to the enterprise. He provides parties in and outside the enterprise with the required information.
- **Decisional:** The manager redresses disparities in the enterprise's performance, rallies the strengths of the enterprises and negotiates with all parties, internal and external, to attain the enterprise's goals.

B- Protecting the enterprise from administrative corruption or personal gain

One of the tasks of contemporary entrepreneurial management is to protect the enterprise against administrative corruption or the harnessing of the unit's resources to serve the personal interests of one person or group of persons outside its legal framework and against its set strategic goals.

The manager therefore understands the rules and terms of governance in its contemporary form, and the requirements of transparency, clarity in method, precision of financial reports, and objectivity in reporting through various publications, general reports and other information media.

C- Attributes of cultural management

Cultural management was first taught in 1966 at Yale University, United States of America. Speaking of '**cultural management**' presupposes the existence of an economic market with a cultural inclination, and the prosperity of an art of management that can be labeled as cultural. The cultural market has its own specificity within the local, regional and international contexts and requires a style of management that keeps this specificity in mind, protecting and encouraging it, and that preserves the richness, diversity and quality, and balances authenticity with innovation.

It is important to draw a line between cultural management as it is taught now in theory and practice at some universities and institutes in advanced countries, and the cross-cultural management which, as a result of globalization and of the need to know the cultures of consuming peoples, embodies the untapped reservoir of demand for goods, and has become an art in its own right taught as part of international administration or international economic management.

The latter seeks mainly to present a system aimed at training managers and leaders of international commercial undertakings, at building their skills and knowledge of cultural differences and preferences of consumers worldwide, which differences represent a challenge for enterprises and units that are internationally active.

The management approach relies on performance mechanisms and their ability to enhance the enterprise's competitive edge and develop its readiness to serve society through the following four dimensions:

- **Economic dimension:** This dimension pertains to the enterprise's ability, as management, staff and workers, to fulfill the goals set through an optimal utilization of the resources and tools at hand. On the ground, this dimension becomes manifest through the enterprise's ability to occupy a distinguished position on the market where it operates, and guarantee its own continuity and growth.
- **Financial dimension:** This pertains to the enterprise's ability to create value for the shareholder of the unit's capital (human-material-scientific capital).
- **Competitiveness dimension** refers to the enterprise's ability to respond in the best possible manner to the demands of customers and to guarantee satisfaction about the quality of the service rendered or the product while keeping costs under control.

- **Social dimension** is manifest in the enterprise's ability to provide tangible services to society, its integration within the productive fabric and in its participation in society's development drive.

A distinguished, harmonious and balanced presence at all these levels requires qualitative management and good organization and management skills.

D- Enterprise needs in strategic expertise

Many enterprises manage their affairs without the advantage of a set strategy as their founders and managers fail to perceive the need for expending effort and money on what is for them an administrative and theoretical luxury that is no more than a set of elaborate texts and drawings, meanwhile the art of operation and the secret of success are believed to be in the mind of the founding entrepreneur.

In many instances, the enterprise is forced to draw up a strategy as a condition to obtain bank financing, material support, commercial facilities or qualification to participate in local and regional economic events. At such times, the enterprise resorts to formulating a strategy guided by the activities and the administrative processes applied. These activities and processes become the core while the strategy objectives, methods and mechanisms become secondary. As a result, the strategy loses its practical dimension to become a mere administrative report on the activities of the enterprise within a given context and a certain point in time.

An enterprise such as this is usually motivated by the need to expand in order to survive. Its management focuses on buffing up the image of a glorious past, considering matters of innovation, creativity and good management as matters that do not go beyond the walls of private schools and universities. At the end, success is built on market nepotism and lobbying the authorities seen as masters of the market-place, holding the keys of its management and prosperity.

Instead of directing the largest part of attention at the conditions and needs of the demand group, developing the product to be innovative and creative and achieving better quality, more satisfaction and higher demand, the focus becomes influencing the hearts of people in power and decision-makers, obtaining circumstantial gains for the sake of status and of securing material or moral support.

Entrepreneurial management is disrupted and prevented from achieving distinction and openness by a focus on internal management as per the traditional concept of

operation and organizational service. Adherence to work processes takes precedence over excellence in attracting benefits for the enterprise, furthering its expansion and boosting its reputation and status within the market. Strict adherence here becomes a pitfall since it acts as an obstacle to innovation and excellence in serving the future of the enterprise and is in fact reduced to obeisance by the subordinate to his supervisor instead of loyalty to the goals of the enterprise and its interests and advancement. There is a huge difference between cooperation, solidarity and attachment to performance and teamwork to achieve a better future, and reducing leadership to awaiting instructions, obedience and compliance to the letter.

There has to be a degree of freedom within boundaries, a margin for action with the possibilities of retreat and review, and a reasonable pinch of adventure that may not be entirely risk-free but is within the limits that guard against disaster. We did mention earlier that the entrepreneur places his money and investment at risk but has confidence in his actions and in a better future.

For example, South Koreans were the first to invent banking services through mobile phone smart cards and not the British who have a prestigious history in banking. It was American airlines that enabled their travelers to buy, inflight, a laptop and other advanced electronic devices while many European and Asian airlines remained loyal to the traditional sales of perfumes, pens and small gift items.

The reference is made here to 'service engineering' within the enterprise where attention is paid to the possibilities of expanding the enterprise's horizon and developing its activities at three levels: **quality of goods and services, awareness of market demands, and of the form of competition.**

In enterprises where governmental or semi-governmental authorities play some role of orientation and monitoring the supervisor or manager often experiences difficulty in combining his role as a responsible manager who enjoys full freedom to steer his enterprise towards higher levels of performance and more success in response to market demands, and adherence to the conditions of responsible management and of managing the sensitivities of senior members. At best, he is often hesitant to make a decisive choice between being an dutiful director or an outstanding entrepreneur.

In many cultural enterprises operating in the fields of theater, exhibitions and museums, we come across men who have worked hard to elevate their enterprises to a performance level that is consistent with the demands and numbers of beneficiaries. Yet, once they reach these lofty positions, they are cast aside, under various pretexts, to

the benefit of others who hail from the mother authority and who focus most of their efforts on polishing the image of the administration and simulating great dedication in their dealings with leadership from the pyramidal angle.

Our aim is not to go into detail about the arts of modern enterprise management and, instead, we refer the reader to the graphics section prepared for this purpose. The graphics provide systematic analysis and explanation of the main components of strategic planning that we deemed most appropriate for cultural management from the Islamic perspective of cultural enterprises and creative business. The graphics provide succinct and focused explanations that are easy to assimilate and that address executive processes in a good and flowing sequence.

E- Cultural marketing

Cultural marketing is a form of marketing aimed at reaching a segment of the market based on such marketing elements as price, distribution and incentives and that establish a connection between the cultural product or service of a given cultural enterprise and a substantial group of people interested in purchasing the product or benefitting from the service either in response to the product's popularity or as an expression of pride in its cultural, social and educational value.

In traditional marketing, the approach is based on understanding the needs of the consumers and producing only that which meets their requirements. In cultural marketing, on the other hand, the approach follows the vision of the artist and the take of the cultural expert on which masses could be interested in the cultural product or service presented.

In defining its marketing drive, each enterprise starts with a main objective which is to meet a demand of the consumers. The enterprise assesses this demand using the information analysis system at its disposal and determines how to cater to this need using its resources, production mechanisms and human and knowledge capital and taking the following course: market-information system-enterprise-commercial setup-market.

The market is then the starting point and the final destination of marketing.

But in cultural marketing, the product becomes the starting point and the market is the final destination, and that is one of its most important peculiarities.

Because the marketing methodology of the traditional enterprise requires increasing profitability and reducing costs, the enterprise may refrain from producing a product

or providing a service if they are not in demand by consumers. But in the case of cultural enterprise and marketing, the methodology revolves around the product itself and to what extent it meets requirements in terms of cultural load and how representative it is of culture. The experience and good management of the enterprise lies in its ability to attract the consumer and convince him of buying the product, the interaction being primarily artistic and not financial.

But cultural marketing in the above mentioned form does not apply to all cultural enterprises. There are some that resort to the market-based method, particularly if they operate in the publishing and distribution of cultural products and not in their production. These enterprises are labeled as cultural by their mere presence in the sector, but they are industrial in essence and have the right to deal with the consumer from the perspective of demand.

Such enterprises which operate as intermediaries between the original product and the consumer conduct the preliminary market studies, assessment of demand and analysis of data on consumer tastes before entering into a contract with the producing enterprise.

As a cultural enterprise, a theater troupe is for example different from the one in charge of managing the theater or recording plays for mass and digital media, although the latter is still considered as a cultural enterprise.

8. LEGAL FRAMEWORK OF THE CULTURAL ENTERPRISE

In most countries, cultural enterprises are subject to the same rules and regulations applicable to mainstream enterprises. Equal in the eyes of the law is concrete and steel making, tomato production and cultural production. However, countries that were vanguard in dealing with cultural affairs and cognizant of their connection to identity and the need to protect them against the disadvantages of globalization have conferred certain privileges on the cultural enterprise in response to its particularity and its class of activity.

Laws governing enterprises differ from one country to another in the Islamic world, varying in accordance with whether the business laws followed are in origin Anglo-Saxon or French or a combination of both. For this reason, we will address this issue in broad terms which will surely benefit all. However, the person wishing to create a cultural enterprise will have to refer to the laws and procedures applicable in the country of creation.

The law starts by defining the concept of cultural enterprise. In the sources and legislative texts perused, this definition states that the enterprise is an “economic unit that is legally independent, organized in such a way as to manufacture products or render services in the interest of the economic market.”

The legal framework adopted by several countries does not meet the requirements of the legislator and the beneficiaries due to the lack of texts addressing the various forms that a cultural enterprise can take. The size, scope of action - whether local or international -, as well as social, economic and human role of the enterprise confer specificity on the enterprise as well as other attributes that make the definition more complex and different from one economics school or institution to another.

Texts addressing the enterprise's fields and services are rather diverse. Accordingly, the enterprise can be:

- A production unit and a source of important services that cater to life's economic and social aspects and society's interactions internally and with its environment.
- A source and a shared element at all levels in value added distribution between capital holders, financing institutions, and the relevant social institutions, including government authorities.
- A consumption and investment unit, consuming materials from various sources and forms and investing various types of capital, including the human, knowledge, cultural and material ones, in accordance with a utilitarian system that is interactive with its social, economic, political, educational and cultural environment. It is a production, consumption and investment unit of which the efficiency is conditional upon meeting all conditions of competitiveness and quality and the local, regional and international constraints.

In the investigative questions, we referred to the need to take stock of the different laws in force and the regulations and procedures in order to better meet the conditions set locally by the law, and understand the latter's concepts and provisions.

Entrepreneurship is a quest for discovery, a search for innovation, a sharp eye for opportunities, and a good understanding of the market potentialities that meet society's needs.

CONCLUSION:

With the passage of time, cultural practices have grown more diverse at the world's level. Appreciating in tandem with this growth is the need to fully understand cross-cultural management in order to keep pace with change, be capable of bridging the gap of knowledge and communication with the diverse cultures, and take a lively interest in cultural institutions, creative industries and cultural production enterprises.

The world has witnessed a leap in cultural or creative economy since the emergence of a globalization of which the trends have triggered a counter reaction for the protection of cultural specificity and the preservation of diversity and the plurality of its expressions. Cultural economy has become a distinct field that has drawn the attention of many governments and institutions who realized its political and social value and potential and the part it can play in local and regional development. They also experienced its fruitful activities and projects aimed at consolidating cultural diversity and safeguarding civilizational identity, as well as the tasks and actions it entails in terms of regulation and legislation and the review of the administrative structures and organizational procedures of cultural institutions, centers and authorities.

Steering clear of academic theorizing, we have endeavored to make this study a guidebook but not a substitute for the laws and legislation governing the field. Nonetheless, it does enrich and open up the mind with its probing questions and graphics and encourages us to take further interest in this key powerhouse of creative economy: the cultural enterprise.

