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Academic workshop on  
**CRAFTS**  
**business, society, sustainability**

**May 26, 2023 – Venice, Italy**

Hosted by: Ca' Foscari University - Department of Management

Co-organized by: Ca' Foscari University, Copenhagen Business School, IT University of Copenhagen, University of Gothenburg, University of Tor Vergata

**Call for contributions**

Has modern industry and mass manufacturing put an end to craft practices? Craft sectors face a series of challenges that put the sector and associated heritage at risk. Younger generations move less into crafts, crafts education has become more contemplative and less practical, many craft clusters and their interconnectivity has declined, and globalisation, industrialisation, changes in consumer culture, and the subsequent mass manufacturing are bringing about several pressures to craft sectors. Moreover, the increased use of advanced digital technologies in manufacturing challenges the productivity and competitiveness of traditional craft-makers, who are either threatened by digital innovations or, even when welcoming them, are only weakly supported and trained for by institutions.

These challenges make the need for research and innovation activities in craft sectors particularly compelling. We know that many craft workers are thriving in 21<sup>st</sup> century economy and many of these by working collaboratively with new digital technology. If cutting-edge technologies are brought together with craft processes, however, this encounter must be socially, culturally, environmentally, and economically sustainable. New sustainable business models for the craft sectors need to be developed, by innovating crafts through digital technologies for sustainable social innovation, crafting visions for the future of crafts in the circular economy, and developing organizational and entrepreneurial skills, soft skills and cultural awareness for traditional craft-makers of the future.

Horizon Europe has recently funded a major international and collaborative research project called **HEPHAESTUS** which brings together researchers and practitioners across Europe to research, preserve and, at the same time, innovate craft sectors to deliver a cutting-edge, creative, and sustainable technology-driven economy based on cultural heritage. To kick off HEPHAESTUS, we are therefore launching a trans-disciplinary workshop, with a call for contributions spanning, focusing on, or even transcending, the following macro areas: **crafts and business, crafts and society, crafts and sustainability**.

Emerging research ideas, empirical contributions or conceptual reflections on crafts, addressing (but not limiting to) these macro areas can be submitted in the form of a **long abstract by March 31, 2023, to Maria Lusiani ([maria.lusiani@unive.it](mailto:maria.lusiani@unive.it)) and Fabrizio Panozzo ([bauhaus@unive.it](mailto:bauhaus@unive.it))**.

More background to *HEPHAESTUS* and the call:

### **Crafts & business**

Whilst the concepts of business models (BM) and business model innovation (BMI) have been extensively discussed in the management canon (Wirtz et al., 2015; Zott et al., 2010), BM and BMI in craft have been overlooked. The BMI literature has been fundamental in understanding models of firm growth (Keiningham et al., 2020), sustaining competitive advantage (Kranich & Wald, 2018), and creating new markets for innovative products and services (Goffin & Mitchell, 2005). BMI is defined as “the search for new logics of the firm and new ways to create and capture value for its stakeholders; it focuses primarily on finding new ways to generate revenues and defines value propositions for customers, suppliers, and partners” (Casadesus-Masanell & Zhu, 2013, p. 464). Business models are innovative when they help rethink organisational processes (Spieth et al., 2014), create the conditions for innovating products and services (Goffin & Mitchell, 2005), reconfigure external partners (Sosna et al., 2010), respond and react to changes to improve organisational performance (Johnson et al., 2008; Sorescu, 2017), and create a new market (Amit & Zott, 2012).

Yet, there are no distinctive or sector-specific business models and processes appropriate for craft enterprises. Business models do not typically facilitate non-economic values (Mongelli & Rullani, 2017), and yet the social and cultural values produced by socially innovative organisations, such as those in the cultural and creative sectors, are inherent to the business (Gasparin et al., 2021). It is important to extract and capture the different sets of values by understanding how value is created and how it moves between or translates across different elements of a business network including producers, consumers, local government, regulators, and legal practice (Freudenreich et al., 2020). We want to know how craft is implicated not only in the persistence of existing values but in the possible creation of new values (values attached to the environment, well-being, community, etc. (Parmar et al., 2010). A reflection on the specificity of business models and their innovation in crafts settings is therefore called for.

### **Crafts & society**

Another overlooked area is the difference and relationship between the urban and the rural in patterns of traditional and emerging craft practices. Whilst in large cities and urban areas multiple relationships between digital technologies and craft-makers are nowadays integrated and embedded in the urban ecosystems, the rural and regional ones are often left behind. Craft ecosystems in rural and regional areas are at higher risk of disappearing as European cultural policy has only partially addressed the problem of unequal access to opportunities for non-urban based craft enterprises. There is little research currently been conducted that can help us understand non-urban creative practices (Duxbury, 2021), but they are vital to restoring regional economic balance and combatting widening disparities between regional and urban areas (Habersetzer et al., 2020). One possible way forward to expand craft regional ecosystems is to give access to craft-makers to cutting-edge technologies, for example through the help of local Fablabs, which empower entrepreneurs’ ideas, leveraging insights from the communities working in this space, e.g. social relationships within communities, engagement of individuals who share a passion, and help each other to accomplish their projects.

Surprisingly, systematic research on craft enterprises in regional ecosystems has not yet been conducted, despite crafts being incredibly important to society and the economy. We know they create a shared sense of identity, culture, and values but we need to explore these issues more fully

and examine the ways in which the craft sector helps create jobs that are different to the modern urban mass-industry factories. We need to know how they strengthen social cohesion and how they nurture and contribute to innovation that improves the overall capacity of economies and markets. Therefore, we call for more research on craft ecosystems, on the role of crafts in local communities as well as the role of communities in shaping, maintaining, or restricting craft production and its social value. We want to know what role technology plays in these ecosystems. Are we still stuck between technophiles and Luddites? Or are there interesting stories to be found about new converts to digital technology, or new understandings of what technology or the digital can mean in new maker spaces, urban regeneration schemes, regenerative agriculture in rural areas, etc.

### **Crafts & sustainability**

Research on ethics and sustainability is flourishing in organization and management scholarship (e.g. the concepts of social innovation and circular economy). Explicit links between ethics and social innovation are harder to find. Where Social innovation (SI) explicitly seeks societal change, alongside a positive impact on financial performance (Mongelli & Rullani, 2017), craft industries are often accused of being anachronisms that stand in the way of 'progress'. We know that social innovation creates social value beyond the capacity of the existing system (Adams & Hess, 2010) and so we want to know what intimations of the future might be discovered by looking more closely at existing and emerging craft practices. The dominant espoused motivations of small and medium-sized enterprises practicing SI for example are to tackle societal problems, challenge the status quo, and develop sustainable and inclusive growth (Gasparin et al., 2021). Is there systematic evidence that these motivations are realized in practice?

Finally what role might we see for the circular economy? The circular economy is a broader systemic concept defined by Geissdoerfer et al. (2018) as "a regenerative system in which resource input and waste, emission, and energy leakage are minimised by slowing, closing and narrowing material and energy loops'. Importantly, Geissdoerfer et al. go on to explain that "*This can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, and recycling.*" At first sight this looks precisely like a definition of craft practice. Might the future of resource efficiency and productivity, employment opportunities, and environmental sustainability be found in craft sectors where new visions of business and society are being forged and lived by increasing numbers of (young?old?) people.

Clearly, crafts are a setting in which these topics could and should be particularly prominent. The New European Bauhaus (NEB), for example, as a creative and transdisciplinary movement in the making, connects science and technology, art and culture by leveraging green and digital challenges to transform our lives for the better, matching sustainability with good design, steering the transformation of the craft ecosystems along the values of sustainability (circularity, zero pollution, and biodiversity preservation); aesthetics (quality objects, quality experiences); and inclusion (diversity, accessibility, affordability). However, we need to extend our understanding of where innovative approaches to sustainability are being experimented, trialed and being scaled-up to encompass ever wider circles of business practice at community and societal-wide levels. More research is needed to bring to the surface the role that crafts can play in these grand challenges.