

The art hub in the World Heritage Site, Georgetown: a case study of creative sector entrepreneurship in the context of gentrification

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ABSTRACT This research examines the role of an art organisation, which operates largely as a social enterprise, in responding to the issues of gentrification and the resulting displacement of communities embodying the local culture in Georgetown, Malaysia. The case study art hub has developed into an internationally acclaimed space for innovative ventures including an art gallery and units for arts, craft and food entrepreneurs. The research method includes first stage questionnaire and in-depth interviews to understand the managing strategies and innovation practices. With their innovative business strategies, the art organisation forms an extended network with the local art community and is positioned as the focal point in a mini entrepreneurial ecosystem. Through the case study in Georgetown, Malaysia, the research contributes to the understanding of the strength and challenges of innovative social entrepreneurship for cultural and creative organisations.

Keywords: creative enterprise; innovative entrepreneurship; sustainable entrepreneurship; relational aspects of ingenuity; boundary work and networking.

Introduction

Gentrification (Glass, 1964), a global phenomenon in many World Heritage Sites, results in the displacement of long-term residents and causes erosion of local culture and heritage. Georgetown, a post-British colonial town in Penang, Malaysia, shares the same experience, especially due to the growth of tourism and influx of external capital investment after it has been inscribed as a UNESCO World Heritage Site in 2008. However, there has also been an increase in cultural activities in Georgetown as documented in policy reports (Think City, 2016). Especially in tourist sites, city planner attempt to develop the city and offer the space for tourists in order to attract investment and induce economic development. In most instances, gentrification is detrimental to the livelihood of local residents. However, top down

approaches to urban development might not always be successful in helping long-term indigenous residents.

The concept of ‘self-gentrification’ (Chan et al, 2016) is applied to this paper in order to understand how local residents “fight back”, reclaim their space, conserve their heritage and develop their culture, and improve their economic and social standing. Nonetheless there is limited understanding of how local residents could achieve the above objectives sustainably and the challenges they encounter. In the case of heritage and cultural reach localities, creative workers and artists might be attracted to be early gentrifiers – but could also contribute positively in enriching local resident participation in cultural activities. Cultural producers, which include artists, writers, curators, performers and marginalised groups, embody different narratives of a post-colonial city (Beswick et al., 2015).

This paper looks into the innovation development and challenges of the selected arts organisation as an example of self-gentrification. The organisation was formed with a group of private investors, with the intention to cultivate the local art community and to provide a platform for young artists. Although the organisation was meant to at least break-even financially, they have in practice prioritised their social mission to cultivate the local artist community as they do not face strong pressure from investors to achieve financial returns. Therefore, in this article, we argue that although the case organisation was set up as a private sector venture, operates on a social entrepreneur approach in practice as it accommodates around twenty artists with extremely low rent as a support. We use the case of this artistic hub as an example to examine how an art organisation can play the role of a creative and a social enterprise that cultivates its local art community and increases the connections with the resident community. To have a comprehensive understanding, we look into how they engage local artists and local residents innovate and what type of innovation they have chosen and which approach, and issues of funding and challenges in financial sustainability.

This paper contributes to the study of creative enterprise by discussing the innovative approaches that have been taken by an art organisation in the context of gentrification. It also presents how the organisation, as an established resident in Georgetown became a self-gentrifier that seeks opportunities to improve the social standing of the local art community. The article argues that the case organisation builds its extended network from previous collaborations that assist the innovation development of the organisation, and adopts the approach of a social enterprise to support its art community members, thereby placing itself into a key position in the sector.

Literature review

Gentrification, cultural entrepreneur and social enterprise

In Glass (1964), the term gentrification was used to describe the phenomenon of changing housing stock in Islington, London, caused by the changing industrial structure (Ley 1981, 1996) and the changes in preferences and working pattern of the rising white collar workers (Butler, 1997; Ley 1980). Since the

1990s, gentrification has been seen as a “generalized urban strategy for municipal governments in consort with private capital in cities around the world” (Smith, 2002, p.441). As the result of structural changes in the economy from industrial manufacturing to post-industrial business, lower classes were displaced by upper-middle classes (Smith, 2002; Zukin, 1995). State-led gentrification has also been introduced in many Asia cities, as Kim (2016) points out, while local governments adopt gentrification as an urban regeneration policy, “inter-urban competition intensifies the homogenisation of urban landscapes at the expense of visual and conspicuous urban transformations led by local governments through activities such as festivals, exhibitions, and various cultural events, thereby dismissing everyday lives on the level of mundanity” (Kim, 2016, p.134). This policy also leads to the result that the manufacturing-based economy is replaced by post-industrial knowledge and service-based economy as well as the rise of the creative industries. According to Zukin (1991), artists who have the ability to interpret meanings of cultural values would also be able to become involved in framing the spatial appropriation and selling cultural products. For example, in New York and Los Angeles, the presence of artists in studios and galleries and the display of art could contribute to claiming cities’ worldwide status (Zukin, 1995). Furthermore, the presence of artists would also attract other professionals who share the same or similar cultural capitals (Lloyd, 2002; Peck, 2005). In addition to artists, Lloyd (2002) examined ‘digital bohemia’, such as young musicians, designers in media and technology industries, around Wicker Park in Chicago and concluded that their subcultural affiliations also play important roles in forming the post-industrial economy.

The top-down, state-led gentrification happens in a better organised manner and a larger scale but may serve certain political objectives (Hackworth & Smith, 2001; Lees, 2008) and might lead to the neglect of long-term residents. Chan et al. (2016, p. 1265) introduce the concept of self-gentrification: “Under the threat of gentrification, the long-term residents adopt a proactive approach to become the ‘gentry’ themselves. ... benefiting from the positive aspects of gentrification whilst avoiding many of the negative effects, particularly displacement”. There are two categories of self-gentrifier, i.e. returning migrants, who moved back home after an extended period of time away, and the local entrepreneurs, who evolve through frequent interaction with tourists, the newcomers and outsiders. In the case of Honghe Hani Rice Terraces World Heritage Site, China, Chan et al. (2016) demonstrate that the returning migrants are often equipped with better knowledge, skills, and social capital, whereas local entrepreneurs rely more on personal attributes, motivation to transform and to learn from “outsiders”. The article (Chen et al., 2016 p. 1276) further argued that “when long-term residents are proactive and feel empowered to appropriate tourism development, this can also contribute to social equity, sustainability of the community ...”. In this article, the studied art organisation is considered a local entrepreneur that intends to empower themselves in the area that gentrification has been taking place.

Apart from the government policy, the influx of creative classes (Florida, 2002) would also assist in transforming the urban area. Peck (2005) points out that among the creative classes, there are many service workers and low income cultur-

al producers, it is also noteworthy to understand their strategies of living and working in urban areas (Doucet, 2009). Zukin (2010) uses the term cultural entrepreneur to refer to artists, writers, musicians and other cultural producers with roles as both artists and business people who are mainly based in local communities. Cultural entrepreneurs could be seen as those who occupy the upper-middle class in the overall creative class. However, instead of replacing or displacing others, they provide comfortable social spaces (Kim, 2016).

In this paper, an art organisation, is selected as a case study to examine an instance of cultural entrepreneurship where the entrepreneurs teamed up and operate in a social enterprise approach with an intention to cultivate and develop the local art community. As a local entrepreneurial venture, the organisation empowers local residents to self-gentrify in a city where gentrification is taking place. This article demonstrates how they ride against the wave of gentrification, trying to occupy the “space” and helping their community of artists to excel, as well as promoting art and appreciation of arts among the local residents.

With the rising emphasis on cultural and creative industries, the number of arts-based social enterprises has been increasing (Terjesen et al. 2012), relating to the fact that while art market is gaining in popularity globally, government funding for the arts has been declining (Deloitte Art and Finance Report, 2013). McQuilten et al. (p.15) argues that “in a context where there is a greater reliance on self-generated income due to lack of government and philanthropic support”, social enterprise in arts is commonly found in areas of textile art, craft, fashion and design as opposed to the areas of exhibitions, dealership and gallery sales, where access to capital is easier. Initiated by the mission of empowering the local community, the organisation studied in this paper shares the characteristics of a social enterprise, which has been recognised as an organisation that applies business approaches to achieve its social mission (Dees 1998; Nicholls 2007).

In addition to social enterprise, arts entrepreneurship is a specific form of entrepreneurial activity that has attracted increasing interest in the arts management literature and in the broader entrepreneurship literature. It is defined broadly as the management process through which cultural producers can create artistic as well as social and economic value, while they maintain their autonomy and support their creativity (Chang and Wyszormiski, 2015). Courses on arts entrepreneurship have been added to arts school curriculum and there is increasing emphasis on how artists can attract new audiences; the need to attract younger, more technologically savvy audiences and the decline in government support for the arts are factors driving arts entrepreneurship (Chang and Wyszormiski, 2015). Sacco et al. (2009) have discussed how fostering local entrepreneurship contributes to a region’s cultural development. Yet, arts administrators have raised concerns that arts entrepreneurship shifts the focus towards monetary success rather than artistic merit (Beckman, 2007).

Although creating wealth is not the priority of social enterprises, they still have the same challenges that private enterprise would have in order to survive in the market. Especially, social enterprises operate as an enterprise but serve a social mission, the hybrid characteristics also raise new challenges (Alter, 2004). Compared with private sector organisations, Austin et al. (2006) point out that social

enterprises have more difficulties in obtaining enough resources, such as recruiting talents, and limited financial resources. It has been recognised that applying management strategies from private enterprises could help social enterprises to secure the resources and managing the organisation effectively (Kearns, 2000; Rens & Associates, 2010). To proactively face the challenges, Dees (1998) suggests it is necessary for social enterprises to emphasise their innovation and social influences, while achieving different objectives in different stages in order to eventually have a great impact of the society.

As the study from Social Enterprise UK (2013, p.32) demonstrates, “social enterprises are considerably more innovative than their SME peers”. Westall (2007) argues that innovation is important for a social enterprise as it helps the organisation to explore the opportunities and tackle limitations, as the continual innovation makes the organisation more capable in obtaining resources, finding opportunities for collaborations and creating impact. Osborne and Flynn (1997) also recognised the significance of the innovation in a social enterprise and state that an innovative organisation tends to be more outward-oriented and have a stronger strategic network. In Miles and Green’s (2007) ‘Hidden innovation in the creative industries’, they point out innovations can be read in six dimensions, which include process of production, technology, delivery, cultural concept, cultural product and user interface.

The suggestion McQuilten et al. (2015) is particularly useful in this research as the organisation under study is considered a creative enterprise that applies a social entrepreneurship approach. It is suggested that innovation for social enterprise in art needs to focus on the strategies of “constant research for new markets and products, and innovative ideas for production and design aimed at increasing the level of creativity among the employees” (McQuilten et al. 2015, p.28). These dimensions will be used for the analysis in this article, and the focus will be put on examining the innovation of cultural product, delivery and user interface, as they are directly related to how the selected arts organisation improves their communication with its audience and community and creates an impact in the area. Innovation of cultural product focuses on the product that carries the cultural meanings or information, innovation of delivery address how the information is delivered and become accessible, and innovation of user interface looks into the communication between the examined case and its audience.

Methodology

This study examines the development of the organisation and its achievements and challenges through a combination of social network analysis and qualitative methods. The research for this case study was conducted as part of the research project that aims to understand the overall network and innovation development of the creative and cultural sectors in the World Heritage Site, Georgetown in Malaysia. The research methods include a semi-structured questionnaire and in-depth interviews with the management team regarding their entrepreneurial orientation and strategy, engagement with innovative practices and the relationships formed be-

tween the organisation and actors from the creative sector, the arts and local communities.

The research team has conducted three interviews with the examined art hub, interviewees include the general manager, the curator (gallery manager) and an on-site graphic designer, between December 2017 and April 2018. In order to build the general picture of the creative and cultural sectors in Georgetown, the semi-structured questionnaire was designed with the focus on the general picture of the organisation, such as their firm size, the composition of the organisation, their orientation of innovativeness and entrepreneurial orientation, and their interactions with external actors. Through the questionnaire, the organisation's social network is examined, from looking into different relations such as exchange of advice, access to funding and financial resources, specific collaborations and access to talent. The questionnaire also asked about their talent resources, such as where do they recruit their members. The questionnaire interview contains 6 sections, 64 questions and lasted about 2 hours with the key actors of the organisation. Since the first interview is questionnaire-based, the details of their responses were followed up in the second stage data collection, the in-depth interviews.

In order to examine the detailed context of the development of the organisation, semi-structured interviews were conducted. The interviews put the emphasis on their managing goals and strategies, and their advisory and support network in the area as well as their relationships with other related organisations, such as local government, other art organisations, and international art foundations. There are two interviews conducted, in the first case study in-depth interview, we also asked about the origins of the venture and how their first temporary exhibition led into a permanent gallery. From their responses, we further asked their perspective on the whole art and creative industry in Georgetown and Penang, such as their observation on the changes of the industry and the responses of the general public. With the intention of understanding their network as well as the sources of their talents and ideas, the experiences of working with other art organisations, international artists and governmental parties were also covered in the interview. At the end of the interview, to illustrate their role in the industry and the area, we invited them to share their plan in the next 5 to 10 years and their expectations on the organisation as well as the whole sector in Penang.

Compared to the first in-depth interview that lasted about 90 minutes, the second in-depth interview was meant to be a follow-up interview. In order to have a much more comprehensive understanding on the role of the case organisation in the art community, a graphic designer, who is based there full time, was invited to join the follow-up interview and provided his experiences of working there as well as his view on the role of the organisation in the art community in Georgetown. In the follow-up interview, we used the examples and responses from the previous interviews to further tease out their innovative approaches and relationships with the wider society. With a new interviewee, this interview also offered additional views from the art community and the influences of the space.

The context of the art hub, and their position in the sector. The examined art hub locates in the area that has been heavily developed, the space for leisure and art is

scarce and the connections between the art community and the local residents are limited. The site was built by Georgetown Municipal Transport in 1947 as part of recovery plan form World War II and it was run by Hin Company Limited which operated the motorbus service. In the 70's, the bus depot was believed to be the best looking bus depot in Penang, however, it was shut down in 1999 and became idle space. In 2013 the bus depot was reused to host an exhibition by Ernest Zacharevic, a Lithuanian artist who introduced murals to Penang. Since this inaugural exhibition, the organisation started to earn its reputation as a creative space in Penang.

In order to hold the exhibition, the bus depot was repaired and renovated. The exhibition 'Art is Rubbish is Art' opened on 17th January 2014, and attracted attention from the public and media. With the success of Zacharevic's exhibition, the managing team then was encouraged by the state government to manage the place as a contemporary art space in Penang. The place has been expanded from mural art space to include a gallery, deck, mural garden, lawn and retail outlets. It now includes an art gallery, innovative shops, artists' workplaces and a pop up art market every Sunday morning. It has become a creative hub for young artists and businesses with innovative approaches, especially start-up businesses.

The case study plays an active role in the art community locally and internationally. Today, its managing team of four consists of managers, curators and designers, responsible for managing the space for art exhibitions, creative events and business. Unlike other fine art galleries, the examined art hub is positioned to fill in the gap as a platform for uprising artists by its managing team and aims to increase the accessibility of the gallery. As the general manager puts, 'we really want to focus and do good art, ..., you know people come, people start to enjoy the art and hang out and enjoy the space as well.' The focus is to offer creative experiences to its community. In addition to the platform for the artists, the managing team also identified there is a need from the public, who has been keeping a distance from the 'white cube' kind of galleries and wishes to engage with art activities. Along with the success of Zacharevic's exhibition, the curator observes that the trend of street art or public art has become more popular. Compared to five years ago, when the interactions between the art community and the local public in Penang was limited, now the local public are also encouraged to visit the art more, although "they are not much really going to white box gallery" as the curator puts.

The geographic location of being at the edge of World Heritage buffer zone also gives the organisation the advantage of attracting people who visit the WHS but could be managed without the restriction from the regulations imposed on the WHS area. In addition, the influences of festivals, especially George Town Festival, has increased the trend of 'bringing art outside', such as street art and public art, "you can see the more like the alternative way is they are coming up in Malaysia... keep the artist to bring this art outside. It not just street art but we call it more on public art. Topography outside, sculptures are outside, interactive art outside and not just inside a confined space". Since public art has been established as a distinctive strength of the gallery, the identity of the space has been gradually recognised and the organisation could attract more artists and develop into an influential creative hub in Penang.

The creative space attracts young artists with affordable rent and extended networks, however, the organisation is still struggling to be financially self-sustainable. Not only is its size relatively small in Penang but also there are constraints in the local art market. Consequently, its financial performance has not grown as much as its reputation. For example, compared to other traditional art galleries, the art hub claimed to be more welcoming for young artists and supportive toward high risk ideas, as a result, their productions do not always guarantee the return of their investment.

Research results

Network

The extended network has been the biggest advantage for the organisation to build its reputation as a creative space and to achieve its mission of building a platform for the local young artists. Although the organisation is part of the meeting, incentives, conventions and exhibitions industry (MICE), which is under the Penang Convention & Exhibition Bureau and focusing on coordinating business events, it builds the connections mainly on the staff's personal and informal network. The managing team states that the art community in Penang is relatively small and considered to be friendly and supportive, thus, even the organisation is not in any formal organisations, there are chances to establish new connections from the existing ones. Their flexible network also reflects the nature of the creative class (Florida, 2002) and could simulate the fluidity of resources and innovations that assist the art hub in forming a better and more comfortable space for other artists (Kim, 2016).

Although the examined art hub has a small team of regular staff, their experiences in the art industry in previous positions and collaborations give them extensive connections and support on building their reputation and sustaining the space. The organisation has worked with many freelancers who are based locally or in Malaysia, such as designers and photographers, as well as university students in Penang. These relationships range from internship to giving exhibitions of their works.

Especially after the collaboration with Zacharevic, who is described as the Penang art embassy, many international connections were introduced through him. In addition, the organisation has established other international links with US embassy and Japan Foundation through working with individual artists. The international connections become one of the main source where they learnt about innovative ideas, new approaches and sometimes accessed resources. From their experiences of international collaborations, they have projects with foreign funding from Germany, Taiwan and Korea, the funding was intended to create the awareness of their culture. As the manager points out, 'Japan Foundation is one of the few foundations that have done many shows here', in those exhibitions, there will be some objects from Japan or a Japanese artist is part of the show. But this type of approach and support is rarely found in Penang, as most of the fund that the organisation has is from its stakeholders rather than other public sector funders.

Innovation development

After its incorporation into a formal organisation, it is necessary that the management team need a strategic approach to run the space. Especially with the intention of cultivating the art community in Georgetown, Penang, where the organisation was the first public art space, the conventional management for fine art galleries, such as highlighting artworks with specific lighting indoor or building relationships with agents, would not be suitable for it.

As Calcagno and Balzarini (2016) point out, it is common that arts entrepreneurs often face artistic responsibility as well as business requirements. This can also be found in this case where the responsibility of producing creative artworks exclusively falls on the artists. On the other hand, the management team is responsible for the business part, such as the approaches of recruiting talent, maintaining talent, bringing in more resources, and so on. Their innovation development can be divided into two main categories, one in the innovations of cultural products and delivery and the other is the innovations of user interface (Miles and Green, 2008). The former one looks into the new approaches they have taken in order to improve the quality of the art, such as how they attract creative artists and staff to build a better platform for artists as well as improve the sustainability of it. The later focuses on the innovative approaches of the communication with its audience and partner artists. Through the discussion, it can be understood to what extent the organisation provides a platform for artists and the general public.

Innovations of cultural products and delivery

In order to sustain and build on the reputation of a creative hub, the organisation has dedicated its efforts on increasing the input of talents and ideas as well as looking into innovative solution and to improve its management ability (Moulaert et al. 2005; Van Slyke & Newman, 2006). Particularly, working with various artists, curators and designers offers great opportunities to learn new approaches, new knowledge and ideas. From the collaboration with Zacharevic, they have established international contacts. Some of these new connections would also lead them to a further connection and the formation of a much extended network. For example, the connection with British author and curator, Gabija Grusaite, who was introduced through Zacharevic, then later led to another collaboration with Urban nation, who is based in Berlin, for a street art festival. These international collaborations not only introduced fresh ideas about art and exhibitions, they also offered further channels for the organisation to expand its community further.

Consistent to their international collaborations, most of the connections within the local area, Georgetown Malaysia, are also built with individual artists, curators, art collectors and project managers rather than formal or governmental organisations. Similar to the current management team, who were hired from reference for their art related background, the interns and freelancers were also mostly recruited from personal networks. While the organisation has benefited from new artistic ideas from the collaboration with international artists, the working relation-

ships with locally based freelancers are particularly helpful in management aspects, such as project management and space management.

Expanding the space for attracting similar minded people as their business partners is the other strategy it takes to manage the identity of the space. In addition to art exhibitions in the gallery, the expanded space allows many activities and businesses to take place in the premises, and renting out units also becomes the main source of income. Its tenants include food businesses such as coffee shops and other smaller galleries, as well as 18 other artists who are based on the outer surrounded area that has been bought by the organisation. In addition to renting out the space, a pop-up market is held on Sundays that offers young artists the opportunity to gain exposure and market their works. As the manager comments, they “also have attracted many experimental ideas, as the space is also used by the local community, some of the ideas were not accepted very well but we still welcome these ideas”.

Unlike traditional art galleries that are described as ‘white boxes’ by the curator, the case organisation is an open space gallery, which is considered to be more inviting for the public and allows various of types of artworks to be presented. Through working with people from different backgrounds and different career stages, the organisation absorbs the experiences and knowledge from external parties and becomes a platform for the artists to share knowledge, techniques and ideas (March and Simon 1958).

Innovation of user interface

Communicating with its communities is the biggest drive for the organisation to develop new tools or apply new technology. They rely on online platforms to manage their connections. Newsletter is one of the main tools that they use to reach out to their audience and visitors. The decision of using online platform was made from learning the experiences of other art actors, according to the managing team. It is effective for them to receive feedback and invite more people to visit the gallery. Especially, concerning their biggest audience is the younger generation that receives information from social media more often than other traditional ways. Having the young audience in mind, social media, such as Facebook and Instagram, is one of the new approaches they use to reach out to their audience, visitors and communities, as well as receiving feedback from them. Nevertheless, because of the limited resources, their market research has not been conducted in a structured and systematic way but was conducted in a relatively informal way, as the managing team admitted “we don’t have any formal survey with the audience because of the funding”, the engagement with the local community is mainly from informal communication and observations.

Although the management team has emphasised their communication with its communities, compared to the communication with artists, the interactions between the local public attracts relatively less attention. The emphasis of the communication has been placed on the art community, for instance, the organisation has developed a database of the exhibitions they have held, these archival materials assist them in managing the relationships with their collaborating partners. In addi-

tion, one of their future plans is to apply the new technology, QR code, to deliver the information of the exhibited artworks to their visitors, as well as an online platform that allows them to trade their art collections online.

The organisation has put its focus on delivering the art; this is also related to their mission of supporting young artists. The managing team claims that they have full autonomy of running the site from the investors. Instead of prioritising profit, they welcome any creative ideas and encourage artists to take the risk in exhibitions. As the on-sites graphic designer recalled, there was sensitive topic exhibited in their gallery with the full support from the managing team, even though the society was not fully appreciative. They are, however, cautious in dealing with any art expression that carries sensitive political overtones.

Discussion

In the above discussion, the research has shown that the organisation has been applying different types of innovative approach in order to improve their performance as well as to achieve their mission, building the local art community and offering a platform for young artists. Although from the managing approach, the art hub is not run as a non-profit social enterprise, such as it still tries to generate profit by renting out spaces and taking commission; turning profit and becoming sustainable financially is still the biggest challenge for them, especially when prioritising profit contradicts the goal of supporting artists.

On the other hand, as discussed in the literature, instead of judging from the economic performance, the measurement of a social enterprise would be better to place the emphasis on their achievement on increasing social value. In this case, the increased social value can be found in their widely known reputation of an encouraging platform for rising young artists as well as an inviting art space for the general public. However, from the discussion of innovation of user interface, the organisation has dedicated its effort more on the connections with the art community, and has earned the recognition from the artists, art organisations and the local government, whereas for the local community, it is still arguable where the distance between artists or other cultural producers has been shortened.

However, the sustainability of the space has been one of the biggest concerns for the managing team which includes two main issues, one is how to become financially self-sustained, as the general manager states, '[u]ntil today, we are still not able to sustain this place. I still have to ask [the] owner for money... Very obvious the art work does not sell good. Every exhibition will do but we don't really make any money at all'. Apart from selling art and holding art exhibitions, as discussed above, renting out space is another income resource for the organisation. As the managing focus is to build the space as a creative space, the managing team prefers to rent their space to creative and passionate people, however, '[b]ecause you want creative environment, you want creative people with passion, so you have to reduce the rental. Usually rental with no money'.

Another is the unknown future of the physical space. The location has been seen as an advantage, however, sitting in the area that has been the focus of development, it is still a concern for the management team that the site "will even-

tually be developed”, says the general manager. As a result, instead of having a grand plan for the space, the emphasis of the future plan is to continue building the reputation of the space and to sustain it as long as possible. Their concerns of the space will be redeveloped also show on their response regarding the state project, Penang Art District, which is intended to be an art space and platform to encourage the public engagement. The location of Penang Art District is only few blocks away from where the organisation is; another nearby art space could potentially become a threat to them. However, according to the manager they actually welcome the project and willing to support the project on building the local community, and to “take the burden off them”.

In addition, the other main difficulty is to recruit and retain staff, even though the managing team is optimistic about art industry in Malaysia and Penang, they still struggle to extend the working relationship from short-term projects. However, the difficulty of employing long-term staff seems to be inevitable. With the success of building a platform for young artists and others to exchange ideas, and a relatively extensive collaborative network in Penang, staff may be offered new opportunities following their work with the organisation. For instance, the on-site graphic designer chooses to leave for further education after 5 years of experience. As the gallery manager noted it is still difficult to plan long-term for a career in the arts in Penang.

Limitation

This paper is part of the research project that examines the creative and cultural industries in the World Heritage Site, Georgetown in Malaysia. Due to the scope of this article, the discussion focuses on the examinations of the case study of the wider social influences, such as policies, have not been reviewed and addressed much. However, with the emphasis on the case study, the networking and operation strategies of the organisation, a self-gentrifier in WHS, have been clearly shown and discussed.

Conclusion

In this paper, the development of an arts organisation is argued as an example of self-gentrification where long-term residents seek to improve and secure their places in the context of gentrification. Especially since Georgetown has been inscribed as World Heritage Site, Penang has attracted significant amount of external investment and has undergone the process of urban development, and raise of living cost. Similar to other gentrification examples, along with the development in the urban area, living costs have also raised, and local artists would gradually lose their place in the area. In the article, the crucial position of the organisation has been shown with their mission of improving the social standing of local art community.

Austin et al. (2006) suggests that in order to tackle the challenges of scarce resources, organizations establishing an extended network can improve their communication skills on promoting their social value thereby have more opportunities to secure their resources. Assisted from their existing network, the strategy of

emphasising on building the reputation contributes more on increasing the social value and further contributes to the organisation's position in the wider sector and in the area. The organisation starts to obtain the critical position that not only does it have influence in the local art community but also has some impact on the governmental plan of building an art district in Penang. The examination of the case study shows that as an art gallery, it adopts innovative approach from the idea of 'cultural entrepreneur', sharing the responsibilities of managing the business and creating art with its partner artists, nevertheless with a social entrepreneurship approach, which focuses on building the community and supporting young artists.

Through the examination of the case study, this paper has demonstrated that to what extent an art organisation can play the role of self-gentrifier and contribute in retaining the art community in the developed surrounding while connecting the art community and the wider society. Especially with social missions in mind, cultural enterprises like the examined art hub could benefit from the application of a social entrepreneurship approach to strengthen their social standing in the gentrifying neighbourhood. It is shown in the above discussion, the strategy of emphasis on building its reputation also assists in extending networks and attracting innovative ideas and talents, which are key elements for enterprises with scarce resources.

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