

Chapter 3. The Artisan: A Sustainable Entrepreneur

Leonie Baldacchino, Christine Cutajar

Abstract

The thrust of the argument in this paper is that artisans can make valuable contributions to the holistic values of sustainable development. These contributions could include both environmental concerns, such as the reduction and recycling of waste and the use of local, natural materials in craft production, as well as the social aspects of developing and preserving local knowledge and skills and the provision of sustainable employment and self-actualisation opportunities. These would in turn be of value in economic terms, as they would enable artisans to develop “prosperous, vibrant enterprises” (Ferraro, White, Cox, Bebbington, & Wilson, 2011, p. 21) which incorporate all three (environmental, social and economic) elements of sustainable development, thus transforming artisans into sustainable entrepreneurs. This paper forms part of a larger research project currently being conducted among artisans in Malta, aimed at assessing the current conditions and practices of Maltese artisans and their traditional craft production in the light of creativity, innovation and sustainability. It reports on an informal preliminary round of research carried out with artisans at the Ta’ Qali Crafts Village in Malta, which sheds some light upon certain unfavourable conditions that are threatening the survival of traditional artisans in Malta. These include unfair competition from mass produced imports, an inadequate certification system for genuine crafts, uninformed and unappreciative local customers, and fluctuations in tourist rates. The paper concludes by giving an outline of the steps that should follow this preliminary research, and by making practical recommendations for the survival, prosperity and sustainability of genuine Maltese artisan enterprises in the context of a market that is not congenial to artisans.

Keywords: Artisans; Crafts; Sustainability; Sustainable Entrepreneurship; Small Island State

1. INTRODUCTION

Human creations which are moulded through the creative process of the artisan are often superficially valued solely on the basis of their aesthetic and functional features. However, delving deeper

into the world of artisans, one may be surprised by the powerful and practical contributions that they could make to the holistic values of sustainable development. This paper aims to show that it is possible and beneficial for artisans to incorporate all three (environmental, social and economic) elements of sustainability into their practice, and that in so doing, they would become sustainable entrepreneurs who could contribute to the fourth element of sustainability: a sustainable culture. This paper presses home the point that artisans could and should be sustainable entrepreneurs, thus making a contribution to the literatures on crafts and on sustainable entrepreneurship.

A second aim of this paper is to identify some of the threats and challenges faced by artisans in Malta, given the small island state context in which they operate, coupled with the particular difficulties inherent to the genuine crafts sector. A third and final aim of this paper is to suggest measures which would encourage artisans to engage in sustainable practices and which would safeguard their existence and prosperity in the face of their ever-increasing vulnerability.

After defining the artisan and reviewing the literature on sustainability and sustainable entrepreneurship, this paper provides an overview of some of the ways in which artisans could incorporate the environmental, social and economic elements of sustainability into their practice in order to become sustainable entrepreneurs. It is against such a background that the threats faced by artisans in Malta are highlighted. The focus of this paper is on artisans who are engaged in commercial activity and are therefore deemed to be subject to the same general conditions as other SMEs operating in a small island state. The literature review sheds light on these conditions, even though it has to be stated that the sector-specific challenges to which artisans are susceptible have not yet been adequately documented in the literature. This paper attempts to identify these challenges by means of an informal exploratory study conducted among artisans at Ta’ Qali Crafts Village in Malta. As this paper forms part of a larger research project currently being conducted among artisans in Malta, an outline of the future research steps is provided,

followed by practical recommendations for the survival and sustainability of the genuine artisan enterprise.

2. DEFINING THE ARTISAN

A common approach in defining the artisan is to refer to the crafts that artisans produce and to the processes involved in their production. The artisan is in fact often called a craftsman, while the practice in which artisans are engaged is termed craftsmanship. This paper adopts a similar approach, defining artisans by virtue of the processes in which they engage and the crafts that they produce. What, then, are crafts and craftsmanship?

Metcalf (1997) draws a distinction between “craft-as-skilful-labour” and “craft-as-a-class-of-objects” (p. 69). The former refers to a skill and “implies learning and expertise applied to work” (p. 69), while the latter refers to a physical object, or to the product of skilful labour. In order to classify as a craft, such a physical object must possess at least one of the following characteristics. First, it must be “crafted”, or “made substantially by hand, utilising the hand itself, hand tools, and to some degree, power tools” (p. 70). Second, an object would be classified as a craft if it is made out of “traditional craft materials, use of traditional craft techniques, and addressing a traditional craft context” (p. 70). To Metcalf, traditional craft techniques and materials are ones which have been in use since the pre-industrial period. Although these criteria are quite flexible, Metcalf maintains that “the more an object exemplifies these characteristics, the more craftlike it is” (p. 69).

Metcalf’s views of crafts are in line with the definition provided in the final report of an international symposium on crafts and the international market held by the United Nations Educational, Scientific and Cultural Organisation (UNESCO) in collaboration with the International Trade Centre (ITC) in 1997. This report defines crafts as those tangible products which artisans mould entirely with their own hands, or partially with the help of tools or machinery, “as long as the direct manual contribution of the artisan remains the most substantial component of the finished product” (UNESCO/ITC, 1997, p. 6). This report further specifies that the values emerging from the unique characteristics of the particular crafts result “from their distinctive features, which can

be utilitarian, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional, religiously and socially symbolic and significant” (ibid.). Although some authors (e.g., Cox & Bebbington, n/d) view crafts as being produced in limited amounts, the UNESCO/ITC report does not place any quantity restrictions in their classification of crafts. It does, however, list the use of raw materials from sustainable sources as part of their definition.

In the view of the above, this paper defines an artisan **as a skilled person who creates objects of aesthetic and/or functional value, mainly by manual labour, using traditional craft techniques and/or materials.**

3. DEFINING SUSTAINABLE DEVELOPMENT

In line with the huge leaps that have been made over the years where scientific and technological discoveries are concerned, human beings have devised an ever-increasing array of ways in which to use and abuse Earth’s natural resources. Decades ago, it may have appeared that the abundance of nature is infinite, leading to the misconception that nature is ours to exploit, not only to provide the necessities required for survival, but also to lead an indulgent, luxurious life. This has resulted in the squandering of natural resources and the production of excessive amounts of harmful waste and toxins. Recent times have however witnessed a growing awareness that natural resources are not at all infinite, and that human activity has a huge impact on the natural environment. Environmental problems such as climate change are now seen as warning signs from nature that our extravagant lifestyles may be compromising the possibility for future generations to lead healthy, productive lives.

In response to the above, the concept of sustainable development has emerged to promote a more considerate use of natural resources and preservation of the natural environment. This concept originated from the North-American Iroquois tribes’ philosophy which stated that “Sustainable development is development that meets the needs of the present without compromising the needs of future generations to meet their own needs”. In 1987, the Brundtland Commission (then known as the World Commission on Environment and Development – WCED) adopted this definition, and named environmental, social

and economic development as the three crucial pillars upon which sustainable development must be built.

In more recent years, culture has been argued to constitute a fourth pillar that is essential for sustainable development, as it is embedded in the value systems of societies and is therefore a key determinant of behaviour. Ehrenfeld (2005) maintains that “underlying cultural values will always trump technology and design in determining behaviour. It is at that bedrock level that the foundation for sustainability must be built” (p. 25). Nurse (2006) concurs and explains that “culture shapes what we mean by development and determines how people act in the world” (p. 37). A culture which is built upon the principles of sustainable development thus provides an internal platform for society to nurture the other three pillars of sustainable development and to incorporate them into daily life. A shift in cultural values is thus pivotal for creating sustainable societies

4. DEFINING SUSTAINABLE ENTREPRENEURSHIP

“Sustainable entrepreneurship is a combination of creating sustainable development on the one hand, and entrepreneurship on the other (Masurel, 2007, p. 191).”

Sustainable entrepreneurship is a spin-off concept which is derived from the notion of sustainable development. Crals and Vereeck (2004) explain that “sustainable entrepreneurs are those companies that contribute to sustainable development by doing business in a sustainable way” (p. 2). While traditional businesses are concerned exclusively with financial gains, sustainable entrepreneurs are also concerned with environmental and social matters. Therefore like sustainable development, sustainable entrepreneurship is built upon the pillars of environmental, social and economic development.

These pillars are sometimes referred to as the 3 Ps: Planet, People and Profit. The first “P”, Planet, refers to the environmental dimension and is concerned with the impact organisations have on the natural environment. This includes the protection of natural resources and ecosystem (Crals & Vereeck, 2004), and involves the “discovery and implementation of new, more environmentally friendly, product or process

technologies” (Katsikis & Kyrgidou, 2007, p. 2). The second “P”, People, relates to the social dimension and is concerned with the behaviour of organisations in social and ethical issues. This includes the way organisations treat their employees and whether they promote social cohesion and protection of human rights (Crals & Vereeck, 2004). The social dimension of sustainable entrepreneurship aims to achieve social change and to make resources available to a larger number of people. While financial gains are understood to be essential in order to ensure viability, the focus of the social dimension is primarily on creating social value (Katsikis & Kyrgidou, 2007). The third “P”, Profit, relates to the economic dimension and refers to the financial results of organisations, together with the use and allocation of resources for employment, investment in machines, and distribution of returns between key players in the entrepreneurial process (Crals & Vereeck, 2004).

Another conceptualisation of the 3 Ps model is the Triple Bottom Line view of entrepreneurship, which evaluates organisations not only on the basis of their financial performance but also in terms of their environmental and social achievements (Chapas, 2003).

It is hereby argued that for entrepreneurs to move towards more sustainable practices, they need to fully embrace the values of sustainability as their personal worldview. These values would ensure that they would always consider the social and environmental aspects when pursuing economic opportunities. This argument stresses the cultural element of sustainability as discussed in Section 3 above, which maintains that the concept of sustainability needs to become embedded in the mindset and cultural values of a society.

5. THE BENEFITS OF SUSTAINABLE ENTREPRENEURSHIP

At this stage, one may ask: Why should an entrepreneur be concerned with anything other than making profit? What would motivate an entrepreneur to invest energy, time and money in safeguarding the natural environment and society, rather than on maximising financial gain? How can the concept of sustainability become ingrained in the entrepreneur’s mindset?

Bos (cited in Crals & Vereeck, 2004) identifies two main reasons for organisations to act in socially and ecologically responsible ways. The first is

because not doing so generates bad publicity for the organisation. The second is concerned with the idealism that drives so many organisations which view themselves as more than solely profit-making ventures.

It is interesting that many large, often multinational organisations publicise their Corporate Social Responsibility (CSR) practices. Although they may share the true sustainability idealism, it is clear that the CSR publicity is a form of marketing aimed at building a positive reputation as being environmentally and socially conscious. Basu *et al.* (2008) note that unlike large organisations with plenty of cash at their disposal, many SMEs have limited resources and may be unable or unwilling to dedicate the time and funds required to become sustainable. In making a case for sustainable entrepreneurship, it is therefore necessary to demonstrate that there are numerous benefits that could outweigh the costs of investing in environmental and social concerns.

Crals and Vereeck maintain that “sustainable entrepreneurship gives companies an opportunity to distinguish themselves from others” (p. 6), and note that the Dow Jones Sustainability Group Index indicates that sustainable enterprises financially outperform non-sustainable ones. They add various other reasons why enterprises should adopt a sustainable approach. These include being less dependent on depleted resources, higher motivation of employees and attractiveness for new employees, efficient production due to superior technologies and better skilled staff, superior insight in market preferences and opportunities, lower burden from changes in (environmental and social) legislation, and business partnerships with other sustainable entrepreneurs and global players.

Furthermore, although the environmental, social and economic dimensions of sustainable entrepreneurship may be separated to facilitate discussion, Basu *et al.* (2008) note that in practice these perspectives are closely linked. As noted by Crals and Vereeck (2004), “a company does not operate on a deserted island, but is embedded in an economic, social, cultural and ecological environment” (pp. 2-3), all of which constitute threats, obligations and opportunities. Sustainable entrepreneurs have a responsibility not only towards their investors and shareholders, but also towards nature, society and future generations (Basu *et al.*, 2008).

Ultimately, the three dimensions are highly inter-related, as one often leads to the others, with possible problems and opportunities occurring within and among them. Masurel’s (2007) findings indicate that many SMEs invest in environmental measures primarily for employment-related reasons such as care for the well-being of employees. He thus argues that “Planet” and “People” are interconnected. He also identifies a connection to “Profit”:

“improvement of the working conditions may result in employees having better motivation and less sick leave, thus increasing their productivity. This connection between ‘planet’, ‘people’ and ‘profit’ completes the traditional sustainability circle (p. 199)”.

6. THE ARTISAN: A SUSTAINABLE ENTREPRENEUR?

The above discussion leads to one of this paper’s central questions: How can artisans incorporate all three elements of sustainability (environmental, social, and economic) into their practice in order to make the transition towards becoming sustainable entrepreneurs who could contribute to the fourth element of sustainability: a sustainable culture? At this point, one should note that while it is clear that all these elements need to be present to some extent in order to be considered as a sustainable entrepreneur, the specific actions which must be taken and the degree to which they must be incorporated in an enterprise are subjective and debatable. The suggestions provided below are therefore guidelines which, if followed, would lead artisans towards becoming sustainable entrepreneurs. The greater the extent to which these suggestions are embedded within the artisans’ personal values and business practices, the more they may be said to have made the transition towards sustainable entrepreneurship.

First of all, in order for artisans to be considered as sustainable entrepreneurs, they need to engage in practices that are environmentally-friendly. At a very basic level, this would include measures such as the reuse of materials (if possible), the reduction and recycling of waste and the use of alternative energy sources. Furthermore, as argued by Cox and Bebbington (n/d), one should consider what raw materials are used to produce the craft, where these materials originate, how they are transported to the

artisan's workshop and how they are processed during production. Sustainable craftsmanship would aim to minimise its environmental impact by making use of natural raw materials which are not treated chemically and which do not need to be transported over long distances. Cox and Bebbington suggest that a way of reducing one's carbon footprint is to work from home so as to reduce the environmental impact of commuting to other destinations.

Even if it is not always possible for artisans to follow Cox and Bebbington's suggestions, a case can still be made for the relative environmental sustainability of craftsmanship. When one recalls that crafts are, by definition, made primarily by hand, it is easy to see that the environmental impact of craft production is negligible when compared to that of the millions of mass-produced items that are churned out by factories in locations like Asia where preservation of the natural environment may not be at the top of the priorities list.

Secondly, sustainable entrepreneurship requires artisans to make some contribution to the social dimension of sustainability. On an individual level, craft production may be argued to provide artisans with employment and self-actualisation opportunities. Recalling Metcalf's (1997) notions of "craft-as-skillful-labour" which "implies learning and expertise applied to work", and "craft-as-a-class-of-objects" which must be produced primarily by hand (p. 69), one may appreciate that craft production is a personally-involving and fulfilling endeavour that allows artisans to put their skills and knowledge to good use and to enjoy the fruits of their labour in the form of their final hand-made product. On a community level, it may be argued that craft production involves the development and preservation of a set of localised skills and knowledge which are cherished and passed on through generations. The greater the extent to which a society is equipped with its own pool of skills and knowledge, the better able it is to sustain itself, and the less it needs to depend upon external sources for its survival. Craft production may therefore pave the way to a more resilient and sustainable society.

Thirdly, the economic element cannot be overlooked in sustainable entrepreneurship. An enterprise which operates at a financial loss cannot be considered to be sustainable, so artisans need to ensure that they are also capable

of nurturing their economic development. Their craftsmanship needs to lead to the generation of financial gains in order for them to be able to support themselves and their families, as well as to continue producing their crafts. In simple terms, the artisans need to sell their crafts and make adequate financial returns relative to the time they spend in producing their crafts. According to Ferraro *et al.* (2011) besides offering opportunities to "reduce environmental footprints; enhance social equity (and) build resilient communities", craft production may also lead to the development of "prosperous vibrant enterprises" (p. 21). Artisans therefore require adequate business-related skills to ensure that they are able to make profit from their crafts, especially if this is their main source of income.

As explained above, culture has recently been argued to be a fourth element of sustainability. According to Cox and Bebbington (n/d), the connection between craft and sustainable development is probably the strongest at a cultural level as it increases cultural identity in both traditional and modern practices. As artisans develop their own unique techniques and "tricks" for producing their particular craft, they contribute towards the development of their local culture. This is in line with the UNESCO/ITC report (1997) which defines crafts as being "culturally attached" (p. 6).

It is clear from the above discussion that it is indeed possible for artisans to incorporate all elements of sustainability into their practice and in the process become key players in the transition towards sustainable entrepreneurship. It is also clear that there is much to be gained in environmental, social, economic and cultural terms if artisans were to be encouraged to engage in sustainable practices as suggested above. However as noted by Cox and Bebbington (n/d), the logic of industrialism, with its heavy machinery and mass-production lines aimed at the maximisation of profit, constitutes a serious threat to the survival of the artisan. There is nowadays a "general tendency of technology and capitalism to replace the more genuine and authentic forms of hand made production" (p. 12), such that it is seldom economically viable for artisans to persist in their craft production.

It is hereby argued that the challenges that are faced by artisans in Malta need to be identified and understood in order to devise a plan of action to safeguard the existence, prosperity and sus-

tainability of genuine artisans in the face of their ever-increasing vulnerability. These challenges are explored in the sections that follow.

7. CHALLENGES FACED BY ARTISANS IN MALTA: INSIGHTS FROM THE LITERATURE

As indicated in the introduction, the focus of this paper is on profit-oriented artisans, rather than on those artisans who are engaged in craft production as a hobby or for other non-financial gains, as it is the former who may meet the criteria of sustainable entrepreneurship within an economic dimension, as explained above. It may safely be assumed that all of these artisans would fall into the Small and Medium Enterprise (SME) category which comprises 99% of all businesses in Malta. They may therefore be argued to be subject to the same general conditions as other SMEs operating in Malta.

Malta is a small island state with a total land area of 316 square kilometres and a population of just over 400,000. It is located 93 kilometres south of Sicily in the heart of the Mediterranean Sea. This acts as a natural barrier that isolates Malta from the rest of the world and gives rise to the remoteness and insularity that are typical of many small island states (Baldacchino, Cassar & Caruana, 2008). As a result, travel and transportation costs to and from Malta are higher, making it more difficult for Malta to form part of major centres of trade and commerce (Baldacchino, 1999; Sultana, 2006).

Many authors consider small island states to be “doomed by the accident of geography” (Baldacchino, 2002, p. 254). Their small size, remoteness, isolation and lack of natural resources increase their exposure to uncontrollable external forces and gives rise to economic vulnerability (Briguglio & Kisanga, 2004). Malta’s natural resources are limited to limestone deposits and salt, creating a heavy reliance on import for raw materials in most industries. A limited domestic market makes Malta’s economy dependent on an export market for local products (Buttigieg, 2004). The absence of natural resources often forces small states to rely heavily on their human resources to generate wealth (Baldacchino, 1995).

According to Witt (2004), micro and small organisations (such as those typically operated by artisans in Malta) are subject to the Liability

of Smallness. This refers to the small size and associated lack of resources and added vulnerability of organisations that are in the early stages of development.

Furthermore, the Open Systems approach posits that organisations (including SMEs) are open systems made up of interrelated components and enclosed by boundaries of varying degrees of permeability (Cummings, 2005a). They are “inhabitants of a larger system encompassing the environments in which they operate and on which they depend for resources” (Baum & Rowley, 2002, p. 6). Such higher level systems or supersystems include the economic system of the country, together with various social, cultural and demographic factors (Arnold, Cooper & Robertson, 1998), all of which “provide constraints and opportunities” for their subsystems (Cummings, 2005b, p. 385). In this view, the SMEs of artisans may be considered to be highly permeable open systems which in turn exist within a larger open system (the Maltese environment). They are thus open to a double dose of vulnerability: as highly permeable open systems they are exposed to forces in the Maltese context, which is in turn highly susceptible to shocks in its own external environment (Baldacchino *et al.*, 2008).

A recent study conducted among entrepreneurs in Malta found that creativity and innovation are among the key success factors which enable local entrepreneurs to overcome the challenges posed by Malta’s small island state context (Baldacchino *et al.*, 2008). It would be interesting to explore whether these findings hold true for the crafts sector. This will be further discussed below.

One may note that the very challenges posed by Malta’s small island state context could be seen to be facilitators for craftsmanship as sustainable entrepreneurship. For example, the expense associated with the importation of raw materials could be used as an impetus for local artisans to make use of locally sourced natural resources, which although are limited, could be moulded by creative artisans into innovative crafts. Furthermore, the limited domestic market and the expense associated with exporting from an island need not be a disincentive. Instead artisans, whose crafts are produced by hand and often in limited numbers, could aim at developing the local market. This would be greatly enhanced by a promotional campaign for local crafts as shall be recommended in *Section 10.2* below.

Finally, since craftsmanship has been suggested to increase the resilience of a society by preserving and enhancing the pool of local knowledge and skills, it could be argued that artisans are in a strong position to overcome the vulnerability associated with a dependence on external systems for resources.

8. CHALLENGES FACED BY ARTISANS IN MALTA: INSIGHTS FROM AN EXPLORATORY STUDY

Besides the general conditions faced by SMEs in Malta, artisans are also argued to be susceptible to sector-specific challenges which have not yet been adequately documented in the literature. An informal exploratory study (which forms part of a larger ongoing research project) was conducted in July 2011 among artisans at Ta' Qali Crafts Village in Malta to shed some light on the matter.

8.1. Method

Informal interviews consisting of open-ended questions were conducted with six respondents who are engaged in the crafting and/or selling of filigree, Maltese lace, plaster models and wrought iron works. The questions elicited information on the current economic satisfaction of the artisans, on the difficulties that they face, on their experiences with local agencies such as the Malta Crafts Council (MCC) and on the role of innovation in their practice.

All respondents were informed that this study had been approved by the University of Malta Research Ethics Committee, and assured that their rights to anonymity, confidentiality and non-participation would be respected at all times. Where appropriate, the nature of the craft produced by the respondents is revealed in the section below in relation to a particular finding. However, when reporting on findings which could have negative repercussions for one or more of the artisans (e.g., when complaints are made about the local authorities), no details are provided about the sort of craft produced by that respondent in order to ensure the artisans' anonymity. All respondents are assumed to have participated in this study voluntarily and with full informed consent, and to have provided factual and sincere answers to the questions asked.

8.2. Key Insights

A predominant theme which emerged from the interviews with the artisans in this exploratory study is concerned with unfair competition from foreign markets. Three respondents complained that since the EU liberalised the market, copycat items – including the filigree Maltese Cross – are being mass-produced in Asia, imported to Malta and then sold as Maltese crafts at a significantly lower price (often around 30% cheaper).

To add insult to injury, one artisan admitted to selling both genuine local crafts and imported products from the same shop with no labels that would enable a customer to distinguish the genuine Maltese products from the imported items. Consequently, uninformed customers would likely purchase the cheaper product to the detriment of the artisan whose sales of genuine Maltese crafts are dwindling.

A possible solution to this problem would entail clearly marking the genuine Maltese crafts so that customers would be able to make informed purchasing decisions based on factors other than price alone. One respondent explained that the crafts sold in his shop (Maltese lace) are certified as genuine Maltese crafts by the Malta Crafts Council (MCC). When asked to explain the process of this certification, he explained that the MCC certifies that the items produced by his enterprise are genuine crafts and provides stickers and labels to be placed on the items. He further explained that it is the artisans' responsibility (or that of their employees) to affix the stickers and labels.

When one considers that a shop may sell both local and imported products and that it is up to the artisans, shop owners or employees to place the certification on the items they have for sale, one may wonder whether this could give rise to an unethical and unsustainable practice of selling imported items as genuine local crafts to unsuspecting buyers. This may be tempting to a seller as it would provide wider profit margins on the imported products, but it would be highly counterproductive for Maltese craft production which may well come to a halt if faced with such deceitful actions.

Discussing the issue of pricing, the artisans who felt threatened by the competition from Asian imports agreed that the amount of time and effort required to produce their crafts makes it impossible

to reduce their selling prices to be able to compete with their Asian competitors without incurring financial losses. They reported that this predatory situation has forced many artisans to close down their business and seek alternative employment. The respondents interviewed in this study are thus among “the very few lucky ones who still work in this field”, as one of the artisans commented.

One may suppose that the plans for upgrading the Ta’ Qali Crafts Village would be beneficial to artisans, but the respondents in this study were vocal in their criticism of these plans. One artisan explained that importers and sellers of mass-produced copycat items have been given permits to set up large premises where they can showcase and sell their products, thus overshadowing the smaller shops where the Maltese artisans sell their genuine crafts. This artisan stated that he could never compete with these types of entrepreneurs on an equal footing and expressed his fears that eventually he might be forced to close down.

Besides the issue of unfair competition, another recurring theme that emerged from these interviews concerns the support (or lack of) from the local authorities, media, and consumers. Two respondents in particular complained that the local authorities do not provide adequate support and that Maltese buyers do not appreciate Maltese crafts. One complained that he had attempted to make contact with two journalists to feature an exhibition of his work in the press, but unfortunately this never materialised due to a lack of interest on the part of the journalists. This artisan explained that these conditions are very de-motivating: “it kills my enthusiasm for craft-making”. Another respondent lamented the lack of support from the local authorities: “They [MCC] organise some meetings but they do not hear me, so why should I go and waste my time? I end up always doing my own thing... I’m on my own”. He further added that “people do not appreciate it [his craft skills and products], especially the Maltese”. Coupled with fluctuations in tourist visits and the associated drop in sales to overseas buyers as reported by these respondents, an unappreciative local market dampens the competitive spirit of the artisans involved in the Maltese crafts sector.

A final theme of interest in this study deals with the role of innovation in craft production. Three respondents reported having engaged in innova-

tive practices in recent years – two of these create plaster models while the other is a wrought iron worker. Two of these respondents – one of the plaster modellers and the wrought iron worker – claimed that innovation helped increase their levels of productivity, boost sales, employ more people to deal with the added workload, and create a safer working environment. In these cases the innovation took the form of new craft designs, the adoption of novel craft-making processes and the introduction of new machines to aid their craft production. One of these artisans proudly reported that his products have won two awards, including one by the MCC for innovation. Meanwhile, the third artisan who attempted to innovate his craft-making enterprise reported a disappointing current level of sales. This artisan had created his own techniques and methods for plaster model making a few years ago, during a time where business was flourishing, but the challenges that he is now facing are overwhelming.

8.3. Limitations

As outlined above, these insights were obtained from six informal interviews in an exploratory study conducted as part of a larger ongoing research project among artisans in Malta. The aim of these interviews was simply to test the waters and to obtain some early indications to guide the development of the rest of this research project. Neither can the findings of this exploratory study be generalised to other artisans in Malta, nor can firm conclusions be drawn from them at this stage.

For example, although three of the artisans interviewed reported the introduction of innovative designs, processes and machinery, one cannot yet deduce that artisans in Malta are innovative. Furthermore, although previous research has found that innovation is among the key success factors of SMEs in Malta (Baldacchino *et al.*, 2008), and although two artisans in the present study reported that their innovative practices have led to benefits such as an increase in sales, one cannot yet conclude that all artisans will benefit from innovation or that the findings of Baldacchino *et al.* (2008) are applicable to the crafts sector. However limited in its scope and findings this qualitative survey may seem to be, it highlights the sector-specific challenges which the Maltese artisan has to face in a highly liberalised and open globalised market. The point that is being stressed is that further research, based

on these insights, is needed in order to provide more valid and reliable data. The findings of this exploratory study are indicative of fertile ground for future research and they augur well for the upcoming steps in this research project.

9. FUTURE RESEARCH

The next steps in this research project will hopefully obtain further support for the preliminary findings presented above and obtain further insight into other issues of relevance. The threats and challenges faced by local artisans need to be extensively investigated, and a plan of action needs to be devised based not upon unfounded assumptions but on the reality of the current situation. The extent to which artisans are engaging in sustainable practices (if at all) shall also be investigated to gauge the potential for a successful transition of Maltese artisans towards sustainable entrepreneurship.

Of central interest to this research project is the role of innovation in the crafts sector. The preliminary findings of this exploratory study indicate the presence of innovative practices among some artisans in Malta. They also suggest that innovation may be as beneficial to artisans as it is to SMEs in other sectors, as argued by the literature on enterprise success (e.g., Pasanen, 2003; Ramsey, 2005) and as found by Baldacchino *et al.* (2008) in their study with entrepreneurs in Malta. However it is not yet clear how craftsmanship, which by definition is traditional in nature (Metcalfe, 1997) could embrace and benefit from innovation, which by definition involves novelty and “getting rid of the old” (Von Oetinger, 2004, p. 35). The link might be in the shift towards sustainable entrepreneurship, where artisans would adopt innovative practices for environmental, social and economic aims while preserving the traditions inherent to their crafts. Some light is expected to be shed on these issues by the end of this ongoing research project.

Finally, the artisans identified in this research project as being highly sustainable, innovative and/or successful could be further studied in order to identify their core skills, competences and practices and to create examples of best practice for other artisans to learn from.

10. RECOMMENDATIONS

Several recommendations may be made in the light of what has been reviewed, discussed and revealed in this paper. These may be split into recommendations which would facilitate the transition of artisans towards sustainable entrepreneurship, and those which would help artisans in Malta to overcome the challenges they are facing. Taken together, these recommendations would provide an indication of how the survival, prosperity and sustainability of the genuine Maltese artisan and the crafts they painstakingly produce may be safeguarded in these treacherous times.

10.1. Catalysing the Transition of Artisans towards Sustainable Entrepreneurship

First, as explained above, the transition towards sustainability requires a shift in cultural values (Ehrenfeld, 2005; Nurse, 2006). The first step in this slow process would be for individuals to become aware of the impact that their everyday behaviour has on the three elements of sustainability and to understand the crucial role that they play in preserving the world in which they live for the benefit of present and future generations. This would hopefully lead to the formation of an idealism of sustainability which would permeate throughout the entire society, including the business practices of artisans. This is however unlikely to happen overnight (if at all in our lifetime), so further actions are required to catalyse the adoption of sustainability practices among artisans.

The artisans need to be shown that there are various benefits to be reaped from adopting sustainable practices, as outlined in *Section 5* above. Then they need to learn about the ways in which they can become sustainable entrepreneurs as suggested in *Section 6*. Additionally they should be offered incentives, such as tax-cuts or other fiscal benefits, to reward the adoption of sustainable practices. For example artisans could be rewarded for environmentally-friendly measures such as the reuse of materials (if possible), reduction and recycling waste, and adoption of alternative energy sources. Similarly, they could be incentivised to impart their craft-specific skills and knowledge to the next generation to ensure that their skills and tricks of the trade do not die out with an ageing and waning population of artisans. This could begin with an introductory course delivered by artisans to students on the basics of

craft-making. This course would be aimed at generating interest and appreciation for craft-making among the younger generation. Once such interest is created, an apprentice sponsorship scheme which provides further specialised training could be introduced for those students who would like to take on craft-making as their profession. It is imperative that the values of sustainability are ingrained in these young minds at a very early age so that they can act as catalysts for the shift towards a culture of sustainability.

Another possible incentive may be the introduction of a sustainability grading and certification system, whereby those artisans who meet enough of the criteria of sustainable entrepreneurship would be awarded the sustainability certificate together with public acknowledgement. As explained above, publicising a concern for environmental and social issues has become a popular marketing tactic as it creates a positive impression of a caring organisation (Basu *et al.*, 2008). This suggested sustainability certification system would therefore provide artisans with the opportunity of jumping on this marketing bandwagon and could be treated as a pilot project which, if successful, could later be extended to enterprises in other sectors.

As economic development cannot be overlooked in sustainable entrepreneurship, artisans require adequate training in business and management skills to ensure that they are capable of running a profitable and economically sustainable enterprise.

10.2. Overcoming the Challenges faced by Artisans in Malta

One of the key challenges identified by the artisans in this study concerns the unfair competition from mass-produced imports which are sometimes sold to unsuspecting buyers as genuine Maltese crafts. It is unreasonable to argue that such imported products should be banned, but it is crucial that they can be easily distinguished from genuine Maltese crafts and that the value of the latter is conveyed to buyers. This would create a level playing field upon which local crafts are better able to compete with the imported items while safeguarding the freedom of buyers to make their own informed choices concerning what they would like to purchase.

The current certification system used by the MCC as explained in Section 8.2 above is clearly inadequate for this purpose. It should therefore be

addressed and upgraded to avoid misuse and to enable all buyers to recognise genuine Maltese crafts from imported items. A revised system would include greater monitoring by the authorities to ensure that only genuine Maltese crafts are sold as such, coupled with penalties for anyone caught abusing the system.

Additionally, the value of genuine hand-made Maltese crafts should be emphasised to buyers to help them understand the higher price they are being made to pay for locally produced crafts. While the tourism industry is key for the local economy, emphasis also needs to be made on addressing the local market to ensure a more stable and sustainable local economy. The artisans interviewed in this study complained of an uninformed and unappreciative local market. The recommendation made above concerning introductory courses on crafts and apprenticeship schemes for artisans would contribute to raising the interest of the public, but it is not enough. What could be of great benefit for the crafts sector is a marketing campaign designed to educate the public about the presence of imported copycat items, to promote the value of genuine Maltese crafts, and to highlight the importance of supporting local artisans for the benefit of the local economy as a whole.

A final recommendation concerns the need to create more favourable conditions for artisans to operate their businesses. The difficulties of local artisans need to be acknowledged by the authorities, and these in turn need to provide further support to safeguard the survival, prosperity and sustainability of local artisans. Such acknowledgement and support would generate feelings of appreciation and empowerment among artisans, and these would in turn offset the de-motivation reported by some of the artisans in this study in the face of the seemingly insurmountable challenges that they are currently facing.

11. CONCLUSION

The aims of this paper were to show that it is possible and beneficial for artisans to make the transition towards sustainable entrepreneurship, to identify some of the threats and challenges faced by artisans in Malta, and to make recommendations which would encourage artisans to engage in sustainable practices and which would safeguard their existence and prosperity in the face of their ever-increasing vulnerability.

It began by defining the artisan, crafts and craftsmanship, and by reviewing the literature on sustainability and sustainable entrepreneurship. The benefits of sustainable entrepreneurship were outlined in order to explain why everyone (including an artisan) should be concerned not only with financial gains but also with environmental and social issues. These were followed with an overview of some of the ways in which artisans could incorporate the environmental, social and economic elements of sustainability into their practice in order to become sustainable entrepreneurs.

On the basis of the premise that artisans who make the transition towards sustainable entrepreneurship have the potential to make very valuable contributions to the environment, society and the economy, the paper provides a critical appraisal of the threats and challenges being faced by local artisans and of the measures that need to be taken to protect and assist them in the present highly competitive world market. To this

end, the literature on the constraints that SMEs in general face when operating in a small island state like Malta was briefly reviewed as it is widely accepted that the economic activities of SMEs and the artisans operating in the craft sector have much in common. This was followed by a report on an exploratory study conducted among artisans at the Ta' Qali Crafts Village to offer some insights on the sector-specific challenges faced by artisans in Malta. In the light of these insights some recommendations, aimed at improving the plight of the Maltese artisans, were made.

To conclude, it is worth stressing once again that we are in dire need of a shift towards a culture which nurtures the values of sustainability in order to safeguard the world in which we live for present and future generations. It has been argued that artisans can play an important role in this shift provided that they receive adequate assistance and support to ensure their survival and to facilitate their own transition towards sustainable entrepreneurship

References

- Arnold, J., Cooper, C. L., & Robertson, I. T. (1998). *Work psychology: Understanding human behaviour in the workplace*. London: Prentice Hall.
- Baldacchino, G. (1995). Labour formation in small developing states: A conceptual review. *Compare*, 25(3), pp. 275-278.
- Baldacchino, G. (1999). Small business in small islands: A case study from Fiji. *Journal of small business management*, 37(4), pp. 80-84.
- Baldacchino, G. (2002). A taste of small island success: A case from Prince Edward Island. *Journal of Small Business Management*, 40(3), pp. 254-259.
- Baldacchino, L., Cassar, V. & Caruana, A. (2008). Start-up success in a small island state: A study among entrepreneurs in Malta. *Island Studies Journal*, 3(1), pp. 73-96.
- Basu, A., Osland, A. & Solt, M. (2008). *A new course on sustainability entrepreneurship*. Paper presented at the 2008 National Collegiate Inventors and Innovators Alliance.
- Baum, J. A., & Rowley, T. J. (2002). Companion to organizations: An introduction. In J. A. Baum (Ed.). *The Blackwell companion to organizations*. Oxford: Blackwell Publishers Ltd.
- Briguglio, L., & Kisanga, E. J. (Eds.) (2004). *The economic vulnerability and resilience of small states*. Commonwealth Secretariat.
- Buttigieg, E. (2004). Challenges facing Malta as a micro-state in an enlarged EU. *Bank of Valletta Review*, 29, pp. 1-15.

- Chapas, R. (2003). Sustainability is an opportunity: Seize it. *Research Technology Management*, 46(1), pp. 8-9.
- Cohen, B. & Winn, M. (2007). Market imperfections, opportunity and sustainable entrepreneurship. *Journal of Business Venturing*, 22(1), pp. 29-49.
- Cox & Bebbington (n/d). *Craft and sustainable development: An investigation*. University of St. Andrews Sustainability Institute. Retrieved from <http://www.st-andrews.ac.uk/sasi/research/researchprojects/craft/>
- Crals, E. & Vereeck, L. (2004). *Sustainable entrepreneurship in SMEs. Theory and practice*. Paper presented at the Third Global Conference on Environmental Justice and Global Citizenship Technologies, Environment and Sustainability.
- Cummings (2005a). Open systems. In N. Nicholson, P. Audia, & M. Pillutla (Eds.). *The Blackwell Encyclopedia of Management (Vol. XI: Organizational Behavior)*. Oxford: Blackwell Publishing Ltd.
- Cummings (2005b). Systems theory. In N. Nicholson, P. Audia, & M. Pillutla (Eds.). *The Blackwell Encyclopedia of Management (Vol. XI: Organizational Behavior)*. Oxford: Blackwell Publishing Ltd.
- Earth Summit Agenda 21 (1992). The United Nations Programme of Action in Rio. Retrieved from <http://www.un.org/esa/dsd/agenda21/index.shtml>
- Ehrenfeld, J. R. (2005). The roots of sustainability. *MIT Sloan Management Review*, 6(2), pp. 22-25.
- Ferraro, E., White, R., Cox, E., Bebbington, J. & Wilson, S. (2011). Craft and sustainable development: Reflections on Scottish craft and pathways to sustainability. *Craft and Design Enquiry: Sustainability in Craft and Design*, 3, pp. 1-26. Retrieved from <http://www.craftaustralia.org.au/cde/index.php/cde/article/viewFile/18/18>
- Katsikis, I. N., & Kyrgidou, L. P. (2007). The concept of sustainable entrepreneurship: A conceptual framework and empirical analysis. *Academy of Management Proceedings*, pp.1-6.
- Masurel, E. (2007). Why SMEs invest in environmental measures: Sustainability evidence from small and medium-sized printing firms. *Business Strategy and the Environment*, 16, pp. 190-201.
- Metcalf, B. (1997). Craft and art, culture and biology. In P. Dormer (Ed.) *The culture of craft* (pp. 68-82). Manchester University Press.
- Nurse, K. (2006). Culture as the fourth pillar of sustainable development. In The Commonwealth Secretariat (Ed.) *Small States: Economic Review and Basic Statistics*, 11 (pp. 32-48). Retrieved from <http://www.fao.org/SARD/common/ecg/2785/en/Cultureas4thPillarSD.pdf>
- Pasanen, M. (2003). Multiple entrepreneurship among successful SMEs in peripheral locations. *Journal of Small Business and Enterprise Development*, 10(4), pp. 418-425.
- Ramsey, R. (2005). Gaining the edge over the competition. *Supervision*, 66(5), pp. 3-5.
- Schaper, M. (2002). The challenge of environmental responsibility and sustainable development: Implications for SME and entrepreneurship academics. In U. Fuglistaller, H.J. Pleitner, T. Volery & W. Weber (Eds.) *Radical changes in the world: Will SMEs soar or crash?* (pp. 541-553). St. Gallen, Switzerland: Rencontres de St. Gallen.

- Sultana, R. (2006). *Challenges for career guidance in small states*. Malta: Euro-Mediterranean Centre for Educational Research.

- UNESCO / ITC (1997). *Final Report: International symposium on "crafts and the international market"*. Manila, Philippines.
Retrieved from <http://unesdoc.unesco.org/images/0011/001114/111488eo.pdf>

- Von Oetinger, B. (2004). From idea to innovation: Making creativity real. *Journal of Business Strategy*, 25(5), pp. 35-41.

- World Commission on Environment and Development (1987). *Report of the World Commission on Environment and Development: Our Common Future*. UN Documents: Gathering a Body of Global Agreements.
Retrieved from: <http://www.un-documents.net/ocf-02.htm#I>

- Witt, P. (2004). Entrepreneurs' networks and the success of start-ups. *Entrepreneurship and Regional Development*, 16, pp. 391 – 412.

- Young, W. & Tilley, F. (2006). Can businesses move beyond efficiency? The shift toward effectiveness and equity in the corporate sustainability debate. *Business Strategy and the Environment*, 15, pp. 402-415.