

# Architecture Is Entrepreneurship and (Why) It Matters

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Architects often frame their professional identity with almost exclusive respect to the buildings they design. In reality, few architects have ventured far from a common conception of practice in which they provide design services to a client who intends to build. However, the changing nature of society and the issues it confronts should compel more architects to reconsider their expertise and the manner in which it is deployed. Given the current economic distress, environmental strain, and geopolitical unrest, there is growing pressure on societies to find creative solutions to vast, complex, and acute issues that transcend the design of the built environment itself. Clearly, the built environment and those that shape it are critically important, but it isn't the only venue for architects and designers to make meaningful contributions to society. One key to exploring enhanced productivity for architects may reside in the profession's self-conception and its relationship to entrepreneurship.<sup>1</sup>

Consider the following. "Entrepreneurship is a process by which individuals...pursue opportunities without regard to the resources they currently control."<sup>2</sup> While this definition was conceived in a business oriented body of research, it bears a striking resemblance to the activities of an architect. In other words, architects are adept at pursuing opportunities to shape the built environment without much deference to their relatively limited control of the capital resources employed in building. Another commonly cited definition of entrepreneurship frames it as the process of creating value by bringing together a unique combination of resources to exploit an opportunity.<sup>3</sup> This statement can likewise be understood in the context of ar-

chitectural practice; architects are no doubt skilled in leveraging opportunities by bringing together a diverse combination of resources to create value through architecture. Even though architecture can be understood as an entrepreneurial endeavor, entrepreneurship isn't often an explicit part of architectural practice or education. As such, architects rarely view themselves as active entrepreneurs or leverage their entrepreneurial potential in any venue other than architectural practice.

This paper explores entrepreneurship, its limitations in practice, and its potential role as a more integrated component of architectural education and practice. Not only does an expanded understanding of architecture and entrepreneurship promise to make architects more effective within standard modes of practice, but it also represents latent opportunities for architects to pursue unconventional methods of practice to address an expanding array of societal challenges, both locally and globally.

## Architecture As-Is

If you want to find a definition of architecture that suits your objectives, there has been plenty of material amassed over the history of the profession to find a well-nuanced version that fits your specific needs (to be inspired, feel relevant, etc). Architecture defined—in most cases—frames it as a critical societal, cultural, artistic and/or professional production in which the architect plays a central role. As Andrew Saint argues in *The Image of the Architect*,

Down the centuries one strain of architectural ideology has been heard much louder than others. That is the strain of artistic individualism, which ascribes

both merit in particular buildings and general progress in architecture according to a personal conception, usually of style, embodied in buildings and developed from architect to architect over the course of history.<sup>4</sup>

That view of course, only adds a degree of autonomy to the idea that architects, at a fundamental level, do little more than design buildings. As Spiro Kostof explains, "...this is what architects are, conceivers of buildings...The primary task of the architect, [in antiquity] as now, is to communicate what proposed buildings should be and look like."<sup>5</sup> Throughout history, and most likely into the future, such a conception of architecture will suffice in most cases; but for those practitioners that seek expanded opportunities to make distinct contributions in the face of emerging challenges, an alternate view may prove necessary.

### Contextual Perspective

Couple the previous conception of architecture with the following 21<sup>st</sup> century contextual realities. Among the global risks assessed by the World Economic Forum, the most significant based on their likelihood to occur and economic impact are climate change, fiscal crises, economic disparity, geopolitical conflict, extreme energy price volatility, failures in global governance, water security, chronic diseases, demographic challenges, corruption, flooding, storms and biodiversity loss.<sup>6</sup>

For further perspective on context, consider the National Intelligence Council's "Global Trends 2025: A Transformed World." It includes the following perspective on the risks inherent in their estimation of the next twenty years.

We do not believe we are headed toward a complete breakdown [of the international system]...However, the next 20 years of transition toward a new international system are fraught with risks...These risks include the growing prospect of a nuclear arms race in the Middle East and possible interstate conflicts over resources. The breadth of transnational issues requiring attention also is increasing to include issues connected with resource constraints in energy, food, and water; and worries about climate change.<sup>7</sup>

The very fact that the report's authorship feels compelled to establish that it does not envision a complete collapse in the international system is telling. If not sufficiently alarming, the report goes on to state—"global institutions that could help the

world deal with these transnational issues and, more generally, mitigate the risks of rapid change currently *appear incapable* of rising to the challenges without concerted efforts by their leaders."<sup>8</sup>

### Limitations

Clearly no single nation, organization, or profession is prepared to handle even one of these pressing issues alone. However, if the architecture profession writ large persists in a conception of practice steeped in the past, it almost ensures its diminishing relevance as the weight of context bears down over the decades to come. For the profession of architecture to confront the challenges, it is burdened to explore no paradigms of practice; this has already begun, albeit in relatively isolated pockets. New forms of practice and architectural engagement, while they need not eclipse a conventional view entirely, put the profession on better footing in the face of these larger global issues.

Entrepreneurship, therefore, represents a latent condition of architecture itself and, once leveraged, provides a sound framework for divergent models of practice to engage the tectonic shifts in the global contextual landscape.

### ENTREPRENEURSHIP

While the definition of entrepreneurship is nearly as fungible as architecture, a couple views appear to have a higher degree of traction. One defines entrepreneurship as "a process by which individuals...pursue opportunities without regard to the resources they currently control."<sup>9</sup> Another view frames it as the process of creating value by bringing together a unique combination of resources to exploit an opportunity. First, it's evident that even the most conventional form of architectural practice in essence represents "the pursuit of opportunities without regard to the resources controlled." Likewise, architects are—or certainly should be—entirely capable of creating value as they bring together unique combinations of resources through a building opportunity. By definition, therefore, architecture is a form of entrepreneurship, if not an entrepreneurial endeavor entirely. This argument however, seeks more than a cooption of terminology. Simply because one can draw connections from entrepreneurship (defined) to architecture (in practice) doesn't mean architects are necessar-

ily prepared for significant shifts in their business models. To draw a more meaningful relationship and test the architectural profession's preparedness to embrace entrepreneurship, one must explore the characteristics and competencies that are fundamental to entrepreneurial activity.

### Beyond Terminology

What are some key characteristics of entrepreneurs and their activities? A review of the literature on entrepreneurship reveals a significant array of attributes that are consistent with entrepreneurship, among which are creativity, adaptability, criticality, confidence, initiative, and attentiveness.<sup>10</sup> While many professions may argue these characteristics reflect important attributes for success, the same is no less true in architecture. Architects are commonly charged with employing creativity in proposing solutions for complex problems, requiring them to adapt as project parameters shift around them. This often takes a significant level of critical thought and attention to issues at multiple scales. Furthermore, it is difficult to find success without a level of initiative in the face of uncertainty and confidence in confronting obstacles. In addition, consider the following activities that comprise an entrepreneurial process: recognizing opportunity, generating ideas, testing feasibility, developing an effective business model/plan, analyzing the industry, competition, and financial viability, assembling a team and obtaining funding.<sup>11</sup> On one level, it could be argued that navigating this process is precisely where architects fall short in entrepreneurial capacity, and that may be true to a degree. But a review of these activities bears striking resemblance to the design process itself. Architects, if nothing else, should certainly be capable of exploring opportunities, analyzing ideas, testing feasibility, developing a plan for implementation, and pitching a proposal to a team and potential financial supporters. Where architects most likely fall short, is not in their professional characteristics or knowledge of process, but in their ability to apply such expertise to a different end: namely, to business or other public interest ventures rather than a building proposition. Nearly all of the competencies covered in architectural education and practice have been relentlessly focused on buildings, not a broader array of enterprises one might associate with architecture. The profession must learn to take their expertise with its latent entrepreneurial

capacity and actively apply it to new and expanded opportunities.

### Entrepreneurial Momentum

There are signs that indicate academia and practice are moving in such a direction. Architectural programs and curriculum are expanding to make more advanced connections to real estate, business and entrepreneurship.<sup>12</sup> While the direct effects from an expansion of architectural education will take some time to track, there are certainly a few practitioners in the profession who illustrate a more fundamental symbiosis between architecture and entrepreneurship. Their activities appear to be creating some professional momentum. Elite Kadan profiles a few such firms in *Emerging Modes of Architectural Practice USA*. "Provisional, which we might also call *post-edge*, practices do not position themselves against mainstream social, political, or philosophical agendas. Their objectives are more opportunistic, pragmatic, strategic, and optimistic."<sup>13</sup> Chris Hoxie, Front, Gehry Technologies, George Yu, Lewis.Tsurumaki.Lewis, MY Studio, nArchitects, Servo, and SHoP represent atypical practices that have leveraged resources in a more entrepreneurial form of architectural activity. While the work is largely architectural in its output, the re-conception of practice illustrated by these firms, allow them to engage issues that might have been excluded under a traditional practice of architecture. Kennedy & Violich Architecture, Ltd. is another example of such a trend.<sup>14</sup> Though the firm engages in the design of buildings for clientele in a time-honored architectural capacity, they've also embraced a broader range of issues such as energy, resource conservation, and other environmental concerns as illustrated through the projects undertaken by MATx research. One of the products they've developed is "the Portable Light Project [which] enables the world's poorest people to create and own energy harvesting textiles, providing the benefits of renewable power as an integral part of everyday life."<sup>15</sup> This initiative in particular, exhibits the firm's intention to explore "new relationships between architecture, digital technology and emerging public needs."<sup>16</sup> As another illustration, consider John Peterson of Public Architecture. In a nod to the importance of their mission statement, it doubles as the firm's logo.

Public Architecture puts the resources of architecture in the service of the public interest. We identify

and solve practical problems of human interaction in the built environment and act as a catalyst for public discourse through education, advocacy and the design of public spaces and amenities.<sup>17</sup>

The firm also champions the 1% program to challenge architects and designers to engage in pro bono design activities, which also functions as a network to connect them with nonprofit organizations in need of design assistance.<sup>18</sup> In another glimmer of entrepreneurship, the AIA recently announced it would create a catalog of stalled projects for potential investors.<sup>19</sup> While it is a reactionary initiative born out of the current recession, it does point to a level of improvisation and entrepreneurial action by the profession that appears significant, even if at this point it still centers on building projects exclusively. The preceding examples are indicative of practice (either as a unit or larger trend) that embraces entrepreneurship, applies expertise in unconventional ways, and embraces a range of issues and solutions that even transcend the built environment itself.

### Entrepreneurial Action

The pressing global challenges and the potential contribution an entrepreneurial architecture can make are significant. If the status quo is untenable and changing (as it appears to be), what actions are available for practitioners and educators seeking to accommodate a transition to a more robust form of entrepreneurship? First, it seems evident that architects and educators must make themselves students of local and global issues (and by extension opportunities) that transcend the built environment. Developing opportunistic solutions to critical issues that pertain to the built environment is a given; doing so for issues that bear no significant relationship to the built environment is transformation. Second, architects and educators must pro-actively establish relationships with other entrepreneurial entities. Such formal and informal networks can elevate the role of entrepreneurship within architectural education and practice (not to mention elevating architecture and design within bastions of business and entrepreneurship). Third, architects should explore practices and initiatives as a response to an expanded competency in global challenges and entrepreneurial solutions, rather than accepting the bounds of conventional practice. Fourth, architects, whatever the initiative, must embrace their role in advancing, promoting,

and even financing solutions, rather than simply waiting for a benevolent client to embrace a common cause. The issues society confronts appear too significant and immediate for such an extension of the practice status quo. Architecture is entrepreneurship and a rapidly advancing storm of global challenges is bearing down upon it.

### ENDNOTES

- 1 Robert Gutman argues a related point in an essay included in the following work: Dana Cuff and John Wriedt eds., *Architecture from the Outside in: Selected essays by Robert Gutman*, "Architecture: The Entrepreneurial Profession," (New York: Princeton Architectural Press, 2010), 32-42.
- 2 H.H. Stevenson and J.C. Jarillo, "A Paradigm for Entrepreneurship: Entrepreneurial Management," *Strategic Management Journal*, no. 11 (1990): 17-27. Quoted in, see note 10.
- 3 H.H. Stevenson and David E. Gumpert. "The heart of entrepreneurship," *Harvard Business Review* 63, no. 2 (March 1985): 85-94. Retrieved from EBSCO host (accessed September 6, 2011).
- 4 Andrew Saint, *The Image of the Architect* (New Haven: Yale University Press, 1983), 6. Of additional relevance is Saint's vignette on entrepreneurship and the profession in the chapter, "The Architect as Entrepreneur."
- 5 Spiro Kostof, ed., *The Architect: Chapters in the History of the Profession* (New York: Oxford University Press, 1977), v.
- 6 World Economic Forum, "Global Risks 2011, Sixth Edition: An initiative of the Risk Response Network," Figure 1. <http://riskreport.weforum.org/>.
- 7 U.S. National Intelligence Council, *Global Trends 2025: A Transformed World*, 2008, p. 1. [http://www.dni.gov/nic/NIC\\_2025\\_project.html](http://www.dni.gov/nic/NIC_2025_project.html) (accessed September 6, 2011).
- 8 *Ibid.* *Emphasis added.*
- 9 H.H. Stevenson and J.C. Jarillo, "A Paradigm for Entrepreneurship: Entrepreneurial Management," *Strategic Management Journal*, no. 11 (1990): 17-27.
- 10 Adapted from: Vesa P. Taatila, "Learning Entrepreneurship in Higher Education," *Education + Training*, 52 (1), 48-61. Retrieved from <http://search.proquest.com/docview/61801661?accountid=4117>, and Heiko Haase & Arndt Lautenschläger, "The 'Teachability Dilemma' of Entrepreneurship," *International Entrepreneurship and Management Journal*, 7 (2), 145-162. Retrieved from <http://dx.doi.org/10.1007/s11365-010-0150-3> (accessed September 6, 2011).
- 11 Adapted from Bruce R. Barringer and R. Duane Ireland, *Entrepreneurship: Successfully Launching New Ventures* 3<sup>rd</sup> Edition (Upper Saddle River: Pearson, 2010).
- 12 This author, for example, established a course in real estate development within the Oklahoma State University School of Architecture and as a Riata Faculty Fellow in the OSU School of Entrepreneurship will offer a new course in Architecture & Entrepreneurship, co-taught by both schools. Other academic institutions have established similar initiatives more commonly with

business and real estate centers of knowledge.

13 Elite Kedan, et al. *Provisional: Emerging Modes of Architectural Practice USA* (New York: Princeton Architectural Press, 2010), 17-18.

14 See Kennedy & Violich, MATx Research, <http://www.kvarch.net/>.

15 Portable Light, <http://portablelight.org/> (accessed September 6, 2011).

16 Portable Light and KVA MATx, [http://archive.portablelight.org/kva\\_matx.html](http://archive.portablelight.org/kva_matx.html) (accessed September 6, 2011).

17 Public Architecture, "About," <http://www.publicarchitecture.org/about.htm> (accessed September 6, 2011).

18 Public Architecture, "the 1%," [http://www.publicarchitecture.org/The\\_1.htm](http://www.publicarchitecture.org/The_1.htm).

19 John Schneidawind, The American Institute of Architects press release, "American Institute of Architects To Develop Database of Stalled Projects Suitable for Investor Financing," June 29, 2011. <http://www.aia.org/press/releases/AIAB090153?dvid=&recspec=AIAB090153> (accessed September 6, 2011).