

A Literature Review of the Macroeconomic Implications of Entrepreneurship: A Research Perspective of the Future

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Article Info

Journal of Journal of Enterprise and Business Intelligence (<http://anapub.co.ke/journals/jebi/jebi.html>)

Doi: <https://doi.org/10.53759/5181/JEBI202404010>

Received 25 June 2023; Revised from 31 October 2023; Accepted 30 November 2023.

Available online 05 April 2024.

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Abstract – This study reviews the literature on entrepreneurship from several angles, including the entrepreneur's point of view, finding opportunities, creating a business plan, securing finance, and entrepreneurship's effect on economic well-being. The authors stress the importance of entrepreneurs in developing novel products and services, expanding economies, and developing new methods of doing things. Employment, economic growth, and tax revenues are all highlighted as key benefits of entrepreneurship. In addition, the article delves into what factors, such as taxes, the price of real estate, the nature of government oversight, the need for funding, and the difficulty of enforcing contracts, make up an entrepreneurial ecosystem. It indicates that a good regulatory environment and tax cuts encourage entrepreneurship. Furthermore, the report offers predictions for the future of entrepreneurship, including an increase in low-tech, socially-minded businesses that concentrate on solving local problems. It suggests further studies be conducted on the relationships between various forms of entrepreneurship and their respective development prospects. The report also emphasizes the need of future research using a wide range of dependent welfare factors, as well as foreign comparative studies on entrepreneurship utilizing various common metrics. It also stresses the need for more study into the link between entrepreneurship and social and environmental progress in underdeveloped nations. In its last section, the research stresses the significance of learning about the factors that influence entrepreneurs and how those factors affect incentive and support programs for entrepreneurs.

Keywords – Entrepreneur, Entrepreneurship, Entrepreneurial Perspective, Social Entrepreneurship, Impact of Society on Entrepreneurship, Corporate Entrepreneurship.

I. INTRODUCTION

The word “entrepreneur” predates a significant portion of the existing literature on the subject of entrepreneurship. Furthermore, prior to the incorporation of this particular terminology into the English language, there existed a multitude of distinct terms that emphasized diverse facets of entrepreneurial conduct and role. In addition, it is significant to note that both the pre-classical and classical economics books include a depth of content that may be disregarded if excessive attention is placed just on the terminology used. Furthermore, it is important to note that the semantic connotations of words often undergo transformations over the course of time, particularly when used within diverse contextual frameworks throughout various historical periods. The existing meanings of entrepreneurship include a range of concepts, including the pursuit of opportunities, the development of businesses, the management of uncertainty, and the pursuit of profits. These definitions represent the many viewpoints within the area of entrepreneurship and outside.

Moreover, scholars such as Sauka and Chepurenko [1] have investigated the implications of this diversity on the boundaries of the entrepreneurship domain, specifically in terms of what is encompassed and excluded. While many academics have expressed dissatisfaction with the level of focus given to the concept of entrepreneurship in [2], others have advocated for ongoing discussion as a way to progress the subject. The aforementioned issue is addressed by a notable author in the subject of entrepreneurship, as outlined in Forouharfar, Rowshan, and Salarzahi's [3] definition. They argue that the discipline has encountered challenges in effectively resolving the ongoing dispute around this matter. Rather than engaging in prolonged debates, the academic community has mostly embraced our proposed definition. In order to make progress in the area, it is imperative that we improve our ability to reach a consensus on the concept of entrepreneurship.

The field of entrepreneurship may be categorized into five distinct components: 1) the entrepreneurial mindset, 2) the transition from ideas to opportunities, 3) the progression from opportunities to company planning, 4) the process of moving

from planning to securing finance, and 5) the journey from funding to the launch, growth, and eventual conclusion of new firms. This article focuses on the examination of entrepreneurship within the existing literature. The study is divided into two main sections: the entrepreneurial perspective and the progression from ideas to opportunities, as seen in **Table 1**. The article explores relevant content, including the definition of entrepreneurship and its impact. These discussions contribute to the advancement of research in the field of entrepreneurship, enhancing the conceptual understanding established by previous studies.

Table 1. Entrepreneurial Activities and Themes

| Entrepreneurial activities | Entrepreneurial themes | Definitions | Literature |
|---|---|---|--|
| Entrepreneurial Perspective | Entrepreneurial Mindset | The entrepreneurial mind needs to be able to think rationally and orderly at times, and this includes when it comes to bricolage, or when deciding how to best use the limited set of resources at their disposal. | Haynie, Shepherd, Mosakowski, and Earley [4] |
| | Entrepreneurial Orientations | Intentionally using entrepreneurial principles—those that deal with action—in order to achieve certain goals—improve performance; gain or retain an edge in the market; or keep a firm afloat. Associating it with other things, including religion, is not uncommon. | Anderson [5] |
| | Corporate Entrepreneurship and Entrepreneurial Strategies | To innovate more quickly than rivals, even well-established organizations must engage in entrepreneurial behavior, which may be defined as the proactive exploration of opportunities, the creation of new goods and services, and the exploration of new markets. | Hornsby, Kuratko, and Zahra [6] |
| | Mindsets and goals characteristic of entrepreneurs | The drivers of entrepreneurial success: what motivates people to succeed in business. | Massa and Testa [7] |
| From Ideas to Feasible Opportunities | Creativity and Entrepreneurship | Successful business owners need to be creative thinkers who can evaluate opportunities from several perspectives, including those of perception, culture, emotion, and organization. | Ward [8] |
| | Impact of Society on Entrepreneurship | Culture is a mode of thinking and acting that is passed down from parents to children or transmitted via social organizations, refined and reinforced by peer pressure, and has been variously characterized by anthropologists 160 times. Culture is also a part of one's personal or group identity. Identifying the potential of people via several lenses (perception, culture, emotion, and organization) is essential for developing the traits necessary for successful entrepreneurs. Whereas, entrepreneurial culture is the practice of sharing tales in order to motivate people to take action that increases wealth creation via the integration of capital resources. | Zahra, Gedajlovic, Neubaum, and Shulman [9] |
| | Investigate business possibilities both at home and abroad. | Taking into mind essential aspects like political, economic, social, and technical in the nation where entrepreneurship is performed, entrepreneurs run businesses until they transcend their citizenship restrictions, either inside the country or the country. | McDougall, Shane, and Oviatt [10] |
| | Social Entrepreneurship | Businesses with a focus on solving significant societal issues and maximizing their positive impact. | Peredo and McLean [11] |
| | Growth in Technology and the Economy | The IT startup founder is Opportunities for growth and commercialization of technical innovation may be found when the two are brought together. Social scientists have a difficulty and an opportunity at the confluence of entrepreneurship and economic development, where the content is connected to the evolution of the economy and how it relates to different forms of entrepreneurship. | Borensztein, De Gregorio, and Lee [12] |

| | | |
|---|---|--|
| Gender and Demographics' Impact on Business Opportunities | A gendered perspective on entrepreneurship allows us to examine the variety and distribution of enterprises throughout the population. All facets of entrepreneurship may be understood via the lens of one's gender. | Chowdhury [13] |
| Possibilities for Creating a Successful Family Business opportunities | Family ties are an integral part of many successful businesses, and entrepreneurs recognize the value of their own families as valuable assets. | Karimi, Biemans, Lans, Aazami, and Mulder [14] |

The prospects in entrepreneurship may be argued to be contingent upon two factors: 1) the characteristics of the relationship and 2) the pre-existing circumstances that form the basis of the interaction. The latter statement highlights the influence of people, social networks, institutions, and surroundings, emphasizing their historical context and the accumulated significance and experiences they carry into their interactions. In practical terms, this implies that the availability of entrepreneurial possibilities is contingent upon the social networks, structures, and settings in which an enterprising person participates, as well as how these elements have been previously understood, connected, and organized. Similar to the concept of garbage-can thinking proposed by Liao, Nguyen, and Caputo [15], the timing factor is crucial in understanding the development of the entrepreneurial process. This is because individuals engaged in entrepreneurial activities at different stages of their lives are likely to be involved in distinct types of interactions, each with its own set of prerequisites. Therefore, the construction of entrepreneurial chances varies between students and managers due to their distinct physical settings and differing social interactions. It may be inferred that the predictability of entrepreneurial trips is contingent upon the characteristics and prerequisites of the encounter.

This research investigates the phenomenon of entrepreneurship from several angles, with a particular focus on its significance in the creation of innovative goods, the growth of economies, and the generation of job opportunities. The primary advantages included within this context are the promotion of economic expansion, the generation of tax income, and the facilitation of job opportunities. The paper further examines many aspects that have influence on an entrepreneurial environment, including taxation, real estate costs, governmental regulation, financial support, and the execution of contractual agreements. The analysis anticipates an increase in low-tech enterprises with a focus on social objectives, and emphasizes the need for more investigation into the potential growth of entrepreneurship and its connection to social and environmental advancement in less advanced countries. The rest of the article has been organized as follows: Section II presents the methodology employed in conducting this review. Section III provides an extensive analysis of the previous literature texts on the effects of entrepreneurship, determinants of interpleural impact, and roadmap creation for future research. Section IV presents a discussion of the future research directions concerning the effects of determinants and entrepreneurship. Lastly, Section V presents concluding remarks to the literature review.

II. METHODOLOGY

This research aims to comprehensively examine the macroeconomic implications of entrepreneurship on economic wellbeing, as well as identify the factors that contribute to these implications. To do this, a thorough and evidence-based literature review is conducted, using a narrative synthesis approach. Authors of this article assert that systematic reviews are highly valuable for the identification and assessment of a substantial body of evidence published over an extended duration. The present study utilizes a comprehensive empirical definition of entrepreneurship in the systematic literature evaluation, including both the individual entrepreneur, who initiates or identifies novel commercial ventures, and the entrepreneurial organization. In this context, entrepreneurship is defined as the initiation of new business endeavors, including both individuals engaged in the establishment of new enterprises and the newly established enterprises themselves. Moreover, it is important to note that self-employed persons and owner-managers, although not exclusively linked to the establishment of new enterprises, are also considered entrepreneurs within the scope of this study. The aforementioned description aligns with the prevailing findings of other empirical research.

III. LITERATURE REVIEW

The Effect of Entrepreneurship

This study provides a comprehensive assessment of the existing empirical research that examine the effects of entrepreneurship on environmental, social and economic.

Avlonitis and Salavou [16] argue that entrepreneurs' innovative contributions, manifested as novel products and services, have the potential to provide fresh job opportunities, so initiating a positive feedback loop or virtuous cycle within the economy. The facilitation of interconnected enterprises or industries that provide assistance to the novel enterprise contributes to further economic advancement. In the 1990s, the Indian IT sector was established as a prominent center for backend programmers by a select group of IT organizations [17]. The business quickly gained momentum inside the realm of its own programmers. However, it is crucial to note that a significant number of individuals from various industries derived advantages from this phenomenon. Businesses operating in related sectors, such as contact center operations, network maintenance businesses, and hardware vendors, saw significant growth.

Donnelly [18] argue that training and education institutions have played a crucial role in cultivating a novel cohort of information technology professionals, hence providing enhanced employment opportunities with higher remuneration. Infrastructure development organizations and real estate firms took advantage of this boom by capitalizing on the influx of employees who flocked to job centers in search of better lifestyles. In a similar vein, the advancement of impoverished nations in the future will need the establishment of a strong logistical infrastructure, substantial financial investments spanning from physical infrastructure to basic office supplies, and the presence of a skilled and competent workforce. The entrepreneur facilitates advantages throughout a wide range of the economy, benefiting individuals with diverse professional backgrounds, including highly skilled programmers and construction workers.

Van Praag and Versloot [19] argue that entrepreneurial endeavors effectively produce fresh economic value. Established enterprises may have limitations within their current market boundaries, thereby impeding their ability to generate more revenue. The introduction of innovative offers, goods, or technology by entrepreneurs facilitates the development of novel markets and the generation of more income. Furthermore, the interconnected nature of increasing employment and higher incomes results in a cascade effect that positively impacts national income via the generation of higher tax revenue and increased government expenditure. The generated money may be used by the government to make investments in various sectors that are facing challenges, as well as in the advancement of human capital. While the implementation of this strategy may result in the displacement of some individuals already employed in the industry, the government has the potential to mitigate the negative consequences by reallocating excess resources towards the retraining of affected people.

Lumpkin and Dess [20] argue that entrepreneurs, by virtue of their distinctive supplies of novel products and services, deviate from conventional practices and indirectly contribute to the promotion of freedom by diminishing reliance on outdated systems and technology. In general, these outcomes lead to an enhanced standard of living, increased levels of motivation, and expanded economic autonomy. In instances when water scarcity is prevalent, individuals living in such regions may sometimes be compelled to interrupt their occupational activities in order to get water. The aforementioned factors will have a significant influence on their company operations, efficiency, and financial gains. Envision a novel, automated, cost-effective, flow-dependent pump designed to autonomously replenish individuals' domestic water receptacles. The implementation of such a system would guarantee individuals the ability to concentrate on their primary responsibilities without concern about a fundamental need such as the transportation of water. Increased allocation of time towards work leads to a positive impact on economic growth. Smartphones and their accompanying smart applications have brought about a significant transformation in both professional and recreational activities on a global scale, serving as a pertinent modern illustration. Smartphones are not limited just to affluent nations or those of high socioeconomic status.

Determinants of Interpleural Impact

The findings of Braun [21] reveal the key factors that determine the entrepreneurial environment in the European Union. The findings pertaining to the impact of the overall tax burden on newly established businesses align with prior research conducted by Haverals [22], which observed a curvilinear relationship between commercial tax and entrepreneurial activity. Moreover, it may be seen that the rate of entrepreneurship in developing nations has a higher level of resilience against changes in commercial taxation compared to that of wealthy countries. In contrast, Keuschnigg and Nielsen [23] discovered that the overall tax rate had a threefold impact on entrepreneurship. Start-up firms encounter adverse consequences when tax rates are raised. Conversely, tax rates have a favorable impact on self-employment. However, the influence of tax rates on embryonic entrepreneurship has not been definitively confirmed. Without a doubt, the establishment of tax rates has an impact on the functioning of businesses. This is achieved by the collection of a portion of their income, resulting in a reduction of their profit margin. This reduction serves as a kind of compensation for the risks undertaken by entrepreneurs in their high-risk ventures. The existing body of research does not provide conclusive evidence about the direct impact of tax reduction on company dynamism.

However, as described by Fossen [24], it does establish that tax reduction, particularly in relation to profit taxation, has an indirect effect that fosters entrepreneurship and produces value for businesses. Hence, it is essential for tax systems to provide incentives that may effectively encourage the development of newly formed enterprises. This approach aims to inspire entrepreneurs and thereby enhance the rate at which new firms are created. In the present scenario, the government's favorable stance towards entrepreneurship and its consequential impact on economic development assumes prominence. Furthermore, the inclusion of property registration costs as a significant variable with a negative coefficient serves as an indicator to policymakers that in order to foster the growth of established firms, it is imperative to create an entrepreneurial environment that is devoid of excessive bureaucracy and procedural complexities. Stenholm, Ács, and Wuebker [25] found that entrepreneurial activity is favorably influenced by a regulatory environment that is seen as not burdensome in terms of time and financial resources. According to Beck, Levine, and Loayza [26], there is an indication that the presence of stringent business laws inside a nation may result in adverse consequences for investments and the generation of capital. Public administration has a significant impact on company throughout its whole lifetime, starting from its inception to its ultimate conclusion.

According to the study conducted by Fadahunsi and Rosa [27], nations that uphold the rule of law and implement streamlined processes for company establishment have elevated levels of entrepreneurial activity. Thirdly, this study revealed the favorable impact of requirements of initial capital on the rate of firm formation throughout the business setup process. Nevertheless, it is not surprising to see this result since increased levels of capital restrict the number of individuals

who may establish their own businesses, leading them to do so only when they are confident in its potential for success. Despite the fact that this outcome contradicts the initial assumptions set out in defining the study model, it is not devoid of support within the existing literature. According to the research conducted by Comolli et al. [28], it has been shown that the firm birth rate in some nations, such as Nordic and Mediterranean countries, is positively influenced by the required initial capital, depending on the degree of geographical grouping. The findings of Oyetade, Obalade, and Muzindutsi [29] also demonstrate that capital requirements and other financial limitations have a beneficial impact on the birth rates of low-tech organizations. Conversely, the birth rates of high-tech firms are seen to increase when the level of financial constraints is less stringent. Hence, in order to promote the growth of high-tech firms, it is imperative to reduce the financial burdens placed upon governments.

A study conducted by Ahlquist and Prakash [30] discovered a detrimental impact of enforcing contract costs on business birth rates. Conversely, the research conducted by King and Levine [31] demonstrated a favorable influence of various formal institutional factors, such as the cost of enforcing contracts, on overall entrepreneurial activity. According to the research conducted by Lee, Yamakawa, Peng, and Barney [32], the presence of bankruptcy legislation has significant importance for businesses operating in developing nations, as it serves to safeguard their interests during times of need. According to La Porta and López-De-Silanes [33], the presence of the rule of law is associated with increased rates of entrepreneurial activity, whereas its absence impedes entrepreneurship within a given nation. However, the findings of the present research did not validate any of the previously established effects, so suggesting that the rate at which enterprises are established is influenced more by the expenses associated with starting a firm rather than terminating it. Furthermore, it is possible that only prospective entrepreneurs who exhibit indecisiveness may rely on objective factors, such as the expense of enforcing contracts and the duration of court proceedings, when making decisions about starting a business venture.

Roadmap creation for future research

The entrepreneurship field finds itself at a critical juncture. In relation to the phenomena under consideration, is it anticipated that it would progressively veer into the realm of the exceptional and unusual, including entities like unicorns and blitzscalers, so transforming into a privilege accessible only to a select few rather than a potentiality for the majority? There is a growing body of empirical research that suggests a decline in crowd entrepreneurship across various institutional and national settings, with a simultaneous concentration of entrepreneurial activities within a select few. The academic discipline and scholarly investigation of entrepreneurship are now at a critical crossroads. Will it continue to maintain its original essence, accurately representing the wide range and variety of the phenomena itself, as well as its abundant array of different forms? Alternatively, will it yield to the influences and pressures that prioritize a select few, who may be the most prominent and accomplished, although assessed only by a single metric? There is one certainty. The sustainability of the academic discipline of entrepreneurship cannot be assumed and will only flourish and succeed to the degree that it accurately represents the dynamic and diverse range of expressions inherent in the phenomena it studies. The annals of scientific and scholarly inquiry abound with instances when applied disciplines, such as entrepreneurship, have faced a bleak trajectory due to a disconnection from the authentic phenomena they seek to elucidate and comprehend.

The academic discipline of entrepreneurship not only serves as a reflection of the underlying phenomena, but also has the potential to exert influence and change it via its impact on business and policy thought. In accordance with the renowned academic, Minniti and Lévesque [34], it may be noted that his observation made over a century ago on the principles of economics remains equally applicable to the field of entrepreneurship. Individuals who consider themselves to be pragmatic and unaffected by intellectual influences sometimes find themselves adhering to the ideas of economists who are no longer relevant or influential. There exist persuasive rationales to contemplate and perhaps apprehend the ramifications of entrepreneurship mostly benefiting a select few rather than a broader population. According to Sine and David [35], there exists a correlation between a scarcity of entrepreneurial activity and a concerning risk to democratic systems.

In order to promote inclusivity in the area of entrepreneurship, it is advisable to adopt the perspective put forward by Pilková, Jančovičová, and Kovačičová [36]. Their conclusion is that the concept of entrepreneurship should not be treated as a singular entity, as this would overlook the many manifestations and dimensions inherent to the field. Hébert and Link [37] argue that engaging in disputes over the genuine meaning of entrepreneurship is futile, since they contend that scholars are directing their attention towards an incorrect source. According to their proposition, there are four distinct categories or expressions of entrepreneurship, which may be distinguished both conceptually and experimentally. Moreover, the authors assert that considering the diversity of societal and personal objectives and preferences, a comprehensive range of entrepreneurial endeavors might be most beneficial for the betterment of society. The existing body of research in the field of entrepreneurship exhibits a notable dearth of insights pertaining to the interconnections and interdependencies across different forms of entrepreneurial activities, especially when examined from a dynamic perspective.

The inquiry persists over the future trajectory of the entrepreneurial sector. In the study conducted by van Hayter [38], it was posited by some researchers that entrepreneurship is expected to shift towards a greater emphasis on need, with a particular focus on frugal innovation, low-tech services, and social enterprises that solve local social and environmental concerns. According to the participants' opinions, it is anticipated that there will be a significant number of new businesses emerging. However, these startups are expected to have challenges in terms of achieving growth due to the fact that a substantial portion of the market share is already being captured by a few number of dominating corporations. In order to go towards the future, it is necessary to have some "guiding lights" that illuminate the various pathways forward.

Will this phenomenon continue in the future, or will the emergence of "everyday-everyone" entrepreneurs, facilitated by advancements in technology, enable people to establish new enterprises aimed at problem-solving and innovation across all domains of life? A potential guiding principle is that individual entrepreneurs may demonstrate heightened entrepreneurial drive in order to achieve success for their companies, even in the face of unfavorable circumstances. According to Oberkampf, Helton, Joslyn, Wojtkiewicz, and Ferson [39], entrepreneurial hustle may be defined as the urgent and unorthodox measures undertaken by entrepreneurs to effectively tackle immediate obstacles and seize opportunities in situations characterized by uncertainty. The contemporary era is characterized by heightened levels of unpredictability, hence necessitating the inclusion of the entrepreneurial hustle as a crucial component. The exponential growth of crowdfunding is seen as a promising indicator for future developments. The ability of ordinary individuals to invest in freshly established business ideas has significantly expanded the prospects for entrepreneurs across several industries to achieve success and expansion. The significant growth of equity crowdfunding has already shown the capacity of this emerging financing mechanism to facilitate the proliferation of individual businesses.

IV. FUTURE RESEARCH DIRECTIONS

Future Research Directions on the Effects of Entrepreneurship

There needs to be more variation in entrepreneurial metrics

In order to ensure the reliability and validity of research findings, it is important to use a diverse range of measures pertaining to entrepreneurship. However, it is noteworthy that international comparative studies mostly rely on just two datasets pertaining to entrepreneurship. The Comparative Entrepreneurship Data for International Analysis (COMPENDIA) utilizes statistics from the Organisation for Economic Co-operation and Development (OECD) and data derived from the Global Entrepreneurship Monitor (GEM) research project. The presence of a large range of entrepreneurial metrics and definitions used in various research poses challenges in terms of comparing the findings of different studies. While several studies apply methods such as assessing self-employment rates or rates of company ownership to estimate entrepreneurship, others adopt approaches that include quantifying the establishment of new firms and the cessation of existing ones, or using comprehensive measurements rooted in Schumpeter's conceptualization of entrepreneurship.

To ensure the reliability and facilitate cross-study comparisons, it is advisable for researchers to use numerous standardized measures of entrepreneurship in future investigations, hence enhancing the robustness of the findings. In order to facilitate this objective, it is imperative for policy makers to actively promote the establishment of globally standardized entrepreneurship databases. Moreover, as a result of the restricted accessibility of entrepreneurship data, only a limited number of empirical investigations have undertaken the task of differentiating between various forms of entrepreneurship. Hence, in accordance with previous scholarly works, this research advocates for a broader range of metrics to be used in assessing entrepreneurship.

Possible directions for future studies of entrepreneurship's effects

Neumann [40] reported that a significant majority (95.1%) of the empirical papers included in their research focused only on analyzing the effects of entrepreneurship on economic wellbeing. Politicians lacking knowledge on the influence of entrepreneurship on environmental and social well-being may exclusively depend on economic data, leading to the adoption of unsustainable development approaches. Indeed, a limited number of empirical studies ($n = 5$) that surpass a conventional analysis of the economy which demonstrate that entrepreneurship plays a substantial role in measures of social and environmental well-being, such as the Human Development Index (HDI), carbon dioxide (CO₂) emissions, and poverty. These findings should not be disregarded by policymakers and researchers alike. In order to address the significant research vacuum pertaining to the influence of entrepreneurship on social and environmental wellbeing, this study proposes the implementation of two concurrent methodologies.

In accordance with previous assertions, it is advisable for future research endeavors to include a diverse range of dependent welfare variables, including not just economic factors but also social and environmental aspects. Furthermore, it is recommended that future research endeavors use research methodologies that have previously shown efficacy in the study of macroeconomic impacts. This approach will enable the investigation of innovative research inquiries pertaining to the influence of business on habitat and social wellbeing. The methodologies necessary for conducting these analyses have undergone many tests and, particularly at the national level, the availability of data does not provide any obstacles. Numerous nations have not only amassed distinct social and environmental welfare data over an extended period, but have also devised comprehensive welfare metrics, like the Sustainable Economic Welfare Index. Hence, the responsibility is with the community research to challenge conventional practices and broaden the scope of inquiry by examining not just economic welfare but also environmental and social well-being.

There needs to be more study of emerging nations

The effect of entrepreneurship is influenced by the degree of development at the local level, as shown by Antunes, Cavalcanti, and Villamil [41]. However, the majority of the studies included in this study mostly focused on industrialized nations. One possible explanation for this phenomenon is the geographical distribution of the authors involved in this research, with a majority being affiliated with institutions in Europe and the United States. Additionally, the scarcity of comprehensive long-term data for developing nations may contribute to this partial understanding. Nevertheless, there has been a shift in this

regard. Over the course of the previous five-year period, there has been a significant increase in the quantity of empirical studies conducted on developing nations, with the total number of such studies surpassing 30, representing a doubling of the previous figure. However, there is a lack of regional-level research and long-term studies specifically focused on poor nations. Given the increasing significance of emerging economies, notably those of the BRICS nations, there is a pressing need to enhance our understanding of the manifestations of business within these contexts.

More studies on the lag-structure of the business effect

Von Graevenitz, Harhoff, and Weber [42] demonstrate that although the significant indirect effects of entrepreneurship take at least five years to manifest, the majority of empirical studies concentrate on the immediate direct effects. Failing to consider the long-term consequences of entrepreneurship leads to an insufficient understanding of the subject matter. In addition, the examination of longitudinal data is necessary in order to carry out pertinent tests of causation. Up until now, the primary constraint impeding national-level long-term investigations has been the absence of longitudinal information. However, as a result of almost two decades of global data collecting for the Global Entrepreneurship Monitor (GEM), there exists at least one entrepreneurship database of significant size. Consistent with other scholarly works that have acknowledged this concern, this study proposes that further investigations should include an examination of not just the immediate but also the intermediate and enduring effects of entrepreneurship.

Future Research Directions on Determinants

Future research implications on determinants

Muravyev, Talavera, and Schäfer [43] provide a comprehensive summary of the essential data pertaining to the factors discussed in the literature that has been evaluated for this work. Upon comparing the last two rows, it is evident that the research examining the factors influencing the effects of business constitute a proportionate representation of all the studies that have been analyzed. Hence, the aforementioned recommendations for further investigation are equally applicable to the existing body of knowledge about the conditions that influence outcomes. Upon doing a more thorough analysis, it becomes evident that Cassar [44] have identified additional and more specific areas of inquiry that need future investigation. These factors include, among others, the need to examine specifically the firm level and environmental factors in emerging nations, as well as the evaluation of personal-level factors in conjunction with the time lag structure of the influence of business. The need for long-period investigations is further emphasized in this context. This discovery provides more clarification to the prior need for additional long-term investigations. The following subsections provide further study findings and discuss the significance of these findings for future research.

More variety in entrepreneurship measures

Sternberg and Wennekers [45] demonstrate that existing studies examining the factors influencing the environment and company-level determinants mostly rely on new firm formations as an indicator of entrepreneurial activity. Similarly, investigations into individual-level determinants predominantly use Global Entrepreneurship Monitor (GEM) data to gauge entrepreneurship. The only exception are to research conducted on the factors influencing growth at the local level. These studies primarily focus on comparing the entrepreneurial effect across different nations and mostly rely on information from the GEM. Additionally, research on innovativeness also falls inside this category. The existing literature on the factors influencing entrepreneurship does not use self-employment as a variable for estimating entrepreneurial activity. This observation highlights the little diversity in the applied measures of entrepreneurship across several individual factors, with the exception of innovativeness, as shown by existing research.

More variety in measures of welfare

Furthermore, it should be noted that there is a dearth of research investigating the factors that influence the effects of entrepreneurship on environmental and social well-being. Additionally, there is a limited range of studies exploring different indicators of economic wellbeing. Research focusing on individual-level variables, namely the local level of improvement, mostly examines the influence of entrepreneurship on welfare indicators associated to Gross Domestic Product (GDP). Research on the factors influencing firm size, industry affiliation, business survival, and population density primarily focuses on examining the employment implications of entrepreneurial activities. more indicators of economic wellbeing, like competitiveness and innovativeness, are hardly examined and require more research.

Further research on determinants

Harvey [46] demonstrates the presence of an uneven distribution of research efforts and the variable levels of focus on particular drivers within the current literature variables such as innovativeness, motives, and environmental factors have been extensively studied, but other variables have received less attention in the existing literature. Nevertheless, several inadequately investigated variables have potential as significant predictors. To be more precise, the limited number of research findings that examine the survival of firms, their level of internationalization, and their development aspirations indicate that these factors have a significant impact on the association between economic and business well-being. Moreover, these determinants, together with the relatively understudied determinant qualities, have significant practical and political

significance. Further empirical study is necessary to further the understanding of these drivers and their moderating influence, with the aim of enhancing support initiatives and incentives for business people.

New studies emphasize factors that haven't yet been experimentally studied

Table 2 presents a concise summary of factors that are expected to influence the macroeconomic effect of entrepreneurship, but have not yet been subjected to empirical investigation. There exists a range of measures that are considered influential in assessing the influence of entrepreneurship on economic well-being, or that have been experimentally linked to the prosperity and longevity of newly established enterprises, hence suggesting their potential significance at the macroeconomic level. The summary is derived on a non-systematic review of the microeconomic literature and does not assert its comprehensiveness. This paper suggests the need for further investigation into the influence of entrepreneurship on performance of the firm, organizational strategies and structure, motivations, and networking activities.

Table 2. Factors Influencing the Macroeconomic Effect of Entrepreneurship

| Determinants | Sub-determinants |
|--|---|
| <i>Identifying environmental factors</i> | |
| Market conditions | Competition in the market, consumer and seller motivations, and market entrance obstacles |
| The close proximity of industrial zones | - |
| <i>Identifying firm level features</i> | |
| Firm performance | Increases in output, income, and output, and employment levels |
| Methods and organizational framework | - |
| The availability of resources to the firm | Capital, both monetary and human |
| <i>Identifying individual level features</i> | |
| Motivation | Part-time and full-time business inspired by social and ecological concerns |
| Network | Institutional relationships, connections to other business owners and market leaders, network breadth and depth, network frequency, and social media engagement |
| Individual values and traits | Temperament for taking chances, perseverance, initiative, and dedication to one's profession. |
| Social factor | - |
| Socio-cultural background | Startups founded by migrants |

Methodological recommendations

The interdependence of the factors addressed in this context poses a significant challenge in isolating and analyzing their individual impacts. The effect of entrepreneurship is mostly influenced by individual-level qualities and environmental variables, which predominantly exert their influence indirectly via the success of the enterprise. The level of complexity is further heightened due to the possibility that determinants may serve as indicators for additional impacts that are macroeconomically significant. For example, there may exist a positive correlation between the quantities of highly inventive new enterprises and highly trained entrepreneurs, and the quality of the regional educational infrastructure. Consequently, it may be inferred that the quality of learning infrastructure is the primary driver of development of economy, whereas the presence of creative new enterprises and highly skilled entrepreneurs may serve as simply indicators of the strength of the educational infrastructure, rather than directly influencing economic outcomes. However, there is presently little knowledge on these interdependencies, necessitating more study that specifically examines the route dependencies underlying the influence of entrepreneurship. Future empirical research should include investigating factors that are expected to be individual, as well as exploring external impacts that may be associated with the interest determinants.

V. CONCLUSIONS

There are many different perspectives to be found within the realm of entrepreneurship, including the pursuit of possibilities, the building of enterprises, the handling of uncertainty, and the pursuit of profits. Different people include or exclude different things from their definition of "entrepreneurship," which has led to a vast variety of definitions. The field is broken down into five distinct parts: the entrepreneurial perspective, the development of ideas into opportunities, the execution of business plans, the acquisition of funding, and the launch, growth, and eventual closure of new enterprises. The current literature review focuses on two main themes: the entrepreneurial attitude and the transformation of ideas into viable options. There is a wide spectrum of personal qualities and traits shared by successful company owners. These include a certain frame of mind, focus, and corporate entrepreneurship, which is the capacity to spot and capitalize on opportunities inside a company. In addition, entrepreneurs use a wide range of tactics and cognitive skills to succeed in today's challenging business climate. They also display the flexibility and originality that are essential for creating new solutions to problems. Cultural

variables have an effect on entrepreneurs, but they also have the ability to see possibilities at home and abroad. The relevance of tackling social and environmental concerns via entrepreneurial ventures has been brought to the forefront in recent years because to the rise in popularity of the notion of "social entrepreneurship." In addition, company owners are aware of how technological developments may affect their operations.

This study presents a comprehensive and well researched literature review that examines the entrepreneurship macroeconomic implications on economic welfare, drawing on empirical data. This statement underscores the significance of entrepreneurs in the process of developing novel products and services, fostering economic prosperity, and deviating from established norms. Entrepreneurs have a pivotal role in the creation of employment opportunities, fostering the growth of interconnected industries, and generating additional economic prosperity, so making a significant contribution to the overall national revenue. In addition, they deviate from conventional practices, advocating for liberty via the reduction of reliance on outdated systems and technology. The field of technological entrepreneurship has far-reaching implications for the global population, since entrepreneurs in underdeveloped nations are afforded equal access to resources and reduced living expenses. This review emphasizes the significance of business in the realms of habitat, social, and economic well-being. The research uncovers key factors that shape the entrepreneurial ecosystem inside the European Union (EU), including the influence of several elements such as the overall tax burden, property expenses, regulatory framework, capital prerequisites, and costs associated with contract enforcement.

The paper posits that international comparative studies on entrepreneurship primarily rely on two datasets: COMPENDIA and the GEM research project. In order to enhance the reliability and facilitate cross-study comparisons, it is recommended that researchers use a variety of widely-used indicators of entrepreneurship in their future investigations. In order to bridge the existing research gap regarding the entrepreneurship influence on environmental and social wellbeing, it is recommended that future studies use a diverse range of dependent welfare variables and employ research techniques that have shown efficacy in macroeconomic impact analyses. Furthermore, it is advisable to do further study on the effect of entrepreneurship in developing nations, particularly focusing on the lag-structure aspect. The existing body of research pertaining to the effects of entrepreneurship lacks diversity in terms of the metrics used to assess entrepreneurship, welfare outcomes, and individual factors that influence entrepreneurial behavior. The existing body of research mostly focuses on examining the factors influencing new business formations from both environmental and firm-level perspectives. In contrast, investigations into individual-level determinants predominantly rely on data obtained from the GEM. There exists a dearth of diversity in the indicators used to assess welfare, as research predominantly focuses on measures associated with GDP.

Data Availability

No data was used to support this study.

Conflicts of Interests

The author(s) declare(s) that they have no conflicts of interest.

Funding

No funding was received to assist with the preparation of this manuscript.

Competing Interests

There are no competing interests.

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