

INFLUENCE OF FORMAL AND INFORMAL INSTITUTIONS ON
ENTREPRENEURSHIP

by

SHIVAM KUMAR PANDEY

DISSERTATION

Presented to the Swiss School of Business and Management Geneva

In Partial Fulfillment

Of the Requirements

For the Degree

DOCTOR OF BUSINESS ADMINISTRATION

SWISS SCHOOL OF BUSINESS AND MANAGEMENT GENEVA

August 2024

INFLUENCE OF FORMAL AND INFORMAL INSTITUTIONS ON
ENTREPRENEURSHIP

by

SHIVAM KUMAR PANDEY

Supervised by

Dr. Anna Provodnikova

APPROVED BY



Prof.Dr.Sc. Saša Petar, Ph.D., Dissertation chair

RECEIVED/APPROVED BY:

Admissions Director

Dedication

This thesis is dedicated to all those who have inspired and supported me on this journey.

Acknowledgements

I am profoundly grateful to several people whose support has been essential in completing this thesis. First and foremost, I would like to express my deepest gratitude to my supervisor, Dr. Anna L. Provodnikova, for her unwavering support, insightful critiques, and invaluable guidance throughout this research journey. Her expertise and mentorship have been fundamental to my development as a scholar.

I am also thankful to the faculty and staff at the Swiss School of Business and Management, Geneva, Switzerland. Their commitment to fostering a nurturing and intellectually stimulating environment has enriched my academic experience immensely.

Special thanks go to my peers and colleagues who have provided encouragement and insightful discussions that helped shape this research. I am also indebted to the various entrepreneurs and institutions who participated in this study; their cooperation was essential to the empirical work that forms the backbone of this thesis.

Lastly, my family deserves my deepest appreciation for their love, patience, and unwavering belief in my abilities. Their support has been my anchor and their faith in me my driving force.

ABSTRACT

INFLUENCE OF FORMAL AND INFORMAL INSTITUTIONS ON
ENTREPRENEURSHIP

SHIVAM KUMAR PANDEY

2024

This study delves into how formal and informal institutions interact. Jointly influence the growth of entrepreneurship. It is based on a framework that compares elements such, as property rights, business freedom and financial resources with informal aspects like trust and culture. This research demonstrates how these combined factors can either support or impede entrepreneurship especially in rapidly expanding industries. Using a mixed methods approach the study explores how informal institutions work alongside regulations to either enhance or hinder entrepreneurial outcomes. The results show that the collaboration between formal and informal institutions is crucial for fostering opportunity-driven entrepreneurship and economic progress. This thesis advances discussions by outlining how these institutional dynamics impact high growth entrepreneurship providing insights for policymakers and stakeholders looking to create a conducive environment, for entrepreneurial prosperity and economic growth.

TABLE OF CONTENTS

List of Tables	ix
CHAPTER I: INTRODUCTION: FOUNDATIONS OF INSTITUTIONAL IMPACT ON ENTREPRENEURSHIP	1
1.1. Definition and Overview of Entrepreneurship.....	1
1.2. Economic Theories of Entrepreneurship.....	2
1.3. Institutions and Entrepreneurship	33
1.4. Importance of Institutions in Entrepreneurship	36
1.5. Research Problem	38
1.6. Purpose of Research.....	39
1.7. Significance of the Study	42
1.8. Research Questions.....	43
Chapter II: REVIEW OF LITERATURE	44
2.1. Theoretical Framework.....	44
2.2. A Review of Previous studies on the Relationship Between Formal and Informal Institutions.....	44
2.3. The objective behind the Literature review	45
2.4. Theoretical Background on Institutions and Entrepreneurship.....	46
2.5. Gap in the Existing Literatures	57
2.6. Summary	58
Chapter III: METHODOLOGY.....	60
3.1. Overview of the Research Problem	60
3.2. Operationalization of Theoretical Constructs	61
3.4. Research Questions.....	63
3.5. Research Design.....	63
3.6. Population and Sample	64
3.7. Data Collection	65
3.8. Research Design Limitations	66

3.9. Summary	68
Chapter IV: RESULTS: FACTORS EFFECTING ENTREPRENEURSHIP.....	69
4.1. Factors Affecting Entrepreneurship	69
4.2. Impact of Informal Institutions on Entrepreneurship.....	69
4.3. Factors affecting Entrepreneurship: Dependent Variables	84
4.4. Factors affecting Entrepreneurship: Independent Variables.....	85
4.5. Research Question 1: Factors Affecting the Entrepreneur in Starting a New Business.....	91
4.6. Research Question 2: Factors Affecting the Entrepreneur in Starting a High Job Creating Business	93
4.7. Research Question 3: Factors Affecting the Entrepreneur in Starting a Family Business	95
4.8. Summary of Findings.....	96
CHAPTER V: SUMMARY, IMPLICATIONS, AND RECOMMENDATIONS	98
5.1. Summary	98
5.2. Implication for Strengthening Formal Institutions	99
5.3. Implication for Strengthening Informal Institutions.	100
5.4. Recommendations for Future Research	101
5.5. Conclusion	102
REFERENCES	104
Appendix A: Probit Model.....	153

LIST OF TABLES

Table 4. 1: Summary Statistics of Dependent and Independent Variables	90
Table 4. 2: Probit Model- Factors Affecting the Entrepreneur in Starting a New Business	92
Table 4. 3: Probit Model- Factors Affecting the Entrepreneur in Starting a High Job Creating Business.....	94
Table 4. 4: Probit Model- Factors Affecting the Entrepreneur in Starting a Family Business	95

CHAPTER I:
INTRODUCTION: FOUNDATIONS OF INSTITUTIONAL IMPACT ON
ENTREPRENEURSHIP

1.1. Definition and Overview of Entrepreneurship

1.1.1. Conceptualizing Entrepreneurship

Starting and managing a business, known as Fancement. Joseph Schumpeter, a figure in entrepreneurship studies described entrepreneurs as individuals who bring about change, in markets by introducing ideas. These innovative ideas can range from products and production techniques to exploring markets and restructuring industries.

1.1.2. Entrepreneurial Ventures

In essence, when someone embarks on a journey their main focus is usually, on expanding and making money by introducing ideas or addressing market challenges. These business initiatives come in all shapes and sizes from ventures to big companies with potential, for growth. High-growth entrepreneurship stands out as it involves ventures that go beyond starting up quickly growing in terms of profits and job opportunities.

1.1.3. Dimensions of Entrepreneurship

Entrepreneurship can be viewed through various dimensions:

Innovation; Entrepreneurs frequently come up with ideas introducing products or services to the market or using innovative production techniques. Innovation is considered a factor, in standing out in an environment.

Risk taking; Engaging in entrepreneurship means facing uncertainty and the possibility of failure, which demands courage and determination from entrepreneurs.

Proactiveness; This aspect pertains to the capability. Eagerness to capitalize on opportunities, in the market often necessitates foresight and adaptability.

1.1.4. Different Forms of Entrepreneurship

Entrepreneurial ventures can be classified using the criteria;

Based on motivation; This covers entrepreneurship driven by necessity (push factors). Entrepreneurship is driven by opportunity (pull factors).

In terms of innovation type; This includes improvements (incremental innovations), versus bold entirely new ideas (radical innovations).

Considering growth prospects; This distinguishes between businesses focused on maintaining a lifestyle, with growth projections and startups aiming for significant growth potential.

1.2. Economic Theories of Entrepreneurship

Entrepreneurship is a complex concept that has been considered from several economic theories. Neoclassical economic theory explains entrepreneurship as the means of presenting innovations that lead to economic deviations or seizing opportunities arising from such changes (Mwatsika, 2021). This perspective underlines the role of entrepreneurs in influencing economic progress through their innovative efforts. However, traditional economic literature on entrepreneurship, including the works of Schumpeter, Knight, and Kirzner, has been criticized for being idiosyncratic and challenging to generalize to broader contexts (Foss and Klein, 2015).

The ancient roots of economic theories of entrepreneurship is traced back to scholars like Richard Cantillon, with the formulation of the first economic concept of the entrepreneur, placing the foundation for a significant body of economic theory on entrepreneurship (Thornton and Brown, 2023). This historical perspective specifies insights into how entrepreneurship has been theorized and studied over time within the field of economics. Furthermore, the behavioral economics perspective has supported

notably to the development of new economic models and expectations in the field of entrepreneurship (Dobryagina, 2021).

Schumpeter's work on entrepreneurship has been helpful in shaping economic theories related to economic fluctuations and development. His concept of entrepreneurship as a driver of economic development and change has been integrated into broader theories of economic innovation and growth (Dmytrychenko, 2024). Additionally, the role of entrepreneurship in organizational economics has been emphasized, highlighting the importance of judgment in economic organization and resource allocation (Foss et al., 2007).

The theory of entrepreneurial environments has gained importance in recent years, stressing the collaborative relationships and networks that support several stakeholders in fostering economic growth, entrepreneurship and innovation (Mafimisebi and Ogunsade, 2021). This perspective highlights the organized nature of entrepreneurship within broader economic systems and the significance of encouraging environments for entrepreneurial activities to flourish. In addition, the effect of social networks on economic growth and entrepreneurship has been discovered, emphasizing the interconnection of entrepreneurial activities and social relationships (Chen et al., 2018).

The growing field of entrepreneurship research seeks for a greater incorporation of economic theories with practical applications, highlighting the need to bridge the gap among real-world entrepreneurial practices and theoretical knowledge (Frederick and Monsen, 2009). This integration provides valuable insights into how economic theories of entrepreneurship inform entrepreneurial strategies and policy decisions. Additionally, the role of innovation in entrepreneurship has been emphasized, highlighting its importance in influencing economic performance and entrepreneurial activities (Audretsch et al., 2006).

Economic theories of entrepreneurship play a crucial role in shaping our understanding of how entrepreneurial activities drive economic development, innovation, and growth. From neoclassical perspectives to behavioral economics and institutional theories, a diverse range of economic frameworks contributes to our comprehension of the entrepreneurial phenomenon. By integrating these theories with practical applications and policy considerations, we can enhance our ability to foster entrepreneurial ecosystems that support sustainable economic development.

1.2.1. Knightian Economic Theory of Entrepreneurship

Entrepreneurship, which is a fundamental driver of innovation and economic growth, has long been a focus of interest in economic theory. Knightian economic theories of entrepreneurship, ingrained in the work of Frank Knight, underline the role of risk and ambiguity in entrepreneurial decision-making (Nocke, 2006). Knight's theory says that entrepreneurs are different from other economic actors in their inclination to accept uncertainty and make critical decisions under conditions of incomplete information (Aggarwal et al., 2013). This outlook highlights the crucial function of entrepreneurs in traversing uncertain circumstances and taking on risks that others abstain from (Jiang and Capra, 2018).

The Knightian view of entrepreneurship underlines the idea that entrepreneurs are not simply risk-takers but individuals who operate in areas of true ambiguity, where outcomes are incalculable and variable (Townsend, 2024). This distinction between risk, which is manageable and quantifiable, and Knightian uncertainty, which is unknowable and unquantifiable, is fundamental to belief of the unique responsibility of entrepreneurs in the economy (Clemens and Heinemann, 2006). Knightian uncertainty questions traditional economic models that depend on probabilistic risk assessments, emphasizing

the need for a different analytical context for the appreciation of the crux of entrepreneurial decision-making (Ilmakunnas and Kanniainen, 2001).

In the context of Knightian uncertainty, entrepreneurship becomes a process of venturing into the unknown, where individuals must rely on judgment, creativity, and resourcefulness to navigate ambiguous situations (D'Andrea and Mazzoni, 2019). This perspective aligns with the notion that entrepreneurship is inherently linked to the ability to identify and capitalize on opportunities in environments characterized by uncertainty (Bonilla and Cubillos, 2020). Entrepreneurs, as Knightian actors, play a critical role in driving economic progress by taking on the challenges and uncertainties that come with innovation and market dynamics (Sanyang and Huang, 2009).

The Knightian theory of entrepreneurship also sheds light on the relationship between risk preferences and entrepreneurial behavior. Studies have shown that entrepreneurs exhibit a higher tolerance for risk and ambiguity compared to non-entrepreneurs, supporting the idea that risk-taking propensity is a defining trait of entrepreneurial individuals (Fabel, 2004). This risk-seeking behavior, inherent in Knightian entrepreneurship, reflects a willingness to embrace uncertainty and make decisions under conditions of imperfect information (Townsend, 2024).

Moreover, the concept of Knightian uncertainty has implications for how we understand the dynamics of entrepreneurial ecosystems and the factors that influence entrepreneurial activity. Research has highlighted the role of uncertainty in shaping entrepreneurial decision logics and the emergence of profits in entrepreneurial ventures (Rapp and Olbrich, 2020). By acknowledging the pervasive nature of uncertainty in entrepreneurial endeavors, scholars can better grasp the complexities of entrepreneurial processes and outcomes (Thistoll, n.d.).

In light of the COVID-19 pandemic, the relevance of Knightian uncertainty in entrepreneurship has become even more pronounced. The unpredictable and disruptive nature of the crisis has underscored the challenges that entrepreneurs face in navigating uncertain environments and making strategic decisions in the face of ambiguity (Eabrasu, 2021). This crisis has highlighted the importance of resilience, adaptability, and innovative thinking in entrepreneurial responses to unforeseen challenges (Congregado et al., 2018).

Knightian economic theories of entrepreneurship offer a valuable lens through which to understand the unique role of entrepreneurs in driving economic development and innovation. By emphasizing the centrality of uncertainty, risk, and judgment in entrepreneurial decision-making, Knightian theory provides insights into the distinct characteristics and behaviors of entrepreneurial individuals. Understanding entrepreneurship through the prism of Knightian uncertainty enriches our comprehension of the complexities and nuances of entrepreneurial processes and underscores the vital contributions of entrepreneurs to economic progress and dynamism.

1.2.2. Schumpeterian Economic Theory of Entrepreneurship

Schumpeterian economic theories of entrepreneurship have been a focal point in economic literature, particularly due to Joseph Schumpeter's significant contributions to the field. Schumpeter's work, notably "The Theory of Economic Development," distinguishes between entrepreneurship and management, emphasizing the role of entrepreneurs as innovators (Bloch and Bhattacharya, 2016). This distinction underscores the idea that entrepreneurship is not merely about managing existing resources but about introducing new combinations that drive economic progress (Moige et al., 2016). Schumpeter's theory positions entrepreneurship as a dynamic force within capitalism, highlighting its pivotal role in fostering innovation and economic growth (Ozigbo and Ezeaku, 2009).

Schumpeter's concept of "creative destruction" has been central to understanding entrepreneurship, where innovation leads to the continual creation and destruction of economic structures (Riot, 2019). This notion aligns with the idea that entrepreneurship involves seizing opportunities in evolving contexts of change, both technological and institutional (Winter, 2016). Moreover, Schumpeter viewed entrepreneurs as key drivers of economic development through their ability to introduce new products, methods, markets, and organizations (Prasetyo and Setyadharma, 2022). This perspective underscores the transformative power of entrepreneurship in shaping economic landscapes.

In Schumpeter's framework, entrepreneurship is closely linked to innovation, with the process of innovation being a primary driver of economic advancement (Riandika and Mulyani, 2020). This connection between entrepreneurship and innovation is fundamental to Schumpeter's theory, where the actions of entrepreneurs lead to disruptive changes that propel economies forward (Betta et al., 2010). Schumpeter's emphasis on the entrepreneurial function as a source of economic dynamism highlights the critical role entrepreneurs play in driving progress and development (Kleinheyer, 2021). This perspective contrasts with traditional views that equate entrepreneurship solely with the establishment of profitable businesses (Aladejebi, 2020).

Schumpeter's theory of entrepreneurship also extends to the concept of "social entrepreneurship," where innovative and sustainable models are seen as catalysts for social development (Ebrashi, 2013). This expansion of entrepreneurship theory to encompass social impact reflects a broader understanding of the entrepreneurial function beyond economic realms (Qader et al., 2022). By integrating knowledge management practices and sustainable entrepreneurship, Schumpeter's theories provide a foundation for exploring the link between capabilities, opportunities, and organizational performance (Qader et al.,

2022). This holistic view of entrepreneurship underscores its potential to drive not only economic growth but also social and environmental progress.

Schumpeter's entrepreneurial theories have influenced diverse areas, including the role of entrepreneurship in addressing unemployment among youth (Aladejebi, 2020). By signifying entrepreneurship as a pathway to solving societal challenges, Schumpeter's work provides for the multifaceted effect of entrepreneurial activities (Aladejebi, 2020). Moreover, Schumpeter's emphasis on innovation as a core element of entrepreneurship supports the contemporary debate on the importance of creativity and innovation in influencing entrepreneurial development (Juliana et al., 2021). This connection emphasizes the permanent significance of Schumpeter's ideas in structuring entrepreneurial behaviors.

Schumpeterian economic theories of entrepreneurship provide a thorough structure for the comprehension of the varied role of entrepreneurs in driving social change through innovation and economic growth. By highlighting the relationship between innovation and entrepreneurship, Schumpeter's theories focus on the transformative power of entrepreneurial activities in structuring diverse aspects of society. From social entrepreneurship to creative destruction, Schumpeter's insights always inform practical applications and scholarly discussions in the field of entrepreneurship.

1.2.3. Kirznerian Economic Theory of Entrepreneurship

Entrepreneurship, a fundamental and essential component of innovation and economic growth, has been extensively researched through the lens of Kirznerian economic theories of entrepreneurship. Groundbreaking work on the function of the entrepreneur in the market process has laid the basis for identifying how individuals having entrepreneurial alertness can exploit by identifying the opportunities that others overlook (Kirzner, 2008). This perception of entrepreneurial alertness, as defined, implies the ability

to act upon the perception of opportunities in the market that have not been previously appreciated (Yan et al., 2018). It is this lively sense of alertness that differs successful entrepreneurs from others in the business aspects.

Research shows that entrepreneurial alertness is relatively linked to creativity, self-efficacy, cognitive flexibility, and creativity, all of which is essential in the entrepreneurial process (Yu, 2023). Entrepreneurial alertness promotes individuals to expect and capitalize on entrepreneurial opportunities, driving the development, identification, and implementation of innovative business ventures (Sang and Lin, 2019). Additionally, research has highlighted the intervening effects of entrepreneurial alertness on causes such as entrepreneurial education, tendency, and intention, stressing its importance in structuring entrepreneurial behavior (Chen et al., 2023).

Entrepreneurial alertness is not only about accepting opportunities but also about working actively to pursue them. It serves as a rational resource that empowers entrepreneurs to channel through the complexities of the market situations and thereafter to formulate informed decisions (Saadat et al., 2021). This proactive perspective is further assisted by the view that entrepreneurial alertness affects new venture performance, with networking capabilities acting as a assisting role in interpreting alertness into tangible results (Adomako et al., 2018). Moreover, the facilitating role of entrepreneurial alertness in the relationship between entrepreneurial intention and personality traits highlights its significance in shaping entrepreneurial conduct (Awwad and Al-Aseer, 2021).

From the perspective of the COVID-19 pandemic, the responsibility pertaining to entrepreneurial alertness has gained popular attention as entrepreneurs' cross exceptional levels of disruption and uncertainty (Arnaut et al., 2022). Research have investigated as to how entrepreneurial alertness interacts with aspects such as innovation behaviour, risk-taking, and opportunity identification to guide entrepreneurial outcomes (Vu and

Nwachukwu, 2021). Additionally, the effect of entrepreneurial alertness on the success of entrepreneurial firms highlights its significance in realizing market growth and sustainable competitive advantage (Satar, 2024).

Entrepreneurial alertness is not a static characteristic but is enhanced and cultivated through various means, involving entrepreneurship education, networking and social media use (Suratman and Roostika, 2022). By advancing in developing entrepreneurial alertness between individuals, organizations can advance a culture of adaptive entrepreneurship and innovation (Gao, 2024). Moreover, the relationship between entrepreneurial intentions and internal locus of control focusses on how personal characteristics influence the level of alertness individuals demonstrate for entrepreneurial opportunities (Wang and Huang, 2022).

Kirznerian economic theories of entrepreneurship have emphasized the important role of entrepreneurial alertness in fostering innovation, business success and opportunity recognition. By harnessing and understanding the power of alertness, individuals can actively engage with the changing business environment, create value in the marketplace and identify untapped opportunities. As research continues to explore the facets of entrepreneurial alertness and its implications for entrepreneurial behavior, entrepreneurs, policymakers and educators themselves influence these understandings to foster a successful entrepreneurial ecosystem.

1.2.4 Institutional approach theories of entrepreneurship

Entrepreneurial institutions have been a hot topic in academic research as they challenge the old mantra to focus on individual entrepreneurs, positioning recognition that entrepreneurial activity occurs within an institutional environment. Institutional entrepreneurship is an intentional strategy employed by entrepreneurs to impact or create new institutional arrangements that supports their interests (Aeeni et al, 2019). This view

does not square well with the stereotype of solo, redemptive entrepreneur that tends to be most prominently portrayed in public discussion (Genus et al., 2021). Institutional theory has long been used to explain why people seek and develop new organizations (Tolbert and Hiatt, 2010), making it a good theoretical lens for understanding some of the processes inherent in entrepreneurship.

Indeed, the application of institutional theory to entrepreneurship research has been acknowledged as a fruitful pathway for examining the role that institutions play in shaping entrepreneurial activities (Bruton et al., 2010). In response to this research gap, scholars have resorted upon institutional theory as a method of casting light on the determinants of entrepreneurship and how institutions influence business creation (Zhai and Su, 2019). Adopting this theoretical lens permits an enhanced examination of how entrepreneurs are able to manoeuvre and respond to their institutional environment in order to create value and support innovation (Tracey, 2011).

In addition, according to institutional entrepreneurship involving the works of agents that not only disturb existed social institutions or create new ones in order often towards radical innovations diffusion across markets (Tiberius et al., 2020). Researchers also deploy institutional theory to explore the processes of institutional change and how this affects nascent entrepreneurial endeavours (Pacheco et al, 2010). This approach emphasizes that entrepreneurship is not in a vacuum independent of markets and institutional arrangements, demonstrating the importance of institutions for enabling or restraining entrepreneurial activities (Cullen et al., 2014).

Institutional theory also provides explanations for informal sector entrepreneurship, an area where entrepreneurs engage within such context deprived of formal institutional support and trust (Williams and Kosta, 2019). As reported by Puffer et al. (2010), “Institutional voids and the power of informal institutions in shaping entrepreneurial

behavior are essential factors for understanding the complexities of entrepreneurship across contexts". In this context, researchers can explore how the state acts as an institutional entrepreneur in establishing institutions underlining international entrepreneurship (Nasra and Dacin, 2010).

Moreover, the literature explored the linkages between institutional quality (IQ) and entrepreneurship finding mixed effects of IQ on entrepreneurial activities as well as productive vs. unproductive/destructive forms of entrepreneurial behaviour (Wei, 2021). This strengthens the case for governance structures and institutional environments as exogenous variables shaping an entrepreneurial ecosystem to a greater extent (Wei et al., 2019). Research on the influence of institutional contexts at entrepreneurship level revealed, for example that formal education support and appropriate state regulations are among influential factors influencing different types and levels of entrepreneurship activities (Wannamakok and Yonwikai, 2023).

It has also been important in investigating the legitimation processes and microstructures that have produced social entrepreneurship as a field of practice, within cultural environment (e.g. Littlewood and Holt, 2015). By situating entrepreneurship in the institutional environment within which it takes place, scholars can clarify what motivates entrepreneurs to act. This view enables researchers to investigate the role of institutional quality in enabling or constraining entrepreneurial initiatives, providing grounds for should impact how entrepreneurs behave (Boudreaux and Nikolaev, 2018).

In sum, the institutional lens provides a robust theoretical home for exploring the myriad ways in which entrepreneurs interact with their surrounding institutional milieu. Institutional theory allows a deeper understanding of how entrenched institutions either support or stifle entrepreneurial processes, shedding light on the nuances of entrepreneurship as it unfolds in various settings. Such approach will not only add to our

knowledge about the behavioural dimensions of entrepreneurship but also feed into a broader stream policy and practice that wish to create an environment where entrepreneurship could flourish.

1.1.5. Contract theory of entrepreneurship

The contract theory explains agreements between entrepreneurs and different interested stakeholders and sheds light on the nature and functioning of contracts. According to Cai, it “examines suboptimal contracts in venture capital-backed nascent entrepreneurship”. Cai studies the dynamics of contract choices by entrepreneurs and venture capitalists and finds out about the complexity of contract decisions. The theoretical foundation of the firm, including contracts, ownership, and entrepreneurship, in the realm of organizational theory, is reflected in organizational constructs, such as relationships among ownership, contracts, entrepreneurial activity, and formation of firms. Given an economic focus, contract theory helps understand how agreements shape firms, influencing decisions about firms’ ownership, entrepreneurship, and organization of different structures. The theories of the public sector entrepreneurship develop in terms of contracted relations and policy tools, assuming rational calculation and focusing on policy tools, such as public-private partnerships. In the spectrum of influencing entrepreneurial initiatives in the public domain, contracts exert a great influence. An entrepreneurial theory of the firm seeks to integrate entrepreneurial processes more closely with firm-level analyses suggesting that entrepreneurial capabilities can be purchased with a consultant’s fee. In the theory of sustainable entrepreneurship, the social innovation long-term social contracts guide an entrepreneur to make decisions effecting social and environmentally responsibility. It suggests that the entrepreneur can be fitted to the definition if he or she adjusts the agreement and is pro or contra public interest. A theoretical discussion is about the role of contract labour in non-profit arts organizations either encourages

entrepreneurship and organizational efficacy. In this sense, the type of labour contract influences organizational entrepreneurship and the division of labour. Thus, the contact theory of entrepreneurship generously allows combining three critical aspects used to explore entrepreneurial behaviour and outcomes, organization and agreements.

1.1.6. Entrepreneurship in endogenous growth theory

As D'Andrea and Mazzoni (2019) explain that the endogenous growth theory of entrepreneurship has provided a significant shift towards greater understanding about what drives economic development by focussing more on knowledge spillovers, innovation and human capital investment to promote sustained prosperity in an economy. As a result of the focus on entrepreneurial activities it is best to place entrepreneurship in growth models (Omer, 2023) and this theoretical framework has been proposed by Romer and Lucas (2019) with concept that entrepreneurs are main vision for long-term economic progress. Knowledge spillovers, as described further in the theory section of this article below are inherently linked to collective entrepreneurship and hence economic development with a particular focus on how universities facilitate knowledge dissimulation and innovation as per Leyden and Link (2017).

Subsequent empirical research has been consistent with the fundamental tenets of endogenous growth theory and established a strong role of entrepreneurship as well human capital in driving economic growth (Proença and Soukiazis, 2022). Researchers have explored how entrepreneurial activities contribute to technological progress and economic development by differentiating between inventors and innovators in the endogenous-growth model (Ács and Sanders, 2015). In addition, strategic entrepreneurship based on the theory of knowledge spillovers has been identified as a potential theoretical framework that might capture endogenous growth effects combined with knowledge externalities and

dynamics of entrepreneurial activity in the form of regional growth differentials (Huggins and Thompson, 2015).

This perception of knowledge commercialization as an economic driver also fits well with the key principles behind endogenous growth theory labelling those investments in increased general learning result to automatic advantages for this economy (Kubičková et al., 2012). According to this view, the transformative role of entrepreneurship is in deploying its knowledge assets as an engine for economic growth and innovation (Tasnim and Afzal, 2018). The knowledge spillover theory of entrepreneurship elaborates on this story and highlights the production, dissemination and commercialization role entrepreneurs play in these processes (Henrekson and Roine, 2007).

To study the relationship between entrepreneurship and economic growth, researchers used instrumental variable models to account for endogeneity problems when drawing causal relationships from entrepreneurial activities on overall economic performance (Trevisan and Ghio, 2014). Research has long pointed to the diverse, net gainful effects of enterprising undertakings (Gallouj, 2017), by understanding entrepreneurship as a driver for growth in addition to an economic development. In particular, the finance-entrepreneurship-growth nexus in terms of endogenous growth theory also significantly highlights financial resources flows and entrepreneurship activities that all contribute to sustainable economic development (Caiazza et al., 2016).

One of the essential apparatuses to comprehend, how knowledge creation and diffusion promotes economic growth in the long run has been through investigating this phenomenon from a knowledge spillover theory of entrepreneurship model (Audretsch et al., 2020). Research has been done using entrepreneurship education, social network and sustainable innovation perspectives on the impact of entrepreneurial attitudes and policy towards both Entrepreneurial Intention behaviour or effective economy (Yang, 2022). The

importance of entrepreneurship to sustainable development goals speaks for the transformative nature that entrepreneurial activities can have on societal challenges and inclusive growth (Braunerhjelm et al., 2015)

So, we conclude the endogenous growth theory of entrepreneurship presents a complete picture in terms of linking factor like human capital and knowledge spillover highest values which encourage sustainability through innovation driven entrepreneurial activities. Drawing from a wide breadth of areas and data both qualitative and quantitative, researchers have built our theoretical toolbox when it comes to elucidating the role of entrepreneurship in economic growth, innovation, and societal well-being.

1.1.7. Institutional Theory of Entrepreneurship

At the nexus of economic institutions and entrepreneurial behaviours, innovation in income opportunities has long been a focus both for institutional economics theory generally but also within theories about entrepreneurship. This supports the idea that different types of Formal and informal institutions matter in the two directions discussed by Pacheco et al. (2010) when it comes to constraints and enabling conditions for entrepreneurial actions (at a certain level) within each specific economic context.

Based on prior works, we have positioned 4 institutional economics dimensions that advocate a basic framework to understand how knowledge institutions stimulate entrepreneurship (which affects directly the process of economic development) Aparicio et al. Researchers have focused on the effects of formal institutions on both informal as well in part mode start up activity either way revealing some significant institutional influence shaping these entrepreneurial outcomes (Qosja et al., 2020).

Overshadowed by the popular industrial policy theories, a more recent market-based approach has developed primarily in reaction to the earlier developmentalist policies grounded on import substitution of labor protection paradigms that culminated in mixed

results (Tomes and Eicher, 1997). It explicitly highlights the way institutions mediate risk-taking, profit generation and entrepreneurial competition; aspects that cumulatively influence how an economy of entrepreneurship is created (Prasetyo et al., 2022).

In one conceptual model, the spirit of social entrepreneurship has been incorporated to new institutional economic theory and a framework where leading companies still have innovative ownership rights on factor markets but are driven by sustainability measures was developed (Ebner, 2005). In this line, by consolidating the field of social entrepreneurship with institutional frameworks researchers can obtain a more robust view on how various kinds of environment institutions might be able to foster sustainable economic development via entrepreneurial activities (Urbano et al., 2018).

There is also an institutional approach to entrepreneurship research, in which institutions are considered as important factors explaining variations in entrepreneurial behavior and mechanisms through which they affect economic growth (McMullen, 2011). By studying the nexus among entrepreneurship, institutions and economic development (Giorno, 2024), scholars seek to understand which types of governance arrangements influence inclusive economic growth together with entrepreneurial activities in different institutional contexts.

The synergy of social entrepreneurship and institutions is considered very critical in providing comprehensive sustainable regional security, reflecting on how institutional environments play a significant role as the reformers to encourage productive entrepreneurs likewise human experiments for economic growth (Prasetyo et al., 2021). This research exposes the pivotal positions that institutional capabilities and social entrepreneurship could play to spearhead business opportunities as well as boost including competitiveness (Raimi, 2023).

Institutional theory has provided a perspective to study the interplay of institutions and entrepreneurship in economic development (Wei, 2021). This process seeks to recover how institutional inducements — such as government subsidies and entrepreneurial risk-taking by an institutional entrepreneur base involving encouraged ambulatory are just some of the ways in which development prospects have been introduced into different forms. (Thornton and Brown, 2023).

The core objective of entrepreneurship development programs, based on the theoretical underpinnings from human capital theory, institutional theory and innovation society as well as social structural theories seems to be knowledge transfer along with skills transference for individuals/firms not only access but deploy these into tangible entrepreneurial ventures (Bjørnskov and Foss, 2009). This holistic approach to entrepreneurial ecosystems provides an institutional perspective on the complex systems of entrepreneurship that supports sustainable venture creation (Wulandari, 2023).

To sum up, institutional economic theory of entrepreneurship presents a coherent framework to fathom the interaction between economic institutions, entrepreneurial activities and development. The process of investigation highlights the impact that institutions can have on entrepreneurial actions, innovation and overall economic development; therefore, researchers could be able to elucidate why some institutional environments are more fruitful than others in terms of shaping superior results associated with entrepreneurship driving in a sustainable way such progress.

1.1.8. Comares- Business, Neoclassical Economic Growth Theory of Entrepreneurship

The most fundamental growth theory in this context is the neoclassical economic growth and development, which gives a basic structure to think about such competitive forces spurring on innovation by examining key aspects including labor, capital technology

and Labour (Pettrakis et al., 2019). Central to the neoclassical economic theory, this approach determinates that capital and technology — not so much entrepreneurship as such — is what leads a country from underdevelopment (Rahman and Fatima, 2011). Literature suggest that neoclassical economists have not recognized the fact that economic development outside of technological and capital improvement may only be due to entrepreneurial work (Kostic et al., 2018).

Central to the neoclassical growth model is that savings, investment in physical and human capital, and innovation are engines of economic growth (Schlögl and Sumner, 2020). The theory concentrates on allocative and productive efficiency leading to economic growth under static market equilibrium framework (Audretsch and Link, 2011). According to Ben, (2019), neoclassical growth theory emphasizes the accessibility and use of productive factor inputs for explanation of the economic dynamics over time. The theory also stresses the determinants of capital accumulation and technological progress as forces that propel economic growth (Zhang, 2017).

Although traditional neoclassical economics has considered physical capital as the major contributor to economic growth, more recent work on entrepreneurship in this framework is now emerging (Sekmen, 2019). Entrepreneurship is an increasingly important driver not only of the creation and growth of macroeconomic activity, but also in direct combination with innovation (effectuation) has resulted as a catalyst for economic transformation exploitation since Schumpeter's time. Yet the neoclassical economic theory of entrepreneurship has been notoriously sketchy, tending to treat entrepreneurship as a residual (Mahadea, 2013).

The Production function, creation of capital and technological progress is studied under the neo-classical-growth-theory which has served to influence our insight into expansion (Audretsch and Keilbach, 2006). However, this theory has been criticised for its

unrealistic assumptions and a lack of treatment of dynamic economic processes such as entrepreneurial activities or innovation (Caplan, 1999). Although, neoclassical economics offer good insight when discussing aspects such as savings and capital accumulation or technology greater attention has been given to recognizing the need for entrepreneurs a more explicit way of introducing an entrepreneur into economic growth models (Selim, 2021).

To sum up, the neoclassical economic growth theory of entrepreneurship provides an insight to what makes societies develop economically through factors like capital accumulation, technological advancement and efficiency. Although entrepreneurship is traditionally seen as a simple mechanism for economic growth, it also has to be recognised that factors such self-employment and new business formations are endogenous effects which follow the innovational behaviours empowered through neoclassical competition strategies. Including entrepreneurship more explicitly in neoclassical economic models can therefore complete this picture, helping to better understand the dynamics of development and growth.

1.1.9. The Resource-Based View and the Institutional Approach to Entrepreneurship

The resource-based institutional theory of entrepreneurship draws from entrepreneurial insights in the two theories; it seeks to explain how institutions and availability of resources condition entrepreneur activities and outcomes at country level. From this theoretical perspective, resources and institutions are crucial in influencing the behavior of entrepreneurs as well as driving innovation and economic development.

Alvarez and Busenitz (2001) provide an important reference in considering resource-based theory and entrepreneurship together. In this regard the study also highlights how resource-based theory connects with an investigation of entrepreneurship,

while focusing on innovativeness and hence help to enrich knowledge boundaries for one field and answer some key questions posed in another. This study provides a more nuanced account on the influence of resources upon entrepreneurial outcomes, by exploring its interaction with entrepreneurial activity in relation to enterprise success.

Among other most directly related to it is the study of Peters et al., (2011) that deals with institutional entrepreneurship capabilities in interorganizational sustainable supply chain strategies. This study contributes to the extant entrepreneurship literature by elucidating why institutional entrepreneurs mobilize resources, in line with existing work on resource-based institutional theory of entrepreneurship (Howell, 2021). Adding to this the Institutional Entrepreneurship perspective, which underscores economic resources, as a seminal factor that have significant impact of entrepreneurial initiatives.

In addition, the work of Stephan et al. (2014) examines the power of institutions and social entrepreneurship, focusing on institutional voids, institutional support as well as their permutations in influencing on entrepreneurial practices. By developing this point, the study implies that future contributions to comparative entrepreneurship can be enhanced by integrating institutional theory with research in within its resource-based views and highlighting how any motivation mechanism intuitions is embedded in considerations of resources as well as fate.

Moreover, Nikolaou et al. showed that LVESV decreased after RFCA in patients with chronic atrial fibrillation due to AVNRT/AVRT without structural heart disease and found no significant relationship between the amount of procedure-induced intracardiac air trapping and late-contrast MRI characteristics. Kalla (2018) compounds institutional and resource-based disciplinary insights for understanding the motivational incentives of ecopreneurs. This research makes a major contribution by providing an analytical framework to explain the eco-perineurial value that is derived from institutional and

resource-based perspective considering motives leading entrepreneurs toward ecopreneurship orientations.

To sum up, the resource-based institutional theory of entrepreneurship provides a broad context in which to examine both how resources and institutions influence entrepreneurial actions and economic outcomes. Studying how resource availability, institutional frameworks and entrepreneurial activities interplay will thus provide a better understanding of what structures effect entrepreneurship outcomes in general as well of economic development.

1.1.10. Endogenous growth theory and entrepreneurship

It has been explained by the Endogenous growth theory of entrepreneurship that economic growth is motivated not really through external influences like in this instance, however interior driven factors (Independent Variable) This theory gives importance to knowledge, innovation and human capital as primary source of growth with entrepreneurship acting key in the due process. According to the endogenous growth theory, entrepreneurs have a key role in turning knowledge and innovation into economic growth. Entrepreneurs discover and prove business model, create new products or services; improve processes which improves productivity resulting in economic growth. This view is reinforced by the analytical framework of endogenous growth where entrepreneurial activity has been emphasized as a key driver for innovation and economic development (Audretsch, 2007), which contrasts with the traditional measures focussing only in resources-based intensive inputs.

Kouakou Omer's research emphasizes on the importance of human capital in entrepreneurship where he suggests that education and training are very essential to build entrepreneurial competencies. This is consistent with the view of endogenous growth theory, which argues that investment in human capital boosts innovations and hastens

economic expansion (Omer, 2023). Similarly, Ehrlich et al. highlight the key intermediating role played by human capital and knowledge spillovers in fostering entrepreneurship that subsequently leads to economic growth (Ehrlich, Li and Liu, 2017). Huggins and Thompson show that place-specific endogenous growth theory differs in regard to regional features whilst local entrepreneurial ecosystems and networks are crucial for the persistency of innovation feature as a means of economic development. It has been argued that regions with strong entrepreneurial networks grow faster since the knowledge (Huggins and Thompson, 2017) and resources are defined more efficiently (Huggins and Thompspon, 2015).

In addition to this, the work of Buheji shows how it is crucial for encouraging both a partnership entrepreneurship that an entrepreneurial ecosystem is structured in a manner which can leverage on good policies and infrastructure facilities, since unlocking credit alone will not necessarily aid the economy as such paths lack innovation. These traits and skills are crucial for converting inherent entrepreneurial potentials into the actual economic ifs as perceived by endogenous growth theory (Buheji, 2018) Buheji, M. This theory has several limitations and challenges as well. This is the case of Blazeski, who points out that their research reinforces this line and corroborates with it by highlighting external factors are pivotal for defining endogenous forces in local entrepreneurial activities inferring economic growth (Brustolin, Pinzeta and Vier, 2022). This implies that when we chess it from the angle of entrepreneurship and growth, a broader perspective must be employed so as to cater for both internal and external issues (Sanders, 2007).

To conclude, Endogenous Growth Theory of the Entrepreneurship presents us a view that internal factors such as human capital, innovation and entrepreneurial ecosystems play crucial role in expanding economic system. The transformation of knowledge into economic value, is facilitated by the work entrepreneurs carry out. The theory is important

because it provides us with a useful model for understanding what drives growth dynamics, while recognizing the interaction between endogenous and exogenous forces to shape an entrepreneurial outcome (Sergiy Shvets, 2021). The responses of these various studies converge well and demonstrate the non-unitary nature of entrepreneurship and how it works, why its effects are what they appear to be on economic development; supporting further efforts needed in creating environments supportive for innovation and entrepreneurial activity.

1.1.11. The entrepreneurial regulatory capture perspective

Regulatory frameworks that establish the boundaries under which firms in a market operate help ensure low levels of rent-seeking behaviour and other forms of cronyism, yet also create an opportunity for leading enterprises to regulate entrepreneurial payoffs. According to this theory, existing firms can influence regulatory organizations creating barriers for new competitors capturing the market and diminishing entrepreneurial action. De Chiara and Schwarz address how regulatory capture can affect the market by distorting its equilibrium point with a set of regulations favouring incumbents rather than entrants. Many well-known examples of this behaviour include lobbying or other forms of legalized corruption that tend to make regulations unnecessarily cumbersome and so expensive that startups decide not being created (Tai, 2014; Chiara and Schwarz, 2021).

Mundula and Sabrina go on to delve deeper into the role of regulatory capture in shaping innovation. Critics contend that regulations, once captured, tend to become less flexible and responsive to progress in technology — an evolution process limiting the entry of innovative startups into the market. This selectively creates an atmosphere that gives the edge to well-rooted firms with significant resources and all strengths of manoeuvring or manipulating these regulations in a way which disregard the level playing field, hence lowering overall innovation levels within (Mundula and Auci, 2019). Carrigan and

Coglianesse offer a much greater telling of regulatory capture by writing that it often materializes when the entrusted organizations have close ties to what they regulate. This dynamic can give rise to a regulatory climate conducive of incumbent angels that could result in huge barriers for potential new entrants. This inhibits competition, they argue, and full-service provisioning services typically offered by only a few firms may limit the diversity of business models and ideas in the market (Carrigan and Coglianesse, 2016).

The study by Agrell and Gautier only serves to strengthen this belief, as it explains how market operations can become more inefficient in the presence of regulatory capture. Agrell and Gautier (2017) provide an argument that regulations intended to protect established firms can result in a loss of optimal resource allocation whereby individuals are deterred from entering the market due either to perceived or actual barriers. And then, Walters gets into the consequences of regulatory capture on policymaking itself — where policies are potentially set in stone just like weed and feed get mixed together as we all collude our way to a beautiful round cookie-cutter lawn. The vicious cycle is often hard to break, since incumbent firms typically have the resources and power needed to keep the status quo in place. Ni extends the literature on regulatory capture by focusing on its effect upon market competition.

Regulatory capture will revert to protectionism due to newly entrants cannot compete fairly as the favour of regulation has been set up by incumbent firms (Ni, 2011). Gmeiner and Etzioni, on the other hand, emphasize some of those potential remedies to regulatory capture. They contend that by improving transparency in the regulatory process and insulating regulators from industry influence, we can create fairer opportunities for entrepreneurs. In so doing, they can possibly decrease the risk of capture and enhance competition and innovation in different market (Gmeiner 2018; Amitai Etzioni 2009).

Overall, the theory of regulatory capture and entrepreneurship highlights how new market entrants are put at a disadvantage politically in an industry where incumbent firms affect regulation. Although the theory provides no empirical evidence, it does lead to a call for regulatory reform that encourages transparency and independence in creating competitive markets with dynamic entrepreneurship.

1.1.12. The Gibrat Law of Entrepreneurship

The immense and almost universally accepted Gibrat's Law (or the Law of Proportionate Effect) states that growth rates are independent from size. One of the most extensively studied applied contexts for this principle has been entrepreneurship, specifically concerning whether small and large firms that grow at similar rates dominate different phases in business development and economic growth. However, studies examining Gibrat's Law in entrepreneurship have reported contradictory results due to the underlying dynamic nature of business growth. Guerzoni, Riso and Vivarelli investigate the relevance of Gibrat's Law or SMEs. According to their research Gibrat's Law is valid in some industries, but it fails elsewhere: where conditions of the market and firm specific play a more significant role. (Guerzoni, Riso and Vivarelli 2024; Guerzoni et al., 2023)

In other words, the law applies when X as well, but it does not hold if not (X) assuming that this external condition is provided and, also, when you control by innovation capacity or how the management made. Kızılarıslan and Zuhul (2020) take a further step in exploring the law on new ventures growth patterns. Their results indicate that, contrary to Gibrat's law, growth is indeed random since newborns and dwarfs are more likely than the giants among economic entities. The reason for this deviation is that; it rises from the more flexible and adaptable structure of smaller businesses, they reach niche markets better than large enterprises and can innovate faster (Zuhul, 2024). This indicates that Gibrat's Law, although a useful theoretical organising principle and internal benchmarking device for

growth of enterprises in medtech companies, may be incomplete reflection of entrepreneurial dynamics as they grow especially quickly evolving sector. Grüdtner and Marques (2007) add a complementary perspective by looking at the importance of technological innovation for long-run firm growth. They say that technologies will compel a much more bi-modal growth track with many smaller, quicker growing companies grabbing substantial share from incumbents due to superior technology integration capabilities. This technological edge can result in growth rates different from the predictions of Gibrat's law, showing that innovation matters as a source for entrepreneurial-based economy (Domínguez et al., 2021).

This conclusion is consistent with Aydogan and Donduran (2019) who underscored that agglomeration economies depend on market conditions and competitive pressures in determining firm growth. For the highly competitive markets, those can be investigated as smaller firms may have higher growth due to being able to respond quickly to market changes and utilizing their advantages such as customer cost efficiency and focus (Grüdtner and Marques, 2020; Aydogan and Donduran, 2019). The findings by Hedija and Fiala on firm growth across forms of economic activity also present a challenge to Gibrat's Law. They identify significant country level effects related to sector-specifics such as regulatory environment and access of capital, which tend take the growth onto corners contrary from what is predicted by the law. This emphasises the need to take into account industry specific dynamics when assessing whether Gibrat's law acts in entrepreneurship-specific environments (Hedija and Fiala, 2019). Krasniqi and Lajqis (2019) entrepreneurial ecosystem research indicates that external support mechanisms in the form of government policies, financial incentives have a significant influence on firm growth. These are said to generate forces which support or conflict with years of age organization growth and in turn

has implications for the consistency of Gibrat's Law across different environments (Krasniqi and Lajqis, 2018).

Finally, Bouchard and Rousselière also discuss the social and cooperative aspects of entrepreneurship pointing out that this could substitute for a theory in which growth may diverge from conventional patterns with collective business models. These models frequently foreground resource sharing and group expansion, causing them to perform growth pathways (that tested the points suggested by Gibrat's law) exacerbates this tendency. We conclude that while Gibrat's Law serves as a basic theory of firm growth, multiple factors such as size, the characteristics of this sector and some industries enable for only constrained application to entrepreneurship where technological innovation is driving it like in case with nascent. Taken together, these findings underscore the need for a more nuanced view across multiple facets of entrepreneurship growth dynamics — relying on both internal and outward-facing elements affecting new venture sustainability.

1.1.13. Jovanovic's Learning Theory on entrepreneurship

According to Jovanovic's Learning Theory on entrepreneurship, entrepreneurs learn about their own capacity and feasibility of business idea by process or trial and error. Entrepreneurial theory instead advocates that entrepreneurs begin under uncertainty about their own abilities and the market, like a Bayesian updating where they learn more information as time continues with respect to how well their businesses are performing. We learn for the decision to carry on, scale or sell what they have. This theory is confirmed through a host of studies illustrating the dynamic process inherent in entrepreneurship and how learning plays into successful venture building.

For instance, Minniti et al. the value of learning among entrepreneurs, with an emphasis on the observation that over time 8entrepreneurs apply new information and experience to adjust or refine methods (Minniti et al., 201) This follows Jovanovic's belief

that learning is an important part of the formation of a successful entrepreneur. Further, Thompson and Illes describe that entrepreneurs experience uncertainty, as well they need to use learning to respond business environment complexities (Neil Aaron Thompson and Illes., 2020). The uncertainty is a central aspect of Jovanovic's model: entrepreneurs are learning about their own efficiency as an entrepreneur and the response of the market to their goods or services over time.

In addition, Howell's research underscores that another important aspect of learning includes the way that entrepreneurs adapt their business models and strategies in response to market feedback (Howell, 2021). While this kind of feedback and completion-deviation link gives a functional orientation to Jovanovic's theory, the part that links learning or adaptation is key in several dimensions for entrepreneurial success. Petkova also examines the learning part and how it builds entrepreneur self-assurance and sense of capability, which are critical factor in making a proper business decision (Petkova, 2008). This view is a nice complement to Jovanovic's theory, which points towards the impact of learning on an entrepreneur being able to accurately assess both their own abilities and that of potential ventures.

Nonetheless, several studies suggest that there are limitations and challenges in how things are going on with the learning process in entrepreneurship; A common perspective regarding cognitive biases is that they can lead to entrepreneurs interpreting feedback inaccurately or overestimating their skills, making learning a flawed process. For instance, Rae and Wang highlight how cognitive biases could impair an entrepreneur from actually using the feedback received (Rae and Wang, 2015). This indicates that learning is always important but not easy and may be confounded with factors of subjectivity. They demonstrate that entrepreneurial learning is social and cultural with the implication that it does not take place only in isolation, but as a product of interaction between individual

experience and activity on one hand, with other entrepreneurs or members of host society respectively to contribute to Ecosystem (Byrne and Toutain, 2012). This lens on learning in entrepreneurship makes the theory of Jovanovic, though theoretically accurate at some level appears overly simplistic and woefully inadequate.

Coming full circle, Jovanovic's Learning Theory serves as a building block for explaining how entrepreneurs gain knowledge and expand their managerial skills through experience. The theory is supported by empirical findings which emphasize learning in dealing with uncertainty and how it can lead to entrepreneurial success. Nevertheless, it is equally essential to factor the likely constraints and exogenous forces that contribute significantly towards either frustrating learning in entrepreneurship. This prevailing theory in Jovanovic continues to be a useful perspective on the nature of entrepreneurship as dynamic and changing across time.

1.1.14. Institutional theory approaches of Entrepreneurship

Institutional theory on entrepreneurship, with its questioning of the traditional focus just upon individuals in our research stream but instead looking at a more general level onto all aspects that surrounds an entrepreneur while he or she is active, within such manners theoretical approaches has grown and have been intellectually attractive to both researchers and entrepreneurs. Institutional entrepreneurship works when entrepreneurs can both manipulate and establish institutional arrangements to benefit their personal interests (Aeeni et al., 2019). This way of thinking questions the maverick, hero-entrepreneur image portrayed lavishly through mainstream talk (Genus et al., 2021). Much of what we know when it comes to intimate behaviour can be tied back directly to institutional theory, given that this field provides a lens through which important entrepreneurial metrics are analysed — such as the conditions under which new organizations organically emerge (Tolbert and Hiatt, 2010).

Institutional theory in entrepreneurship research has been recognized as a promising way to study the connection between institutions and entrepreneurship (Bruton, et al., 2010). Institutional theory has emerged as an important tool for scholars to explain the determinants of entrepreneurship and how institutions influence individual-level entrepreneurial decisions (Zhai and Su, 2019). This theory provides the theoretical basis for understanding how entrepreneurs influence their institutional environment to contribute value and aid innovation (Tracey, 2011).

Institutional entrepreneurship additionally and importantly encompasses a number of activities that agents undertake in order to disrupt existing social institutions or establish new ones which are mainly needed for radical innovations to be diffused within markets (Tiberius et al., 2020). Particularly by drawing upon institutional theory, researchers can explore how formal institutions are changed and actor understanding of these changes influence entrepreneurial efforts (Pacheco et al., 2010). One way to view this is through the market—institutional innovation nexus, focusing on how institutions influence entrepreneurs in markets (Cullen et al., 2014).

Informal sector entrepreneurship: Institutional theory also provides an understanding of the characteristics and activities associated with informal sector entrepreneurs as well where there is scarcity or absence of formal institutional support and trust (Williams and Kosta, 2019). In addition to illegitimate entrepreneurship, it is also important for researchers and practitioners working in the field of entrepreneurship to understand how institutional voids have given rise to a particular aspect or version of formal as well as informal institutions that can influence entrepreneurial activity (Puffer et al., 2010)—whether they will be firms created at low scale using crowd resource-sharing platforms where cyber-cartels are pervasive. Analysing the institutional arrangements that further international entrepreneurship allows researchers to demonstrate how states behave

as institutional entrepreneurs thus shaping place-specific frameworks for transnational entrepreneurial activities (Nasra and Dacin, 2010).

Also, interest regarding the relationship between entrepreneurship and institutional quality has grown in recent studies raising concerns on how good institutions can spur productive entrepreneurial behaviour while preventing unproductive or even destructive forms of entrepreneurship (Wei, 2021). These results contribute to the literature on entrepreneurial development by stressing that governance and institutional environments play a key role in establishing an environment which is complementary for promoting entrepreneurship (Wei et al., 2019). This research on the role of institutional contexts sheds light on how some dimensions such as educational support and regulatory frameworks in institutions can affect both prevalence or nature of entrepreneurial activities (Wannamakok and Yonwikai, 2023).

Institutional theory has also been of a particularly influential base for the exploration of social entrepreneurship in certain contexts exposing the processes and microstructures that enable this distinct field practice to emerge (Littlewood and Holt, 2015). Researchers might be able to better understand the drivers of entrepreneurial action (Hanoteau, and Vial, 2020), but also deepen our knowledge about institutions and how those may shape entrepreneurship. This perspective opens the door for a differentiated examination of how institutional quality enables or hampers entrepreneurship, giving rise to different facets of entrepreneurial behaviour (Boudreaux and Nikolaev, 2018).

In sum, the institutional approach to entrepreneurship provides a comprehensive theoretical structure for analysing how entrepreneurs and their actual or potential activities reinforce or disrupt the constraints on behaviour present in institutions. Institutions of course are understood as enabling or constraining entrepreneurs and by applying institutional theory, we gain insights into the processes that guide entrepreneurship ‘in

action' across contexts. This not only advances entrepreneurship theory but also guides policy and practice directed at creating an environment favourable to the onset of entrepreneurial activity.

1.3. Institutions and Entrepreneurship

Institutions and entrepreneurship have appeared as a crucial area of study, directing on how entrepreneurial activities and institutions act together to drive development and economic growth (Proença and Soukiazis, 2022). This perspective highlights the consequence of institutional frameworks in shaping entrepreneurial behavior and their outcomes. Besides, the knowledge spillover theory of entrepreneurship has presented a new lens through which to realize how knowledge flows affect economic performance and entrepreneurial activities (Bjørnskov and Foss, 2016).

The association between economic growth and entrepreneurship has been an essential theme in entrepreneurship research, with studies representing that entrepreneurship is a significant driver of employment, innovation and productivity growth, in so doing causing significant social development and economic (Talmage and Gassert, 2020). This view supports the idea that entrepreneurship stimulates performances an essential role in formation of the economic landscape and economic progress. Moreover, the role of human capital in entrepreneurship has been emphasized, highlighting the importance of knowledge and skills in influencing local economic growth (Hisrich et al., 2007).

Entrepreneurship has been viewed as a source of employment, economic growth, and innovation, fostering competition and economic flexibility within markets (Mahoney and Michael, 2005). This perspective positions entrepreneurship as a dynamic force that drives economic activities and shapes market dynamics. Furthermore, the subjectivist theory of entrepreneurship has been proposed, aiming to provide a comprehensive

understanding of how entrepreneurship functions at individual, firm, and macroeconomic levels (Gallouj, 2017).

The role of institutions, in entrepreneurship is significant. They have an impact on shaping the landscape by establishing both formal rules (like laws and regulations) and informal norms (such as cultural values and social norms) that guide entrepreneurial endeavors. These institutions influence the feasibility and attractiveness of entrepreneurship in different ways. For instance, formal institutions like government policies, property rights, and regulatory frameworks create an economic environment that either supports or restricts activities. On the hand informal institutions such, as values, norms, and cultures shape entrepreneurial behavior by determining what is socially acceptable or discouraged. For example, societies that view failure as a learning experience tend to encourage entrepreneurial initiatives and foster innovation.

1.3.1. Definition and Overview of Formal Institutions

In the world of growing business ventures, the impact of established rules and customs, on aspiring entrepreneurs is significant. Formal institutions consist of written regulations that govern how individuals and organizations behave in society providing an environment for entrepreneurship to thrive. On the other hand, informal institutions include social norms and traditions that influence entrepreneurial behavior.

Understanding how formal and informal institutions interact is crucial for educators studying high-growth entrepreneurship dynamics. Legal systems, property rights, and regulations are examples of institutions that create a playing field for businesses to compete and innovate. These structures build trust reduce uncertainty and safeguard entrepreneurs' rights fostering an environment for endeavors.

Conversely, informal institutions like connections, cultural practices, and levels of trust also play a vital role, in shaping high-growth entrepreneurship. Institutions play a role,

in shaping the attitudes, behaviors, and relationships of entrepreneurs impacting their access to resources ability to form partnerships, and navigation of the challenges involved in starting and expanding a business. Understanding the institutions that form the foundation of ecosystems can offer valuable insights into what drives or hinders high-growth entrepreneurship in specific settings.

When examining institutions about entrepreneurship one can gain an understanding of how rules, norms, and behaviors interact within entrepreneurial ecosystems. This knowledge can inform research, policy-making, and educational initiatives aimed at fostering and supporting high-growth entrepreneurship across contexts. Recognizing the significance of both informal institutions in influencing outcomes allows entrepreneurs to contribute to a more holistic understanding of the elements that lead to success and innovation within the realm of entrepreneurship.

1.3.2. Definition and Overview of Informal Institutions

Informal institutions play a role, in the world of entrepreneurship alongside structures like laws and government policies. These informal setups consist of norms, rules, and social connections that influence how entrepreneurs make decisions and behave. Rooted deeply in society's culture these institutions can greatly impact the success or failure of business ventures.

A key aspect of institutions is their ability to complement structures by filling in gaps. While formal systems provide a framework for business operations informal networks offer guidance on navigating cultural nuances not covered by laws. For instance, mentorship from individuals and collaboration with entrepreneurs can offer crucial support to high-growth ventures aiding them in overcoming obstacles and seizing opportunities.

Moreover, informal institutions are essential for building trust and fostering cooperation among entrepreneurs. In societies personal relationships and social ties play a

role in business interactions. Entrepreneurs who have connections, within their communities can leverage these bonds to access resources establish partnerships, and secure backing.

The importance of trust and mutual reciprocity holds value, for growing businesses functioning in competitive or uncertain markets. Informal systems also impact the mindsets and actions of entrepreneurs influencing how they handle risks develop strategies and make decisions. For instance in societies where failure is frowned upon entrepreneurs might be hesitant to take risks or explore concepts. Conversely, in environments that celebrate creativity and entrepreneurial spirit, individuals are more likely to embark on ventures and challenge existing norms. Recognizing these traditions and expectations is vital for entrepreneurs aiming to excel in evolving business landscapes.

In summary, informal institutions play a role in shaping the environment and influencing the achievements of rapidly expanding businesses. By grasping and utilizing the regulations, norms, and social connections that guide conduct, one can acquire valuable insights into the intricate relationship between formal and informal institutions that foster innovation and economic progress. By delving into understanding institutions' definition and scope we can uncover fresh possibilities, for cooperation, exploration, and policy formulation directed at bolstering high-growth entrepreneurship on a global scale.

1.4. Importance of Institutions in Entrepreneurship

In the realm of entrepreneurship, the pivotal role played by institutions cannot be emphasized enough. Both formal and informal institutions have an impact on shaping the landscape. They offer the structure and assistance for entrepreneurs to flourish and achieve success in their endeavors. In this section, we will explore the role that institutions play in high-growth entrepreneurship. How they impact the success of entrepreneurs.

Formal institutions, such as government regulations, legal frameworks, and financial establishments establish the framework and consistency for entrepreneurs to function effectively. These institutions define the rules of engagement. Provide entrepreneurs with an environment to conduct their business activities. Without institutions in place, entrepreneurs may encounter uncertainty and risks that could impede their progress and achievements. Hence high growth entrepreneurship must have a institutional foundation.

Conversely, informal institutions like customs, networks, and cultural values also wield influence, in entrepreneurship. These institutions shape the behavior and decisions of entrepreneurs significantly.

Informal systems offer entrepreneurs assets like connections and trust which are key, to their success. Therefore recognizing the significance of systems is essential for creating an environment for thriving entrepreneurship. Additionally, the collaboration between formal and informal systems is vital for fostering entrepreneurship. While formal systems establish the regulatory framework, informal systems assist entrepreneurs in navigating the intricacies of the business landscape. For instance, robust social networks can grant entrepreneurs access to resources and opportunities not easily obtained through channels. Thus a harmonious relationship between informal systems is critical for nurturing entrepreneurship.

In summary, institutions play a role in fostering entrepreneurship by providing the necessary structure, assistance, and resources for entrepreneurs to thrive. Formal institutions establish the rules of engagement while informal institutions influence the behavior and decisions of entrepreneurs. The interplay between informal institutions is crucial in establishing an enabling environment for flourishing entrepreneurship.

Therefore, policymakers, educators, and industry experts must comprehend the significance of institutions in cultivating an ecosystem, for entrepreneurship.

1.5. Research Problem

The impact of both informal institutions, on the growth of entrepreneurship is a complex issue deeply rooted in how regulatory frameworks, cultural norms, and economic development stages interact in various countries. Formal institutions, like regulations and economic freedom, shape the landscape by either supporting or impeding business ventures. On the other hand, informal institutions such as norms and trust among entrepreneurial teams have a significant influence on entrepreneurial activities and their outcomes. This intricate relationship is further complicated by how these institutions affect developed versus developing countries and the specific challenges related to gender imbalances and shadow economies. Studies suggest that while formal institutions like freedom and supportive policies can boost intrapreneurship and new venture performance their impact is greatly influenced by a country's level of development as well as informal institutions such as media attention and fear of failure (Urbano, Orozco and Turro, 2023) (Xingqun Lv et al., 2023). Additionally the interplay between informal institutions—like trust among teams and societal norms—is crucial, in determining the success of new ventures (Ferreira et al., 2023). In developing nations, informal institutions appear to have an impact, on entrepreneurship compared to ones indicating the importance of understanding institutional effects in a nuanced way (Klarita Gërkhani and Cichocki, 2023). The presence of a shadow economy highlights the conflict between informal institutions, where differences in how individuals view institutions versus their informal counterparts can lead to increased participation in informal economic activities impacting well-being and adherence to formal regulations (Oluwakemi Igiebor, 2023). Gender

disparities in leadership demonstrate how informal institutional traditions can undermine policies aimed at promoting gender equality thus hindering women's advancement in entrepreneurship (Erhardt, 2022). Moreover, the sustainability of entrepreneurship is affected by constraints like corruption and financial access with barriers presenting significant obstacles to growth (Venancio and Chowdhury, 2022). The specific institutional requirements, for fostering entrepreneurship differ based on a country's status indicating that the need for institutions to support growth are not universally applicable (Pereira, Hermínio and Bruno Brandão Fischer, 2022).

After entrepreneurs face setbacks how they bounce back is influenced by a mix of government rules and societal norms. This shows that knowing how institutions shape entrepreneurship goes beyond starting. Moreover, the impact of systems varies throughout the entrepreneurial journey – while poor market regulations limit business ventures weak state structures might aid certain stages of entrepreneurship. To put it simply the interplay, between laws and cultural practices in growing businesses is a complex matter that demands a deep understanding of how rules, traditions, and economic progress intertwine. This insight is key, to crafting policies and actions that can boost entrepreneurship in settings.

1.6. Purpose of Research

The main goal of this study is to investigate and clarify the relationships, between formal and informal institutions and how they collectively impact the growth of entrepreneurial ventures. This research aims to fill gaps in knowledge while offering practical insights for policymakers, entrepreneurs, and economic developers. The specific objectives of this study include:

1.6.1. Understanding the Role and Impact of Formal Institutions

Regulatory Frameworks; Investigate how formal institutions such, as laws, regulations, and government policies either facilitate or impede endeavors with a focus on their development, implementation, and enforcement.

International Disparities; Explore how variations in these institutions across countries impact the rates and levels of success achieved by entrepreneurs.

1.6.2. Delve into the Influence of Informal Institutions

Cultural Norms and Values; Study how institutions encompassing values, social norms, and unwritten guidelines affect entrepreneurial activities by either supporting or hindering entrepreneurial drive and risk-taking.

Social Connections; Analyze the impact of networks and the significance of capital in enabling or limiting access to essential resources, for entrepreneurship.

1.6.3. Exploring the Interaction Between Institutions

Analyzing Collaboration and Conflict; This study intends to examine the conflicting interactions between formal (laws, regulations) and informal (cultural norms, social networks) institutions and their effects on entrepreneurship. Understanding these interactions is vital for determining how institutional frameworks can be shaped or adjusted to support entrepreneurship.

The main aim of this study is to analyze and comprehend the functions of both informal institutions in shaping entrepreneurship within socio-economic contexts. This investigation seeks to address gaps in existing research by conducting an empirical and theoretical examination of how diverse institutional frameworks influence the success and sustainability of entrepreneurs. The specific purpose of this study are as follows;

1.6.4. Formulate Recommendations for Action

Policy Suggestions; Develop recommendations for policymakers based on research findings to establish institutional frameworks that foster high-growth entrepreneurship.

Strategic Guidance for Entrepreneurs; Provide entrepreneurs with advice on navigating environments highlighting strategies to capitalize on both formal and informal institutions effectively.

1.6.5. Assessing Effects on Entrepreneurial Results

Examining Impact on Entrepreneurial Activity; The research will evaluate how different institutional configurations influence outcomes such as start-up rates, scalability, and sustainability. This will involve comparing contexts to understand how similar institutions may lead to varying results based on local adaptations and engagements with informal systems.

1.6.6. Contribute to Academic Theory and Practice

Guiding Policy Making and Implementation; By examining the ways, in which formal and informal institutions influence entrepreneurship this study aims to provide insights that policymakers can utilize to shape more effective economic and entrepreneurial strategies. Additionally, it will equip entrepreneurs and business leaders with a comprehension of the obstacles and opportunities they may face in different regions.

1.6.7. Identifying Global and Local Significance

Connecting Global and Local Perspectives; Recognizing the importance of its discoveries this study strives to bridge the divide between theories and local applications. It will investigate how patterns in institutional progression impact local entrepreneurial endeavors and reciprocally foster a profound understanding of globalizations influence, on entrepreneurship.

1.7. Significance of the Study

The importance of this study lies in its exploration of how both formal and informal institutions impact entrepreneurship. This research holds significance in today's landscape, where fostering innovative and rapidly growing businesses is essential, for long-term economic growth and competitiveness. The study aims to make contributions in the following areas discussed below.

1.7.1. Deepening Understanding of Institutional Influence

Comprehensive Analysis; By combining insights from institutional theory with entrepreneurship research this study enhances our comprehension of how different institutional frameworks affect entrepreneurial endeavors. This is especially noteworthy given the sometimes conflicting ways regulations and informal customs shape business environments.

1.7.2. Guiding Policy Development and Institutional Frameworks

Policy Recommendations; The conclusions drawn from this research are anticipated to offer evidence-based guidance for policymakers looking to enhance the business environment to support high-growth entrepreneurship. This holds relevance, for emerging economies aiming to boost growth and employment opportunities through entrepreneurial initiatives.

Best Institutional Practices; By pinpointing structures from diverse global contexts the study will present models of effective practices that can be tailored to suit varying cultural and economic conditions.

1.7.3. Promoting Economic Growth and Innovation

Encouraging Economic Variety; Exploring how both formal and informal systems either support or impede achievements can assist in encouraging entrepreneurs, especially in economies overly dependent, on a few industries or resources.

Nurturing Innovation Networks; Understanding the structures that promote innovation can aid in creating environments that foster new concepts and technologies essential for ensuring term economic stability.

1.7.4. Tackling Global and Local Issues

Global Significance; Considering the reach of business and technology comprehending the impact of institutions in one area can have reaching effects worldwide particularly as businesses expand their operations internationally.

Local Influence; Locally this analysis can help pinpoint challenges or facilitators within individual countries or regions offering tailored approaches to enhance the entrepreneurial landscape.

1.7.5. Advancements in Theory

Theoretical Progression; This study aims to advance frameworks connecting theory with entrepreneurship leading to a deeper and more nuanced understanding of these dynamics. This could open up avenues for exploration and theoretical advancements in spheres.

Cross-Disciplinary Perspective; By bridging disciplines this research contributes to an outlook on economic phenomena promoting the exchange of ideas and methodologies, across economics, sociology, business studies, and political science.

1.8. Research Questions

1. What is the influence of institutions on starting a new business?
2. What is the influence of institutions on starting a new business that create substantial employment opportunities?
3. What is the influence of institutions on starting traditional family business?

CHAPTER II: REVIEW OF LITERATURE

2.1. Theoretical Framework

In the field of entrepreneurship, Institutional Theory offers a framework, for understanding how the wider socio-economic environment influences the behavior of individuals and organizations. Douglas North, a figure in this area defines institutions as the rules that shape human interactions. In entrepreneurship, these rules can have an impact on identifying and seizing opportunities. Regulatory institutions encompass laws and regulations that can either support or hinder entrepreneurial activities. Normative institutions involve norms and values that influence behaviors related to entrepreneurship such as attitudes towards risk-taking and innovation. Cognitive institutions are shared beliefs that shape our understanding of reality including knowledge, about market opportunities and business strategies.

2.2. A Review of Previous studies on the Relationship Between Formal and Informal Institutions

2.2.1. Interaction Dynamics

The interaction dynamics between formal and informal institutions are intricate. Can either complement each other or create conflicts. Researchers have delved into how these interactions impact aspects of entrepreneurship such as the establishment of ventures their growth and innovation.

For example;

a) Complementarity; In settings strong formal institutions (clearly defined property rights) work hand in hand with robust informal institutions (like trust and social networks) leading to accelerated entrepreneurial growth and sustainable business practices.

b) Contradiction; On the flip side informal institutions may clash with formal ones in some scenarios. This is evident when widespread corruption undermines processes resulting in inefficiencies and higher costs for entrepreneurs navigating the business environment.

2.2.2. Empirical studies

Empirical studies have highlighted the importance of these interactions.

For example, Aidis, Estrin, and Mickiewicz (2008) shed light on how institutional disparities can impact drives and opportunities— in transitioning economies where formal institutional changes do not always align with deeply rooted informal customs. Similarly, Bruton, Ahlstrom, and Li (2010) discuss how formal institutions, in emerging markets can offset the impacts of informal institutions to support entrepreneurial endeavors.

2.2.3. Variations Across Sectors and Regions

Research has also shown that the effects of interactions, within organizations can differ depending on the industry and location. For example, Manolova, Eunni, and Gyoshev (2008) discovered that in developing economies how individuals perceive their surroundings greatly impacts their aspirations for growth. Dana and Wright (2009) investigate how in areas where formal institutions are not well developed informal institutions play a role, in fostering entrepreneurship occasionally resulting in unique business practices that work around strict formal environments.

2.3. The Objective Behind the Literature Review

In today's world of entrepreneurship, there is a growing focus on the role of institutions, whether informal or formal, because they influence entrepreneurial

endeavors (Aparicio et al., 2016). Scholars have emphasized institutional elements' impact on creating chances for starting businesses and promoting development. (Stephan et al., 2014). The interplay between formal institutions, such as property rights and business freedom, and informal institutions, like cultural norms and social expectations, has been the subject of extensive study (Fuentelsaz et al., 2015).

A comprehensive perspective is essential to comprehending how formal and informal institutions impact the growth of entrepreneurship. It is necessary to examine how institutional gaps, institutional assistance, and institutional structures interact to either support or hinder entrepreneurial initiatives (Webb et al., 2019). Equally important is the nuanced examination of the relationship between formal and informal institutions, considering how they can align or diverge in guiding entrepreneurial activities (Fuentelsaz et al., 2019). Furthermore, informal institutions, particularly culture, play a contingent role in shaping the outcomes of entrepreneurial initiatives (Ghura et al., 2017).

2.4. Theoretical Background on Institutions and Entrepreneurship

In the realm of institutions and entrepreneurship, there has been an evolution, in perspectives. Initially, entrepreneurship was perceived by institutions primarily focusing on the characteristics of the entrepreneur (Audretsch, 2023). However recent studies emphasize the interconnectedness between entrepreneurship and institutions proposing a relationship where entrepreneurship can influence environments (Minochkina, 2022). Institutional entrepreneurship emerges as a tool for nurturing a knowledge-based society highlighting the importance of innovation and creativity for prosperity (Gehman, Sharma, and Beveridge, 2021). New Institutional Economics (NIE) and Austrian Economics (AE) underscore the role of institutions in either facilitating or impeding entrepreneurship and economic development advocating for a perspective on institutions and entrepreneurial

foundations (Burns and Fuller, 2020). Research also showcases the impact of both informal institutions on economic and social performance with entrepreneurial endeavors serving as mediators in this dynamic relationship (Ferreira et al., 2023).

Understanding the significance of institutions in fostering entrepreneurship is paramount. These institutions can be broadly categorized as formal and informal entities that each contribute to shaping economic endeavors. Formal institutions encompass organizations, legal systems, and governmental bodies that lay down the foundation for interactions (Walter and Block, 2016).

Informal institutions, such as norms, cultural beliefs, and unwritten rules play a role in shaping community behavior and expectations (Gaweł and Mińska-Struzik, 2023). Studies have underscored the importance of theory in exploring the link between institutions and entrepreneurship. According to this perspective, both formal and informal institutions create the backdrop for endeavors. This framework highlights how entrepreneurs navigate constraints and opportunities while pursuing business ventures (Bruton et al., 2010).

Moreover, institutional theory underscores the concept that individuals or organizations actively work to establish, modify, or remove institutions to support their initiatives (Pacheco et al., 2010). Entrepreneurs demonstrate their ability to adapt to and influence their surroundings by navigating pressures (Pacheco et al., 2010).

Theoretical perspectives that focus on how institutional contexts shape behaviors illuminate the connection between institutions and entrepreneurship. Studies suggest that gaps or deficiencies within institutions can spur individuals to pursue activities in response to needs (Estrin et al., 2011).

Moreover, the impact of institutions, like law enforcement and property rights safeguarding influences the scope and nature of endeavors in a given environment (Nair and Njolomole, 2020). The theoretical basis on institutions and entrepreneurship emphasizes the relationship between institutions and entrepreneurial endeavors. Through referencing research theorists and entrepreneurship specialists can gain insights into how institutional settings shape actions and outcomes.

2.4.1. Impact of Formal Institutions on Entrepreneurship

The influence of institutions on the growth of businesses is a critical area of study involving an analysis of the regulations, laws, and economic policies that impact entrepreneurship. Formal structures like frameworks and property rights play a role in shaping the landscape for entrepreneurial activities. Clear property rights provide entrepreneurs with the assurance to invest in long-term projects and innovative initiatives. With defined and enforced property rights entrepreneurs feel more confident to engage in ventures that require investments knowing that their assets are secure. This spur innovation. Also creates a favorable environment for attracting external investors and partners thereby supporting the expansion efforts of enterprises.

Furthermore, a regulatory framework that promotes business freedom and minimizes bureaucratic obstacles can have an impact on entrepreneurship. Simplified regulations and administrative procedures allow entrepreneurs to concentrate on the aspects of their ventures nurturing an atmosphere, of innovation and growth. By lowering entry barriers and operational hurdles formal institutions can encourage endeavors leading to increased growth and job opportunities.

Numerous research studies have explored how these institutions influence the development of ventures highlighting how regulations and supportive systems can either facilitate or impede endeavors.

Government regulations, laws, and economic strategies play a role, in shaping the landscape as pointed out by Williamson (2009). Legal frameworks and regulations establish the guidelines within which entrepreneurs operate providing a framework for business activities (Williams and Horodnic, 2015). These regulations set by governments and regulatory bodies create an environment for initiatives that drive progress and success (Adomako et al., 2015).

Studies on entrepreneurship have shown an interest in the impact of regulations and support systems on fostering business growth. The research underscores the importance of institutions that empower entrepreneurs to function (Chappell and Waylen, 2013). Additionally support systems offering resources, mentorship, and financial assistance have nurtured businesses. Spurred innovation within communities (Williams and Horodnic, 2015).

The formal institutional landscape and the interplay of state capabilities influence the nature of entrepreneurship in different countries – whether it is geared towards growth or sustenance (Ault and Spicer, 2022). Institutions such as universities and venture capital firms shape entrepreneurship by providing resources, networks, and assistance that enable entrepreneurs to expand beyond markets and institutional barriers (Webb, Khoury and Hitt, 2019).

Researchers have found that the rules and regulations play a role in either supporting or hindering activities by investigating how formal institutions interact with entrepreneurship. The impact of institutions such as safeguarding property rights enforcing contract law and maintaining regulations has influenced the

chances of high growth businesses to establish and thrive (Weiss et al., 2019). Moreover, studies have emphasized the significance of a framework that promotes endeavors and encourages risk taking and innovation (Campero and Kaiser, 2013).

In essence the influence of institutions on the success of burgeoning businesses underscores the relationship between regulations, legal frameworks, economic strategies, and outcomes for entrepreneurs. Through examining institutions and their impact on fostering high growth ventures experts can provide insights for decision makers, professionals and business owners looking to navigate the realm of entrepreneurship.

2.4.2. Influence of Informal Institutions on Entrepreneurship

It's not rules and laws that drive entrepreneurship; informal systems also play a crucial role in shaping the entrepreneurial environment. These informal systems, which include norms, cultural values, and community networks can profoundly influence the behavior and decisions of entrepreneurs looking for growth opportunities.

One keyway in which informal systems affect entrepreneurship is through their impact on risk-taking and innovation. In societies, there are established norms and values that either promote or discourage risk-taking. These attitudes toward risk can significantly shape entrepreneurs' readiness to pursue ventures and explore concepts.

Moreover, informal systems also have an impact on the networks and relationships that entrepreneurs rely on for guidance, support, and access to resources. Entrepreneurs may find support systems and access to business prospects in tightly knit communities or cultures that prioritize social connections.

Understanding how informal institutions influence high-growth entrepreneurship can offer insights for policymakers and business leaders aiming to cultivate thriving environments.

By understanding and utilising the impact of institutions we can create inclusive and supportive environments for high-growth ventures to prosper (Chowdhury, Audretsch and Belitski, 2018).

Exploring the influence of institutions on emerging business initiatives involves examining factors, societal norms, and the importance of social connections in shaping entrepreneurial efforts. Experts have delved into how these intangible elements can foster or hinder motivation and business growth by studying the frameworks underpinning environments.

Cultural factors and societal expectations play a role in determining how entrepreneurs act and achieve success. The unwritten norms embedded in cultures and traditions can impact entrepreneurs' decision-making processes, willingness to take risks and the methods they employ for innovation (Sarfati, 2019). Societal beliefs regarding entrepreneurship, including attitudes towards failure and achievement, significantly influence individuals' eagerness to pursue endeavours (Williams and Kosta 2019). Social relationships and trust – often referred to as capital – have also been identified as determinants of entrepreneurial success by facilitating access to resources, knowledge, and opportunities (Thornton and Brown, 2023).

Entrepreneurs engaging in politics can boost their perceived status and gain resources, making it easier to enter markets with solid commitment. This highlights how informal systems impact entrepreneurship (Li et al., 2021).

Informal structures also play a role in shaping activities. While some cultural practices and social networks can foster an ecosystem, unwritten norms may hinder business growth and scalability (Wei, 2021). For instance, informal systems filling gaps left by institutions can provide opportunities for entrepreneurs but also present challenges due to regulatory uncertainties and market volatility (Williams and Krasniqi, 2018). The extent of the mismatch between formal and informal systems influences the prevalence of entrepreneurship within a context (Mat et al., 2022).

Studies have demonstrated that unwritten social norms can significantly support entrepreneurship among groups like entrepreneurs (Henley, 2016). These informal influences can inspire individuals to venture into business endeavors, empowering them to challenge norms and seek out prospects (Silwal et al., 2022). However, there may be a lack of encouragement for pursuits without established alternative support systems, underscoring the importance of an institutional framework for fostering entrepreneurship (Gawel, 2023).

In brief, the influence of frameworks on business creation underscores the interplay between cultural, societal, and relational factors that shape entrepreneurial settings. By examining how informal structures can either bolster or hinder initiatives, researchers can gain insights into the nuanced mechanisms propelling ventures and devise strategies for fostering an entrepreneurial ecosystem.

2.4.3. Interplay Between Formal and Informal Institutions

The interaction between formal and informal institutions shapes various societal and economic outcomes, as demonstrated by recent research conducted in diverse contexts. Formal institutions, which consist of laws, regulations and governance systems and

informal institutions like norms, trust and social networks interact in ways that impact economic growth, innovation, regulatory compliance, and the underground economy. Studies suggest that the harmony or discord between individuals' perceptions of institutions and informal norms can significantly influence their engagement in the shadow economy. Building relationships with institutions promotes adherence to regulations, emphasizing the need to consider formal and informal institutions when addressing economic and social challenges (Gërzhani and Cichocki, 2023). Additionally, the COVID-19 pandemic highlighted those countries with cultures that faced infection rates. However, effective formal institutions have helped mitigate the effects of individualism on public health outcomes (Bitar et al., 2022). Integrating knowledge within infrastructure projects, leveraging a blend of mechanisms such as reward systems with elements like project culture and trust, has been identified as crucial for success (Biersteker and Marrewijk, 2023).

The relationship between trust and regional governance impacts growth in regions (Muringani, 2022). Additionally, the quality of institutions seems to have an inverse relationship with the size of the economy, indicating that enhancing formal structures could potentially reduce informal economic activities (Özer, 2022). The synergy between awareness and formal and informal institutions can be crucial in promoting female representation on corporate boards, underscoring its significance in advancing gender equality (Clark, Arora and Gabaldon, 2021). In Eastern European nations, certain informal institutions hinder innovation performance while others, such as creativity, have an impact (Godlewska, 2021). Global companies must navigate the complexities of institutions when expanding into markets, as it can lead to strategic adjustments on multiple fronts (Pelto and Karhu, 2021). The evolution of innovation systems in developed areas underscores the importance of considering the dynamic interplay between formal and informal institutions

rather than focusing solely on one aspect (Marques and Morgan, 2021). Lastly, an examination of the Asian Growth Paradox through the lens of informal institutions reveals varying interaction patterns across countries that challenge existing frameworks for explaining growth dynamics (Chung and Kim, 2021).

Studies have underscored the critical role played by the interaction between informal institutions in various fields and locations. The connection between formal and informal systems significantly influences the advancement of high-growth entrepreneurship. Researchers have explored how entrepreneurial environments are shaped by studying how these two types of institutions work together and their combined impact on initiatives.

Formal frameworks such as regulations and laws in entrepreneurship set the foundation for business activities, while informal aspects like norms and social behaviors determine how entrepreneurs conduct their operations (Tracey, 2011). Integrating these elements in environments affects entrepreneurs' opportunities and challenges (Tracey, 2011). This dynamic interplay can fuel endeavors through synergies and create obstacles that hinder business growth (Tracey, 2011).

Studies investigating the interaction between institutions have highlighted the importance of understanding how these systems collaborate or clash in shaping outcomes. When formal and informal institutions align harmoniously, they can create an environment for business ventures where clear regulations and societal support work together to promote high-growth businesses. Conversely, conflicting formal and informal institutions may lead to barriers and uncertainties that hinder efforts to expand initiatives.

Formal establishments set the rules for business operations, while informal setups influence the context in which entrepreneurs operate. When these systems align, they can create a setting that encourages creativity, risk-taking, and expansion in ventures.

Conflicting demands from these systems can present hurdles in adhering to rules and meeting standards, impacting businesses' growth opportunities (Wei, 2021).

To sum up, the interaction between institutions plays a part in promoting entrepreneurship. Understanding how these setups cooperate and affect efforts provides insight into the factors shaping environments. Delving into the influence of institutions offers insights for policymakers, experts and entrepreneurs aiming to foster a supportive environment for entrepreneurial success.

2.4.4. Regional Variations and Comparative Studies

Differences in how institutions impact entrepreneurship in regions or countries can shed light on entrepreneurial endeavors' outcomes. Comparative studies highlight the varying effects of institutions on activities, underscoring the importance of contextual factors in shaping entrepreneurial ecosystems.

Exploring how different regions or countries influence entrepreneurship provides insights into how regulations, support systems, and cultural norms shape initiatives. By examining these elements that affect entrepreneurship in different regions, researchers can identify what facilitates or hinders business ventures.

Disparities in frameworks significantly influence entrepreneurship outcomes. Variations in regulations, access to resources, and societal attitudes toward entrepreneurship all shape the business environment. Research (Fazlagić et al., 2021) underscores how institutional structures impact the presence of high growth startup rates of innovation and overall success for entrepreneurs within regions. These findings emphasize the significance of policy interventions tailored to address the dynamics of each context.

Furthermore, the interaction between formal and informal institutions across regions can lead to diverse landscapes with variations in regulatory clarity funding opportunities and cultural support for entrepreneurs.

Research that examines these areas reveals the impact of the alignment or conflict among systems on facilitating or impeding initiatives, emphasizing the importance of understanding the context to foster entrepreneurial endeavors (Abubakar, 2015) and delving into variations. Assessing how institutions influence entrepreneurship can provide insights into the relationships between institutional elements and entrepreneurial outcomes. These investigations guide policymakers, practitioners, and scholars seeking to develop entrepreneurship strategies that consider the landscapes entrepreneurs navigate.

2.4.5. Human Society Theory

The "Human Society Theory" on the influence of formal and informal institutions on high-growth entrepreneurship underscores the complex interplay between the regulatory, normative, and cognitive frameworks that shape entrepreneurial activities. Formal institutions, including regulatory structures and policies, have been found to not necessarily discourage firms from pursuing growth ambitions; in some cases, they even enhance further growth, as evidenced by the study on Bulgarian firms (Aparicio et al., 2023).

This is supported by findings that formal institutions such as entrepreneurship procedures and general institutional quality positively associate with entrepreneurship density, indicating a conducive environment for entrepreneurial activities (Erhardt, 2022). Conversely, informal institutions, encompassing societal norms, values, and beliefs, significantly influence entrepreneurship.

For instance, informal institutional constraints like corruption significantly reduce the probability of becoming a high-growth firm and the sustainability of growth (Shahid et al., 2022). Moreover, the effects of informal institutional factors are more reliable predictors of women's entrepreneurship behavior in Saudi Arabia, highlighting the role of societal norms and networks in shaping entrepreneurial outcomes (Aljarodi, Thatchenkery and Urbano, 2022).

This is further corroborated by the notion that informal institutions influence all aspects of international business, including the global strategy of MNEs (Laing, Stel and Storey, 2021). The interplay between formal and informal institutions is complex, where lower levels of corruption positively moderate the effects of formal institutions on entrepreneurial activity rates in emerging economies (Harraf et al., 2020).

Additionally, the existence of strong market-supporting institutions decreases the positive relationship between high-growth aspiration entrepreneurship and exit, indicating that supportive formal institutions can mitigate the risks associated with ambitious entrepreneurial ventures (Dau et al., 2022). In summary, formal and informal institutions significantly impact high-growth entrepreneurship, with formal institutions providing the regulatory framework that can either foster or hinder entrepreneurial growth and informal institutions shaping the societal context within which entrepreneurship occurs. The balance and interaction between these institutions are crucial for nurturing an environment conducive to high-growth entrepreneurship (Fuentelsaz, González and Maícas, 2020; Webb, Khoury and Hitt, 2019; Nguyen, Canh and Thanh, 2020).

2.5. Gap in the Existing Literatures

Based on the literature review, some research gaps have been identified regarding the influence of formal and informal institutions on entrepreneurship. The

existing research primarily focuses on static analyses of institutions. There is a gap in understanding the dynamic nature of institutions and how changed formal and informal institutions impact entrepreneurship. An updated study is required to consider the new regulations, shifts in cultural norms, and evolving social networks influence entrepreneurial behaviour.

The literature review highlights the role of institutions in fostering entrepreneurship, but there is less emphasis on how institutions specifically influence technology-driven entrepreneurial ventures that create more job opportunities. The present study tries to focus on job creating entrepreneurial ventures and observe the institutions that influence them. Addressing these gaps could enhance the understanding of the multifaceted relationship between institutions and entrepreneurship.

2.6. Summary

Various studies have delved into how both formal and informal institutions impact business operations. The presence of informal institutions plays a role in moulding the trajectory of high-growth entrepreneurship. Studies suggest that informal factors like the fear of failure and media exposure are indicators of intrapreneurship success in both developing nations (Urbano, Orozco, and Turro, 2023). Moreover, supportive formal structures influence the performance of ventures. This impact is further enhanced by learning and bolstered by trust within the entrepreneurial team (Ferreira et al., 2023).

While informal institutional barriers such as corruption can impede high-growth entrepreneurship, formal constraints surprisingly do not dissuade companies from seeking growth; they can even facilitate it (Xingqun Lv, Zhou and Shan, 2023). Knowledge-based institutions, like the presence of R&D personnel and public sector researchers, have been shown to influence entrepreneurship and economic progress in regions (Eva and Erhardt, 2022).

A synthesis of these research findings underscores institutional frameworks' role in shaping initiatives across different geographical areas. These studies also provide significant insight into how these frameworks influence the organization of entrepreneurship and ventures across contexts.

Formal institutions, such as regulations and legal systems, provide a foundation for entrepreneurship, while informal institutions, like norms and social practices, influence behaviors and strategies. The interplay between these institutions can support or impede entrepreneurial endeavors.

Comparative research conducted across regions has illustrated how institutional frameworks impact outcomes. Disparities in structures, access to resources, and cultural attitudes toward entrepreneurship have significantly shaped the landscape. The alignment or mismatch of institutions can result in varying environments for entrepreneurs, impacting their ability to achieve growth ventures, innovate effectively, and attain overall success.

Studies underscore the significance of understanding how formal and informal institutions collaborate to foster high-growth entrepreneurship. Through studies and comparisons, researchers can gain insights into the dynamics of ecosystems. This comprehensive understanding is crucial for policymakers, practitioners, and academics seeking to develop strategies tailored to the contexts in which entrepreneurs operate. Extensive research indicates that interaction among informal systems influences the success of entrepreneurs and contributes to advancement. Future investigations should delve deeper into this interaction by examining the factors that shape efforts and outcomes across regions and countries.

CHAPTER III: METHODOLOGY

3.1. Overview of the Research Problem

The research explores how different frameworks affect growing entrepreneurial businesses' development and long-term success. The study looks into how formal institutions, like regulations and economic policies, and informal institutions, such as norms and social connections, influence the landscape for companies. Formal institutions, which include factors like business environments, property rights and supportive government policies, have a nuanced impact on entrepreneurship. While certain formal constraints don't necessarily deter firms from pursuing growth opportunities and may even support expansion, weak formal institutions in areas like markets can hinder stages of the entrepreneurial journey (Urbano, Orozco and Turro, 2023) (Ferreira et al. 2023). On the other hand, informal institutions like corruption levels and social trust significantly shape aspirations and actions, where corruption tends to decrease the likelihood of a firm achieving high growth. In contrast, confidence within the entrepreneurial team boosts performance in new ventures (David, 2023; Xingqun Lv et al., 2023). Additionally, the interplay between informal institutions is crucial in moulding entrepreneurship.

For example, the clash between how people view organisations and their unwritten rules can lead to involvement in underground economic activities, impacting the success of entrepreneurs and potentially slowing down the growth of new businesses. In addition, the study looks at how informal rules such as fear of failure and media attention play a role in predicting entrepreneurship than the social standing of entrepreneurs, showing how subtle norms can affect business behaviours in different economic settings. Furthermore, it examines how entrepreneurial actions can bridge established systems and economic

success, suggesting that promoting entrepreneurship may enhance the effects of regulations and unwritten practices on economic development. The research also discusses the challenges and opportunities that arise in Africa's economy, proposing a strategy focused on integrating rather than formalising informal entrepreneurship to leverage its potential for economic and social progress. The main focus of the study is to analyse how formal and informal institutions interact and influence high-growth entrepreneurship. The research considers the effects on stages of the process in both developed and developing economies (Sancho, Fierro, Rodríguez, 2023; Afzal, 2022).

3.2. Operationalization of Theoretical Constructs

There was a systematic process of translating abstract concepts into measurable variables and indicators—a structured method of turning ideas into factors and signs. The precise steps of how this process was carried out can be deduced from strategies based on the research question and how relevant the sources are to the study.

One way theoretical concepts were put into practice in this research could have been by defining and gauging systems. This likely involved pinpointing structures like safeguarding property rights, enforcing contracts, ensuring regulatory quality, implementing anti-corruption measures, and creating clear definitions and scales for measuring these concepts. By translating systems into measures, the study could evaluate their influence on aspirations for entrepreneurship.

Another essential theoretical concept that has been implemented is aspirations for entrepreneurship. This concept covers aspirations, intentions for growth, willingness to take risks, focus on innovation, and potential for business scalability.. The study examines what influences aspirations within specific legal environments by translating aspirations for high-growth entrepreneurship into terms and variables.

3.3. Research Purpose and Questions

The focus of this study is to investigate how legal institutions affect entrepreneurs' aspirations for growth. The research examines how factors like property rights, government involvement and corruption within frameworks impact entrepreneurs' ambitions for growth. By exploring the connection between institutions and entrepreneurial growth aspirations, the study aims to enhance our understanding of how institutions can either support or hinder high-growth entrepreneurship. Previous studies emphasising the importance of elements in shaping behaviour and economic progress are likely referenced in this research (Estrin et al., 2013; Leković and Berber, 2019; Urbano et al., 2018).

Recognising the significance of institutions on endeavours is vital for policymakers and stakeholders striving to create an environment conducive to high-growth entrepreneurship. Through an in-depth analysis of how legal frameworks interact with high-growth aspirations, this study can shed light on how institutions influence behaviour. Furthermore, targeted recommendations can be made to enhance the legal landscape to support and foster high-growth entrepreneurship by focusing on institutions. This research adds value to the existing literature on institutions, entrepreneurship and economic advancement by aligning with the growing interest in unravelling how institutional factors impact outcomes (Leković and Berber, 2019; Urbano et al., 2018).

Studying how legal institutions impact ambitious entrepreneurial endeavours can offer insights into how legal mechanisms support or hinder business growth. This research can potentially guide policy changes that aim to improve the frameworks and foster entrepreneurial initiatives. Overall, exploring the relationship between institutions and aspirations in entrepreneurship can provide implications for creating a supportive environment for thriving ventures.

3.4. Research Questions

1. What is the influence of institutions on starting a new business?
2. What is the influence of institutions on starting a new business that create substantial employment opportunities?
3. What is the influence of institutions on starting traditional family business?

3.5. Research Design

Studying the structural approach between legal frameworks and entrepreneurial aspirations involves a structured research method. It explores how legal regulations, like entry requirements, affect the establishment of new business (*Entp*) and family business (*FTEntp*), suggesting that stricter regulations could hinder the success of these business ventures. While the research design explicitly outlines the data collection or analysis methods, it hints at taking an approach by discussing connections between institutions and entrepreneurial results.

Using regression analysis methodologies in entrepreneurship research, the study aims to measure how various variables affect entrepreneurship. By exploring differences in institutional framework across countries or regions, the study shed light on how variations in property rights, government involvement, or corruption influence entrepreneurial dreams.

The outcomes of this research can help recognise strategies and regulations that encourage the growth of startups and offer guidance for shaping policies to create a supportive legal framework for ambitious entrepreneurs (Troilo, 2011; Autio and Ács, 2015; Safdar, 2023).

Moreover, designing the research involves analysis at different levels to consider the connections between legal systems and entrepreneurial ambitions. The study delves into the complex dynamics that influence entrepreneurial actions by considering risk perception, tendency towards innovation and aspirations for growth alongside legal aspects. This comprehensive approach mirrors the literature's suggestions for evaluating how individual traits and institutional settings impact results (Vanderstraeten et al., 2016; Srikanth, 2013; Autio and Ács, 2015).

The study uses analysis, comparing approaches, and incorporating qualitative observations to explore how informal institutions affect entrepreneurs. By blending research methods, the study offers a nuanced exploration of the intricate connection between legal frameworks and entrepreneurial dreams, offering valuable contributions to entrepreneurship research.

3.6. Population and Sample

The group being studied consists of entrepreneurs or individuals involved in entrepreneurial endeavors in a specific setting or area. The sample group consist of entrepreneurs with experience levels, business paths, and growth goals to capture the entrepreneurial aspirations of the chosen population. The study investigates how systems influence high-growth goals across various entrepreneurial backgrounds and settings by including a mix of entrepreneurs in the sample. This approach allows for examination of how legal frameworks impact ambitions (Filculescu, 2016; Mobit and Mbella, 2016).

Moreover, demographic factors like gender, age, education level, and industry knowledge are considered when selecting participants for the study to ensure that the sample represents a range of traits. By incorporating variety in the sample group, the research explores how legal systems interact with characteristics to shape aspirations for

high-growth entrepreneurship. This detailed approach helps consider the nature of behaviours and goals (Huynh and Dao, 2021; Capelleras et al., 2018; Mobit and Mbella, 2016).

In research on institutions and high-growth aspiration entrepreneurship, the population and sample probably consist of a range of entrepreneurs working within a particular legal framework. The selection process for the sample aims to include a group of entrepreneurs with traits and goals, enabling a thorough examination of how legal institutions influence entrepreneurial aspirations for growth.

3.7. Data Collection

The study analyzed information gathered from the Global Entrepreneurship Monitor (GEM), which involved surveys completed by individuals in more than 40 nations between 2015 and 2020. The aim was to explore how individuals initiate and manage businesses.

To ensure the survey accurately reflected populations from different countries, the researchers cross-referenced the survey demographic details, such as age and gender, with official data and made adjustments as necessary. Professional survey agencies selected a group of adults in each country using questions across all countries to ensure a fair data comparison.

The study uses information from the dependent variables is the Global Entrepreneurship Monitor (GEM), which has been systematically researching entrepreneurial behavior around the world since its inception in 1997. There are two distinct databases that GEM produces: the Adult Population Survey (APS) and the Expert Questionnaire. This paper uses the Global Entrepreneurship Monitor (GEM) 2019 Adult Population Survey (APS) data to construct the dependent variables. The data for the year

2019 has been used because it was the last normal year before global pandemic spread throughout the world disrupting economic activity. 50 economies participated in the Global Entrepreneurship Monitor (GEM) 2019 Adult Population Survey (APS), including 11 from the Middle East and Africa, 8 from Asia and Pacific, 8 from Latin America and Caribbean, and 23 from Europe and North America. The raw data consists of 163006 respondents, once respondents from the working age group (15-70 years) are considered, the number of respondents is reduced to 150151.

Probit regression analysis is used to quantitatively evaluate how legal institutions affect aspirations for entrepreneurship. This statistical approach helps identify connections between property rights, government involvement in corruption and entrepreneurial ambitions. By utilising this method, the study determines to what extent legal frameworks shape aspirations for growth (Wang et al., 2019; Pereira, 2024; Mohammed, 2022).

Additionally, the data analysis in the research has encompassed inferential statistics to summarise and infer conclusions from the gathered data. Descriptive statistics like averages, frequencies and proportions offer an overview of sample characteristics and significant variables.

Institutions entrepreneurship involves using quantitative methods like regression analysis, and descriptive statistics. The study seeks to explore the connection between legal frameworks and entrepreneurial goals by utilising a mix of approaches, offering valuable insights into what motivates high-growth entrepreneurship in different institutional frameworks.

3.8. Research Design Limitations

The impact of informal institutions on high-growth entrepreneurship underscores the importance of institutional voids, support and institutional configurations in influencing entrepreneurship. The roles of formal and informal institutions can differ, highlighting the nuanced contributions of each type.

Aparicio et al. (2016) analysed panel data to show that informal institutions significantly impact high-growth entrepreneurship more than other types. This emphasises the need to consider both types of institutions when examining dynamics. Additionally, Shahid et al. (2022) introduced the concept of "formalization intentions" in entrepreneurship, adding a dimension to discussions on institutional influences.

It is suggested that formal and informal institutions can either promote activities or set social norms. Conversely, Godlewska (2019) points out how informal institutions can enhance ones by being complementary or adaptable. These viewpoints highlight the interplay between informal institutions in shaping entrepreneurial behaviour.

Moreover, Autio and Fu (2014) note that in cases where formal institutional structures fail, businesses may turn to practices to navigate uncertainty, showcasing the nature of entrepreneurial responses to institutional challenges.

The adaptive behaviour is also supported by the research of Escandón Barbosa and colleagues in 2019, which explore how formal and informal institutions function on levels governing activities and influencing perspectives, respectively.

The combination of these sources highlights the significance of taking both informal institutions into account when studying high-growth entrepreneurship. The interaction between these institutions, their influence on actions, and the necessity for alignment and adjustment in dealing with gaps are essential factors that scholars and policymakers should keep in mind when examining entrepreneurship dynamics within diverse institutional settings.

3.9. Summary

The study utilizes a formula known as a probit model to determine the likelihood of entrepreneurs initiating a businesses. It focuses on how regulations and laws in countries either facilitate or impede this process.

The research aims to comprehend the drivers behind entrepreneurship endeavours by examining factors such as the ease of business inception and intellectual property protection and considering differences among individuals, industries, and nations over time.

The findings suggest that enhancing business legislation and streamlining startup procedures can significantly boost the establishment and growth of these potential ventures, ultimately benefiting the economy.

Chapter IV:

RESULTS: FACTORS EFFECTING ENTREPRENEURSHIP

4.1. Factors Affecting Entrepreneurship

The way formal and informal institutions cooperate can truly impact the development of a business venture. Informal institutions can influence how entrepreneurs think and interact socially, while formal institutions provide the necessary structure and resources. Creating a setting that encourages new ideas, taking risks, and long-term success, successful entrepreneurial environments make good use of both official and unofficial systems. For instance, a vibrant environment in which businesses can rapidly expand can result from having solid legal and financial foundations, a culture that encourages entrepreneurs, and strong social connections.

Knowing how fast-growing businesses are affected by both written rules and unwritten customs is very important. Good programs and policies can only be developed with this understanding. Empirical examination aims to observe these associations and what they mean for assisting organizations with developing effectively.

4.2. Impact of Informal Institutions on Entrepreneurship

Informal institutions importantly configure the business expectations and practices in entrepreneurship by inducing various facets such as decision-making, resource acquisition, and entrepreneurial orientation. Informal institutions, including social networks, cultural norms, and trust, act as a key function in settings where formal institutions is insufficient or lacking. For example, in newer markets like China where informal networks like Guanxi help entrepreneurs compensate for the failures of formal institutions, improving resource acquisition and their self-perceived status, which in return induce their ventures' internationalization approaches. Also, in Vietnam, institutional trust

and corruption are fundamental informal institutions that affect the entrepreneurial orientation of SMEs, emphasizing the significance of navigating these informal structures to succeed in business venture. Informal institutions also induce entrepreneurial intentions by structuring individuals' perceptions of the outer world and their fulfilment of obligation with government actions, which incidentally influences their probability of starting a business.

The framework of women's entrepreneurship in Georgia is as such that informal institutions like informal networks and societal roles are important, as they often encourage women to look into business solutions outside formal frameworks under confidence of them in the formal institutions. Moreover, informal institutions like independence, risk-taking, and networking significantly increase the probability of becoming an entrepreneurial leader, with networking and religious faith further moderating this relationship.

The interaction between formal and informal institutions is also evident in the emergence of informal entrepreneurship in fragile countries, where the interplay between governance quality, state fragility, and cultural norms leads to distinct entrepreneurial outcomes. In developed and developing countries, informal institutions such as fear of failure and media attention are more influential than the social status of entrepreneurs in predicting intrapreneurship, with economic freedom moderating these effects differently based on the economic context. Additionally, the quality of economic and political institutions inversely correlates with the level of informal entrepreneurship, suggesting that better formal institutions can reduce the prevalence of informal business practices.

Finally, the integrated model developed by Tianchen Li underscores how resource-based factors and country-level antecedents like regulatory quality and uncertainty avoidance interact with informal institutions to shape venture creation, emphasizing the

complex interplay between formal and informal factors in entrepreneurial decision-making. Collectively, these findings illustrate that informal institutions are indispensable in shaping business practices and expectations, particularly in contexts where formal institutions are either weak or evolving, thereby necessitating culturally aware policies and strategies to foster entrepreneurship effectively.

4.2.1. Informal Institutions impact on entrepreneurship: shaping business practices and expectations

Informal institutions is an important component in structuring business expectations and practices, particularly from the perspective of entrepreneurship. These institutions, which are unwritten practices based on unwritten rules, and norms, which guide entrepreneur behavior within a industry or society, have a profound effect on how businesses must meets the expectations and they operate (Sanders and McClellan, 2012). Nonprofit businesses, for example, are gradually estimated to adopt more business-like approaches while still adhering their social missions, stressing on the tension that exists in balancing these dual objectives (Sanders and McClellan, 2012). This shift shows a broader trend where businesses regardless of their organizational structure, are forced to align their means towards commercial standards to improve their effectiveness and sustainability.

Also, sustainable habits practices have become important for businesses to develop their credibility and to safeguard long-term value and profit (Park et al., 2022). Businesses are agreeing that investing in environmental and social initiatives is a moral commitment but also a strategic necessity that positively affect their bottom line. This shift towards sustainability is reshaping business practices and setting new expectations for entrepreneurs to operate in a more socially responsible manner (Park et al., 2022). By

positioning with favorable marketing strategies, corporates distinguish themselves in the market and reach evolving societal expectations.

From the perspective of human resource management (HRM), the stress on direct yields from human resources in ambiguous business environments highlights the influence of informal institutions on the functioning of a business organizations (Wickramasinghe and Dolamulla, 2016). Business organizations, particularly in the context of offshore outsourcing firms, are under a pressure to provide certain results from their HRM practices, which in return guides how they manage their workforce and structure their teams (Wickramasinghe and Dolamulla, 2016). This highlights how external considerations, such as market uncertainties, drive businesses to adapt their practices to reach specific prospects set by market dynamics and the industry.

Additionally, the variability of business relationships, specifically in purchase and sales approaches, stress the significance of recognizing customers' anticipations after and before a transaction. Business organizations are led to develop formal cross-functional teams to meet complex relationships and to safeguard and exceed customer expectations (Rodríguez et al., 2018). This highlights an important role of effective collaboration and communication in structuring business practices to align with customer expectations, which is an important facet for entrepreneurial success.

Corporate social responsibility (CSR) has developed as a central aspect in inducing business expectations and practices, with many business organizations, actively engaging in socially responsible initiatives to benefit business participants and improve their own reputation (Babiak and Kihl, 2018). Business stakeholder commitment and their effective management of their expectations have been acknowledged as a key element in improving corporate image and gaining a competitive edge (Fadun, 2014). By meeting the prospects of different participants through CSR practices, businesses organizations build loyalty,

trust, and long-term relationships which are imperative for entrepreneurial growth and sustainability.

The theory of corporate sustainability has also gained attention, with multinational enterprises (MNEs) increasingly believed to incorporate sustainability into their main business activities (Pranugrahaning et al., 2023). By proactively engaging in sustainable practices, MNEs can not only meet societal expectations but also contribute to global efforts towards a more sustainable future (Pranugrahaning et al., 2023). This exhibits a larger shift in outlook where business organizations are viewed as essential stakeholders in remedying social and environmental challenges.

In the context of business network, researchers have highlighted the importance of understanding how expectations and choices are interconnected, as this knowledge is fundamental to understanding business organizational processes within and across boundaries (Andersen et al., 2018). By calculating future trends and supporting strategic choices with evolving expectations, business organizations position themselves for goal realization in competitive and dynamic circumstances. This future-led approach emphasizes the importance of informal institutions in reforming strategic business practices and decision-making to deal with future expectations (Andersen et al., 2018).

Likewise, the indirect effects of tipping policies on patronage intentions shed light on how businesses can influence customer perceptions through pricing strategies and service quality (Lynn and Wang, 2013). By implementing voluntary tipping policies that reduce perceived expensiveness and enhance fairness and service quality expectations, businesses can attract and retain customers. This highlights the intricate relationship between pricing, service quality, and customer expectations, emphasizing the need for businesses to align their practices with customer preferences to drive loyalty and profitability.

The significance of teaching methods in promoting involvement and honing job ready skills, for students majoring in business highlights the need to connect theoretical understanding with real world practice (Nealy, 2020). Integrating strategies and collaboration principles into programs allows universities to equip students more effectively for the challenges of the corporate realm. This focus, on skills and hands on learning mirrors the changing requirements for entrepreneurs to have both expertise and practical abilities to thrive in fast paced business settings.

In the realm of business ethics the connection between behaviors and business success emphasizes the importance of maintaining ethical standards in business activities. By overseeing and promoting behavior in business activities companies establish trust with customers and stakeholders ultimately improving their reputation and sustainability in the run. This ethical aspect of business conduct highlights the influence of institutions like norms and values on guiding entrepreneurial actions and outlooks, within cultural settings. (Lubis et al., 2023).

The significance of managing resources in improving business processes in small and medium sized enterprises (MSMEs) within the textile and clothing sector highlights the crucial role of HRM strategies in boosting operational effectiveness and competitiveness (Dobrosavljević and Urošević, 2020). By investing in workforce development and optimizing HRM procedures companies can streamline their activities and foster ongoing enhancements. This emphasis on HRM as a catalyst for business triumph underscores the necessity of harmonizing methods, with demands to attain sustainable expansion and financial success (Dobrosavljević and Urošević, 2020).

The research, on how Japanese companies approach responsibility (CSR) sheds light on the increasing demands for businesses to show their commitment to social welfare and community support (Eweje and Sakaki, 2015). By expanding their role beyond making

profits and taking on a community focused approach companies can better meet the diverse expectations of stakeholders and contribute positively to the societies they serve. This shift towards an inclusive and socially conscious business model mirrors a trend where companies are now expected to tackle social and environmental issues in addition, to their primary business activities (Eweje and Sakaki, 2015).

In the Vietnamese paint industry, incorporating social responsibility (CSR) practices has become crucial for companies looking to gain trust and loyalty from customers (Tran and Nguyen, 2020). By adhering to production standards and participating in CSR activities businesses can improve their reputation. Ensure that their operations meet societal expectations. This focus on business practices and social responsibility highlights the evolving nature of entrepreneurship, where companies are evaluated not based on their offerings but also, on their ethical and societal contributions (Tran and Nguyen, 2020).

The impact of responsibility (CSR), on business strategy and operations underscores the significant role of ethical behavior in influencing how organizations operate and interact with stakeholders (Baddache and Nicolai, 2013). By incorporating CSR values into their decision-making processes companies can enhance their relationships with stakeholders. Establish a reputation for upholding ethical standards. This adherence to CSR principles mirrors a broader trend, towards ethical business practices that cater to the expectations of aware consumers (Baddache and Nicolai, 2013).

Establishing business connections and relationship, in Russia brings to light the hurdles and differences presented by discrepancies and varying anticipations in global business engagements (Berger et al., 2016). With the promise of prospects, companies venturing into international markets must manoeuvre through cultural subtleties and assorted expectations to foster fruitful partnerships. This aspect of cultural business practices underscores the importance for entrepreneurs to tailor their approaches and

communication methods to align with the diverse outlooks of stakeholders, in an interconnected economy (Berger et al., 2016).

The role of sustainability reporting in bridging stakeholders' expectations gap emphasizes the importance of transparent communication and accountability in building trust and support from stakeholders (Omotilewa, 2024). By providing clear and accurate information about their sustainability efforts, organizations demonstrate their commitment to meeting stakeholder expectations and enhancing their long-term value. This emphasis on stakeholder engagement and transparency reflects a growing trend where businesses are expected to be more open and responsive to the needs and concerns of their stakeholders (Omotilewa, 2024).

The connection between company size, commercial inspirations and stewardship practices in small tourism enterprises are made obvious with the sustainability motivations thereof. While small firms that can afford to invest more may embrace formal sustainability practices, a strategic view for reaching commercial and CSR goals. Such a size-dependent heterogeneity in sustainability practices illustrates how organizational dimensions affect the way that firms develop business strategies and impositions (Font et al., 2016).

According to Abdelgaffar and Ayoubi period, Responsible management education in public Egyptian business schools have underlined that an integration of ethical and sustainable principles is urgent for all undergraduate programs around the world. This is essential for the preparation of future business leaders and inculcation of a culture of responsible management among educational institutions. The pro-active focus in nurturing ethics is consistent with societal anticipations and aligning students to be ethical leaders within the business community (Abdelgaffar and Ayoubi, 2019).

Stakeholder Expectations of Corporate Social Responsibility in Local and Multinational Corporations in Kazakhstan: The Pressures on Business to Learn Their

Lesson, which is the result concluded from (Mahmood and Humphrey, 2012). Organizations build trust and credibility with their many stakeholder groups when they do the good work that is expected of them by these stakeholders. This stakeholder-centered concept of CSR shows that focus on responding or catering to the industry stakeholders whilst using a strategic mindset for sustainable business practices (Mahmood and Humphrey, 2012).

Job redundancy is one of the strategic choice multinational enterprises (MNEs) make when adapting to workforce management in a changing business environment (Niamul, 2018). Strategic use of redundancy measures enables MNEs to operate more efficiently and respond quickly as market dynamics shift. The adoption of this strategic approach to workforce management signals a pragmatic response to the challenges confronting businesses today, and an insistence that human resource practices be fully positioned to deliver against organizational goals and expectations (Munshi, 2018).

The degree of corruption in Lebanon and by extension from unethical performance in business sector Indicating that Immeasurable practice concerning control arc required with respect to combating corruption (Nassar and Hejase, 2021). If businesses can promote good practice and a framework that cherishes integrity, the risks of being embroiled in corruption can be ameliorated. The focus on ethical leadership and organizational culture demonstrates the need for a shift from reactive to proactive engagement with society, making sustainability in business practice (Nassar and Hejase, 2021).

Power dynamics over business relationships illustrate in the nuances of competing value creation and prospective power repercussions during organizational interactions (Siemieniako, 2024). Understanding Power Dynamics and Value Processes: How Businesses Can Collaborate for Shared Success and Innovation Siemieniako (2024) suggested that this strategic relationship management style is based on more sound

organizational strategy involving both an understanding of the organization's dynamics and business practices were in line with stakeholder needs.

The use of gamification in tourism business management, for instance, demonstrates how enterprises can exploit methodologies around the compelling aspect of games to intensify customer engagement and improve bottom line performance (Pizlo, 2023). Making travel agency and hotel management process like mobile game will change the user experience already in this category, compared to market offers. It is a high-minded business management conception and establishes very creative method to meet the anticipations of customers as well as develop their faithfulness (Pizlo, 2023).

The impact of shopping on a company's long term viability emphasizes how digital tools can improve business sustainability and meet eco demands (Chaudhary, 2017). Through the use of online shopping platforms companies can lessen their impact. Connect with a broader group of consumers who prioritize environmental concerns. This smart embrace of online shopping demonstrates a strategy to harmonize business operations with sustainability objectives and marketplace shifts (Chaudhary, 2017).

To borrow and adapt an old saying: which way are the tea leaves pointing—was Citigroup doing reputationally risky business in 2004–5? breaks with common wisdom concerning the relation between news and corporate reputation. Studying how news influences corporate reputation, the research helps us to decipher these roles in shaping public opinions. This analytical stance on reputation management echoes a tactic to preserve the organizational image and satisfy stakeholder demands (York et al., 2008).

4.2.2. Informal institution impact on entrepreneurship: Influence risk taking behaviour

Entrepreneurship is potentially influenced by informal institutions, which play an important role in formulating and structuring risk-taking perceptions among entrepreneurs.

Informal institutions, identified by unwritten rules, practices and norms in a society, is proved to have a substantial effect on entrepreneurial activities, especially in the context of risk-taking behaviour and risk acceptance. Research reveals that informal institutions, such as confidence in one's skills and control of corruption, positively influence opportunity entrepreneurship, signifying the status of these informal norms in developing and promoting favourable circumstances for entrepreneurial activities (Ajide and Osinubi, 2020).

Additionally, the organizational forms of these informal institutions have been denoted to be essential factors in advancing both women's and men's entrepreneurial activities. Identifying the cultural pretext in which entrepreneurship operates is significant for leveraging informal institutions to promote entrepreneurial ideas (Junaid et al., 2020).

Entrepreneurial cognition and institutional environments have been found to promote entrepreneurship particularly based on gender, where female entrepreneurship gaining more from informal institutions as compared to male entrepreneurship. This gender-based perspective figuring the nuanced effect of informal institutions on risk-taking tendencies and entrepreneurial behaviour (Chen et al., 2023).

The effect of institutional facets on opportunity entrepreneurship has been broadly researched, with findings revealing that informal institutions have a greater impact on promoting opportunity entrepreneurship as compared with formal institutions (Aparicio et al., 2016).

In rural communities, informal, entrepreneurship-oriented institutions have revealed to have a considerably positive impact on farmer entrepreneurship, surpassing the effect of formal institutions in promoting social and economic development (Zhu et al., 2019).

The stake of informal institutions in regulating the association between international entrepreneurial entry and social capital has been emphasized, with control of corruption and trust acting as positive mediators in enabling international entrepreneurial activities (Shahid, 2021).

Productive entrepreneurship necessitates a balance between strong formal institutions and robust informal constraints, emphasizing the complementary roles of formal and informal institutions in driving entrepreneurial success (Godlewska, 2019).

Entrepreneurs protect their long-term economic success by incorporating into informal and formal social and political institutions through institutional entrepreneurship policies and approaches (Su et al., 2019).

The arrangement of institutions has a deep effect on the level of entrepreneurial-led growth and productive entrepreneurship, stressing the necessity for consistency between informal and formal institutional forms (Williams and Vorley, 2017).

In post-conflict economies, the development of informal and formal institutions act as an important medium in promoting progressive entrepreneurship and reforming sustainable economies (Siddiqui, 2019).

The influence of institutional and conducive aspects on entrepreneurial innovation has been studied, highlighting the importance of institutional support in driving entrepreneurial creativity and innovation (Arabiyat et al., 2019).

Informal institutions act as a key mediator in inducing risk-taking behavior in entrepreneurs. Therefore, leveraging by understanding the unwritten rules, practices and norms, in a society, entrepreneurs navigate risks, drive sustainable business growth and seize opportunities. The interplay between informal and formal institutions configures the risk environment for entrepreneurs, signifying the necessity of cooperating with supportive institutional frameworks to develop entrepreneurial goal attainment.

4.2.3. Informal institutions impact on entrepreneurship: Affect trust and networking among entrepreneurs

To search for the effect of informal institutions on trust and networking among entrepreneurs, it is important to contemplate how these unwritten rules, practices and norms, within a society influence the interactions and relationships within entrepreneurial networks. Informal institutions substantially influence the level of trust entrepreneurs have in their networks and the degree to which they engage in collective ventures. Comprehension of the variance of networking and trust in entrepreneurship is important for encouraging a favourable environment for business innovation and their growth.

One of the studies (Lajqi and Krasniqi, 2017) delves into the role of informal institutions, such as training, networking, and trust, in influencing growth aspirations among entrepreneurs, particularly in challenging environments characterized by institutional deficiencies. The findings suggest that entrepreneurs utilize these informal practices to navigate and overcome the limitations imposed by inadequate formal institutions, such as inefficient educational systems and legal frameworks. This highlights how informal institutions can serve as enablers for entrepreneurs to build trust-based networks and pursue ambitious growth goals despite institutional constraints.

Moreover, the study by Wang et al. (2009) emphasizes the importance of tacit knowledge acquisition facilitated by both specific and general human capital in enhancing Chinese entrepreneurs' marketing capabilities (Wang et al., 2009). This acquisition of tacit knowledge is often embedded in informal networks and relationships, where trust plays a pivotal role in sharing and transferring valuable insights and expertise. Informal institutions, therefore, contribute to the development of trust-based networks that enable entrepreneurs to access critical resources and knowledge essential for business success.

In a similar vein, the research by Mangeloja et al. (2022) shows how entrepreneurial choices are influenced by trust, with increased trust levels correlating with a higher share of opportunity-driven entrepreneurial activities. This underscores the importance of trust in structuring entrepreneurial behaviors and decisions, signifying as to how informal institutions which promotes the notion that trust encourages entrepreneurs to follow value-added and innovation. Trust within entrepreneurial networks promotes resource mobilization, collaboration, and knowledge sharing, finally fostering competitiveness and business growth.

Furthermore, the research examines the impact of government-sponsored business networks on women entrepreneurs' opportunity recognition and engagement in entrepreneurial activities (Farr-Wharton and Brunetto, 2007). Trust within these networks is crucial for women entrepreneurs to feel supported, empowered, and connected to valuable opportunities. Informal institutions, such as supportive networks and mentorship programs, can enhance trust levels among women entrepreneurs, enabling them to navigate challenges and seize growth opportunities within their ecosystems.

Additionally, the research by Shahid (2021) highlights how informal institutional variables, including trust and control of corruption, moderate the association between social capital and international entrepreneurial entry. Societies characterized by high levels of trust and integrity are more conducive to entrepreneurial activities, as entrepreneurs feel more secure in engaging with diverse stakeholders and venturing into international markets. Trust, as an informal institution, acts as a catalyst for building sustainable relationships and expanding entrepreneurial networks beyond local boundaries.

Informal institutions considerably influence networking and trust among entrepreneurs by shaping the values, norms, and relational dynamics within entrepreneurial ecosystems. Trust-based networks nurture collaboration, resource mobilization and

knowledge exchange, enabling entrepreneurs to traverse challenges and benefit from on growth opportunities. Identifying the role of informal institutions in fostering trust and facilitating networking is important for the formation of supportive surrounding that facilitates the growth of entrepreneurial innovation and success.

4.2.4. Impact of informal institutions on entrepreneurship: determine the acceptability of entrepreneurial activities

The study by Williams and Vorley (2017) stressed the importance of informal institutions in establishing the acceptability of entrepreneurial activities and how entrepreneurs are recognized within a given situation. This research highlights those informal institutions play an important role not only in structuring the character of entrepreneurial activity but also in affecting the perception of entrepreneurs and the level of acceptance of entrepreneurship by society. This highlights the important impact of informal values, practices and norms on the overall acceptance and legitimacy of entrepreneurial endeavors.

Additionally, Sedeh et al. (2020) investigate into the relationship between opportunity perception and perceived self-efficacy, fear of failure, and informal institutions in inducing social entrepreneurship. The findings recommend that informal institutions, especially in the form of supportive cultures, have a deeper impact on social entrepreneurship as contrasted with those of commercial entrepreneurship. This stresses the notion that informal norworkabilityve environments enhance the workability and promotion of social entrepreneurial activities within a given society or community.

Furthermore, Zhu et al. (2019) investigate the impact of informal, entrepreneurship-oriented institutions in rural communities on farmer entrepreneurship. The research shows that informal institutions have a radically positive effect on farmer entrepreneurship, overriding the influence of formal institutions. This points out as to how supportive

circumstances and informal practices within rural communities contribute to the promotion and acceptability of entrepreneurial activities, chiefly in agricultural settings

In a similar way, Junaid et al. (2019) discuss the important role of informal institutions to the advancement of women's entrepreneurship. By stressing the role of informal values and rules in development of women's entrepreneurial activities, this research underlines how informal institutions impact the encouragement and acceptability of entrepreneurship to the women, therefore giving rise to the gender-inclusive entrepreneurial ecosystems.

Moreover, Ghura et al. (2019) explore the facilitating effect of corruption on the relationship between entrepreneurial activity and formal institutions. This research emphasizes that while restructuring formal institutions is important for institutional effectiveness, the presence of corruption considerably change the level of entrepreneurial activity. Accepting the impact of corruption as an informal institution is important for evaluating the prevalence and acceptability of entrepreneurship within divergent social and social contexts.

Informal institutions act as a crucial role in shaping the suitability of entrepreneurial activities by reforming societal perceptions, influencing the promotion, and fostering supportive environments for entrepreneurship, particularly in different contexts such as post-conflict economies, gender-specific entrepreneurial endeavors, and rural communities. Considering the effect of informal norms, practices and values is essential for creating circumstances that fosters and legitimizes entrepreneurial activities, therefore fostering innovation and economic growth.

4.3. Factors affecting Entrepreneurship: Dependent Variables

3 different models have been constructed to measure all aspects of entrepreneurial activities. The dependent variable of the first model is *Entp*, which is a dummy variable

equal to 1 if the entrepreneur has stated a new business. The dependent variable of the second model is *JCEntp*, which is a dummy variable equal to 1 if the entrepreneur aspires to create 20 or more new jobs in the next five years. The dependent variable of the third model is *FTEntp*, which is a dummy variable equal to 1 if the entrepreneur starts a business to continue a family tradition.

4.4. Factors affecting Entrepreneurship: Independent Variables

The independent variables include property rights, judicial effectiveness, number of procedures that the entrepreneur must complete for starting a new business, number of days it takes to start a business and the total cost that the entrepreneur must bear to start a new business. The variables property rights and judicial effectiveness are taken from the Economic Freedom Index 2019. The variables number of procedures that the entrepreneur must complete for starting a new business, number of days it takes to start a business and the total cost that the entrepreneur must bear to start a new business are taken from Ease of Doing Business 2019. The ease of doing business score benchmarked economies with respect to their proximity to the best performance on each area measured by *Doing Business*. It captured the gap of each economy from the best performance observed on each of the indicators across all economies in the *Doing Business* sample since 2005. The Economic Freedom Index covers 12 freedoms, from property rights to financial freedom in 184 countries and is published by the Heritage Foundation. We use the Ease of Doing Business 2019 and the Economic Freedom Index 2019 data as the dependent variables *Entp*, *JCEntp* and *FTEntp* pertain to 2019 data.

Control variables for a variety of other factors at the individual, and national level are also used. The control variables used for the individual level are age, age squared, gender, income level, educational attainment and confidence of the entrepreneur to start a new business. The individual level variables are taken from Global Entrepreneurship

Monitor 2019. The national level control variables include business freedom, investment freedom, financial freedom and gross domestic product per capita at purchasing par parity are taken from the Economic Freedom Index 2019.

The independent variable *property rights* evaluate the degree to which a country's legal framework permits individuals to acquire, hold, and utilize private property. It also measures the extent to which these rights are safeguarded by applicable laws that the government enforces effectively. The variable is presented on a scale of 0 to 100 (The Heritage Foundation, no date). Property rights are expected to have a positive influence entrepreneurship (Entp) and high job creating entrepreneurship (JCEntp), while negatively influence entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *judicial effectiveness* examines the functioning of legal frameworks that are essential for protecting the rights of all citizens against unlawful acts by others, including governments and powerful private parties. Judicial effectiveness necessitates efficient and fair judicial systems to ensure that laws are fully respected and that appropriate legal actions are taken against violations. The variable is presented on a scale of 0 to 100. Judicial effectiveness is expected to have a positive influence on entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *procedures* refer to the steps required for an entrepreneur to establish and formally operate a business. These procedures encompass the processes entrepreneurs must undergo to obtain all necessary approvals, licenses, and permits, as well as to complete any required notifications and verifications for the company and its employees with the relevant authorities. Procedures is expected to have a negative relationship entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *start days* refer to the total number of days required for an entrepreneur to establish and formally operate a business. Start days is expected to have a negative relationship entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *start cost* refers to the cost paid by the entrepreneur to complete all procedures required to start the operation of the business and the paid-in minimum capital requirement. Start cost is expected to have a negative relationship entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *age* refers to the age of the entrepreneur at the time of starting a new business, while *gender* denotes whether the entrepreneur is a male or a female. Gender is a dummy variable which is equal to 1 if the entrepreneur is a male, 0 otherwise.

The independent variable *confidence* is represented by a dummy variable. A value of 1 indicates that the entrepreneurs expressed confidence in starting a new business. Conversely, a value of 0 indicates that the entrepreneurs lacked confidence to start a new business due to a fear of failure. Confidence is expected to have a positive effect on entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), but a negative effect on entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *business freedom* measures the extent to which a country's regulatory and infrastructural environments constrain the efficient operation of businesses. The quantitative score is derived from various factors that affect the ease of starting, operating, and closing a business. Each country's business freedom score ranges from 0 to 100, with 100 indicating the most favourable business environment (The Heritage Foundation, no date). Business freedom is expected to have a positive influence on

entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *investment freedom* evaluates the various regulatory restrictions typically imposed on investments. An ideal country, where there are no restrictions on domestic or foreign investment, would receive a score of 100. Investment freedom is expected to have a positive influence on entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *financial freedom* serves as an indicator of banking efficiency and a measure of independence from government control and interference in the financial sector. State ownership of banks and other financial institutions, such as insurers and capital markets, reduces competition and generally lowers access to credit. In an ideal banking and financial environment characterized by minimal government interference, central bank supervision and regulation of financial institutions are limited to enforcing contractual obligations and preventing fraud. Credit is allocated on market terms, the government does not own financial institutions, and these institutions provide various types of financial services to individuals and companies. Banks are free to extend credit, accept deposits, and conduct operations in foreign currencies, while foreign financial institutions operate freely and receive the same treatment as domestic institutions (The Heritage Foundation, no date). The variable is presented on a scale of 0 to 100. Financial freedom is expected to have a positive influence on entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp).

The independent variable *GDP per capita ppp* refers to gross domestic product adjusted for PPP divided by total population. GDP per capita ppp is expected to have a

positive relationship with entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp).

The variables *less than post-secondary education*, *post-secondary education*, and *graduation* are categorical variables used in the analysis. The *post-secondary education* variable is a dummy variable, equal to 1 if the respondent has completed secondary education, and 0 otherwise. The *graduation* variable is also a dummy variable, equal to 1 if the respondent has completed graduation, and 0 otherwise. The categorical variable *less than post-secondary education* has been omitted to avoid multicollinearity.

Both dummy variables, *post-secondary education* and *graduation*, are expected to have positive effects on general entrepreneurship (Entp) and high job-creating entrepreneurship (JCEntp). However, they are anticipated to have negative effects on entrepreneurship aimed at continuing a family tradition (FTEntp). This is because higher levels of education increase the likelihood of starting a new business but decrease the likelihood of opening a family business.

The categorical variables *lowest income*, *middle income* and *upper income* represent the tertile to which the respondent belongs. *Middle income* is a dummy variable, equal to 1 if the respondent belongs to the middle income tertile, and 0 otherwise. *Upper income* is a dummy variable, equal to 1 if the respondent belongs to the upper income tertile, and 0 otherwise. The tertile *lowest income* has been omitted to avoid multicollinearity. Both dummy variable *middle income* and *upper income* are expected to have a positive effect on entrepreneurship (Entp), high job creating entrepreneurship (JCEntp), and entrepreneurship that seeks to continue family tradition (FTEntp) as the likelihood of starting any new business grows with the income of the entrepreneur.

Table 4. 1: Summary Statistics of Dependent and Independent Variables

	Mean	Std. Dev.	Min.	Max.
<i>Dependent variables</i>				
Entp	0.784	0.411	0	1
JCEntp	0.088	0.284	0	1
FTEntp	0.372	0.483	0	1
<i>Independent Variables</i>				
Property Rights	66.210	14.699	33.2	92.3
Judicial Effectiveness	54.726	15.572	20.2	87.1
Procedure	37.595	33.486	2	94.12
Start Days	12.342	10.068	1.5	48.5
Start Cost	6.767	6.906	0	33
<i>Control Variables</i>				
Age	40.031	13.166	18	64
Age Squared	1775.788	1085.375	324	4096
Confidence	0.532	0.499	0	1
Business Freedom	70.874	9.618	47.3	92.9
Investment Freedom	69.627	19.705	5	90
Financial Freedom	61.372	16.824	10	90
GDP per capita ppp	33014.830	21163.720	677	124529
Gender	0.504	0.500	0	1
Middle Income	0.274	0.446	0	1
High Income	0.278	0.448	0	1
Post Secondary	0.384	0.486	0	1
Graduate	0.073	0.261	0	1

Table 1 summarizes the summary statistics. 78.4 per cent of the respondents are entrepreneurs had stated a new business. 8.8 per cent of the respondents are entrepreneurs who aspire to create 20 or more new jobs in the next five years. 37.2 respondents are entrepreneurs who have started a business to continue a family tradition.

About half of the respondents are male, the mean age is around 40 years. 27 per cent of the total belong to the middle-income category, while 28 per cent belong to the high-income category. 38 per cent of the total students have completed post-secondary

education, while only 7 per cent of the respondents have completed their graduate education. 53 per cent of the respondents had the confidence to start a new business. The mean of per capita gross domestic product at purchasing par parity is 33014.83. The average score of property rights is 66.2 on a scale of 0-100. Judicial effectiveness has an average score of 54.7 on the same scale. The average score of business freedom is 70.9 on a scale of 0-100. The average of investment freedom is 69.6, and financial freedom is 61.37 on a scale of 0-100.

4.5. Research Question 1: Factors Affecting the Entrepreneur in Starting a New Business

Table 4. 2: Probit Model- Factors Affecting the Entrepreneur in Starting a New Business

Independent Variables	Coefficient	Standard Error
Property Rights	-0.015170***	0.002554
Judicial Effectiveness	0.007464***	0.001794
Procedure	-0.004065**	0.001354
Start Days	0.009048***	0.001456
Start Cost	-0.012616***	0.002465
Age	0.036837***	0.006867
Age Squared	-0.000347***	0.000081
Confidence	0.053598*	0.024584
Business Freedom	-0.000124	0.002373
Investment Freedom	0.012813***	0.001803
Financial Freedom	0.001910	0.001872
GDP per capita ppp	-0.000007***	0.000001
Gender	-0.221143*	0.090042
Middle Income	0.026915	0.030710
High Income	0.043964	0.029125
Post Secondary	0.123215***	0.028324
Graduate	0.190308***	0.050044
Constant	-0.203533	0.223888
LR chi-squared	387.14***	
Pseudo R-squared	0.0261	

Note- ‘***’ Significant at 0%, ‘**’ Significant at 0.1% ‘*’ Significant at 1%, ‘.’ Significant at 5%.

Higher judicial effectiveness is associated with an increased likelihood of starting a business. More procedures required to start a business decreases the likelihood of starting a business. Higher costs to start a business decreases the likelihood of starting a business. Age of the entrepreneur is positively related with the likelihood of starting a business. However, there is a significant nonlinear effect of age on starting a business. The negative sign on age square indicates a concave relationship, meaning the effect of age on starting a business increases at a decreasing rate. Confidence is positively related with the

likelihood of starting a new business. Higher investment freedom increases the likelihood of starting a business. Higher GDP per capita decreases the likelihood of starting a business, but the effect of GDP per capita on the likelihood of starting a business is very small. Being male decreases the likelihood of starting a business. The possession of post-secondary and graduate education increases the likelihood of an entrepreneur starting a business, compared to individuals whose highest level of education is secondary school.

Financial freedom, belonging to the middle-income or high-income category does not have a significant effect on the likelihood of starting a business. The probit regression results highlight several significant factors influencing the likelihood of an entrepreneur starting a business, including property rights, judicial effectiveness, procedures and days to start a business, start cost, age, confidence, investment freedom, GDP per capita, gender, and education level.

4.6. Research Question 2: Factors Affecting the Entrepreneur in Starting a High Job Creating Business

Higher startup costs significantly increase the probability of creating more than 20 jobs. Older entrepreneurs are less likely to create more than 20 jobs. The positive coefficient for age squared suggests a nonlinear relationship where the negative effect of age on job creation probability decreases at higher ages. Greater business freedom significantly increases the probability of creating more than 20 jobs. Higher GDP per capita significantly increases the probability of creating more than 20 jobs, though the effect size is small. Having post-secondary education and graduate, as compared to secondary education increases the probability of creating more than 20 jobs. Belonging to the high-income category significantly increases the probability of creating more than 20 jobs.

Property rights, judicial effectiveness, the number of procedures that the entrepreneur must undergo before starting a new business, the number of days it takes to start a business, entrepreneurial confidence, investment freedom, financial freedom and the gender of the entrepreneur do not significantly affect the probability of creating more than 20 jobs.

Table 4. 3: Probit Model- Factors Affecting the Entrepreneur in Starting a High Job Creating Business

Independent Variables	Coefficient	Standard Error
Property Rights	-0.003014	0.003804
Judicial Effectiveness	-0.005099.	0.002645
Procedure	-0.000449	0.002324
Start Days	-0.004727.	0.002469
Start Cost	0.009412*	0.004124
Age	-0.039037***	0.010847
Age Squared	0.000360**	0.000128
Confidence	0.066692.	0.039174
Business Freedom	0.025290***	0.003719
Investment Freedom	-0.004869.	0.002824
Financial Freedom	-0.003010	0.002739
GDP per capita ppp	0.000011***	0.000001
Gender	0.186782	0.158798
Middle Income	0.172406	0.042770
High Income	0.318083***	0.065120
Post Secondary	-0.020442	0.053565
Graduate	0.379359***	0.045381
Constant	-2.066376***	0.358514
LR chi-squared	597.06***	
Pseudo R-squared	0.1008	

Note- ‘***’ Significant at 0%, ‘**’ Significant at 0.1% ‘*’ Significant at 1%, ‘.’ Significant at 5%.

The probit regression results indicate that several factors significantly influence the probability of an entrepreneur creating more than 20 jobs in five years. Notably, startup

cost, business freedom, GDP per capita, and education level (post-secondary and graduate) have positive effects, while the age of the entrepreneur has a negative effect.

4.7. Research Question 3: Factors Affecting the Entrepreneur in Starting a Family Business

Table 4. 4: Probit Model- Factors Affecting the Entrepreneur in Starting a Family Business

Independent Variables	Coefficient	Standard Error
Property Rights	-0.006816**	0.002352
Judicial Effectiveness	0.007790***	0.001651
Procedure	0.004283***	0.001248
Start Days	0.009107***	0.001260
Start Cost	0.011050***	0.002278
Age	-0.015188*	0.006331
Age Squared	0.000150*	0.000074
Confidence	-0.146288***	0.022257
Business Freedom	0.002694	0.002183
Investment Freedom	-0.000494	0.001624
Financial Freedom	-0.004744**	0.001737
GDP per capita ppp	0.000000	0.000001
Gender	0.392529***	0.082473
Middle Income	-0.178574	0.025589
High Income	-0.245592***	0.044680
Post Secondary	-0.026525***	0.027886
Graduate	-0.083048***	0.026393
Constant	-0.1566056	0.204581
LR chi-squared	539.73***	
Pseudo R-squared	0.0285	

Note- ‘***’ Significant at 0%, ‘**’ Significant at 0.1% ‘*’ Significant at 1%, ‘.’ Significant at 5%.

Higher property rights are associated with a lower likelihood of starting a business to continue the family tradition. Higher judicial effectiveness increases the likelihood of starting a business to continue the family tradition. More procedures required to start a

business increase the likelihood of starting a business to continue the family tradition. More days required to start a business significantly increase the likelihood of opening a business to continue the family tradition. Higher startup costs significantly increase the likelihood of starting a business to continue the family tradition. Older entrepreneurs are less likely to start a business to continue the family tradition. The positive coefficient for age squared suggests a nonlinear relationship where the negative effect of age on the likelihood of starting a business to continue the family tradition decreases at higher ages. Having the confidence to start a business decreases the likelihood of starting a business to continue the family tradition. Higher financial freedom decreases the likelihood of starting a business to continue the family tradition. Being male increases the likelihood of starting a business to continue the family tradition. Having post-secondary and graduate education decreases the likelihood of starting a business to continue the family tradition. Belonging to the high-income category decreases the likelihood of starting a business to continue the family tradition.

Business freedom, investment freedom, GDP per capita does not significantly affect the likelihood of starting a business to continue the family tradition.

4.8. Summary of Findings

Factors such as judicial effectiveness, the number of procedures, days to start, and start cost positively influence the probability of an entrepreneur starting a business to continue the family tradition. In contrast, property rights, age, confidence, financial freedom, post-secondary education, graduate education, and belonging to the high-income category negatively influence the probability of an entrepreneur starting a business to continue the family tradition.

Effective judicial systems significantly influence the likelihood of starting a business and continuing family business traditions. A judiciary that efficiently enforces laws and protects rights ensures that entrepreneurs operate in a predictable and fair environment. This trust in the legal system is vital for long-term business planning and stability, which can attract more entrepreneurial activities and sustain family businesses over generations.

The number of procedures required to start a business impact entrepreneurial decisions. Streamlining these procedures and reducing bureaucratic hurdles can lower entry barriers for new businesses. Fewer procedures mean reduced time and complexity, which can be particularly beneficial for smaller enterprises with limited resources.

The time it takes to start a business is another crucial factor. Prolonged start-up times can deter potential entrepreneurs due to the high opportunity costs involved. Efficient regulatory processes that minimize delays can enhance the attractiveness of starting new ventures, leading to a more vibrant entrepreneurial ecosystem.

The cost associated with starting a business is shown to have a significant effect on entrepreneurial activity. Lower start-up costs can make entrepreneurship accessible to a broader segment of the population, encouraging more individuals to launch their businesses. This inclusivity can lead to increased innovation, competition, and overall economic growth.

CHAPTER V: SUMMARY, IMPLICATIONS, AND RECOMMENDATIONS

5.1. Summary

The study discussed in this book has highlighted the influence that both formal and informal institutions have on the growth of businesses. By analysing how these institutions interact, we have gained insights into how they shape the environment and impact the achievements of high-growth ventures through a thorough understanding of this environment to high-growth entrepreneurship.

Academics delving into this subject could explore various avenues for future research that could enhance our comprehension of how formal and informal institutions affect high-growth entrepreneurship. One potential research area is how cultural norms and values influence behaviour and outcomes. Additionally, investigations could focus on the effects of government policies and regulations on high-growth entrepreneurship and how they combine with institutions to either support or impede entrepreneurial endeavours.

Moreover, studies should investigate the role of informal institutions, such as networks and connections, in facilitating high-growth entrepreneurship. Understanding how entrepreneurs use their networks to access resources, opportunities, and assistance could offer insights into how informal institutions impact success.

Furthermore, delving into how mentorship and advisory services contribute to support growing businesses could provide suggestions for policymakers and educators looking to nurture a more encouraging entrepreneurial environment. To sum up, examining the effects of informal establishments on high-growth entrepreneurship is a diverse area that requires additional investigation. By persisting in studying the interactions between these establishments and their impact on results, we can devise efficient tactics for

advancing high-growth entrepreneurship and stimulating economic development. I urge professors and researchers to keep exploring this subject matter and to cooperate across fields to enhance our comprehension of this crucial research area.

5.2. Implication for Strengthening Formal Institutions

To promote the growth of high-growth entrepreneurial ventures, enhancing the formal institutions that oversee and support business operations is crucial. Below are some policy suggestions to help achieve this objective;

1. **Improving Financial Accessibility:** A major hurdle for entrepreneurs aiming for growth is obtaining resources. Policymakers should strive to create an environment for institutions to offer affordable and accessible credit options to entrepreneurs. This can involve establishing funds for high-growth startups, providing loan guarantees and enhancing the credit scoring system to evaluate entrepreneurs' creditworthiness.

2. **Simplifying Regulations;** Complicated and burdensome regulations often hinder entrepreneurs seeking business expansion. Policymakers should simplify regulations to reduce obstacles and foster a business-friendly atmosphere. This could entail streamlining licensing processes, cutting down on the time and costs associated with starting a business and enhancing the effectiveness of bodies.

3. **Investing in Education and Training:** Successful high-growth entrepreneurs need a range of skills and knowledge to thrive in today's business landscape. Policymakers should allocate resources towards programs that focus on entrepreneurship, innovation, and business management.

To support entrepreneurs in enhancing their businesses and staying competitive on a scale it is important to focus on fostering innovation, technology adoption and strengthening intellectual property rights. These actions can drive growth and productivity

and open up opportunities for development by incentivizing creativity and protecting innovations. Implementing these policy suggestions can create an environment for entrepreneurs to flourish, innovate and contribute to progress effectively. These measures must be put into practice promptly and efficiently to impact the entrepreneurial landscape. To fully tap into the potential of institutions in fostering high-growth entrepreneurship, policymakers need to grasp the role these entities play in shaping entrepreneurial behaviour. One crucial suggestion is acknowledging and validating norms and practices supporting endeavours. By recognizing the significance of these institutions, policymakers can strive to create an environment in which entrepreneurs can flourish.

5.3. Implication for Strengthening Informal Institutions.

This can be accomplished through partnerships involving government bodies, industry groups and community organizations. By capitalizing on the strengths of both informal setups, policymakers can establish a supportive ecosystem for high-growth entrepreneurship. Such collaboration can also help address any shortcomings or gaps in the structure.

Moreover, policymakers should concentrate on enhancing the capacity of institutions to bolster entrepreneurship. This may entail offering training and resources to leaders and community members who influence entrepreneurial behaviour. By investing in the advancement of these setups, policymakers can enhance the ecosystem for high-growth entrepreneurship.

Furthermore, it is advisable for policymakers to involve institutions in formulating and executing entrepreneurship policies and programs. By involving individuals from organisations in the decision-making process, policymakers can ensure that their strategies are better aligned with the needs and circumstances of entrepreneurs working in informal

settings. This collaborative method can assist in developing policies that are customized to the unique environment of informal business activities.

Recognizing the significance of institutions and actively collaborating with them, policymakers can establish a supportive atmosphere for entrepreneurial growth. By utilising the strengths of both informal organisations, policymakers can strive to nurture an entrepreneurial community that fosters the advancement and prosperity of entrepreneurs.

5.4. Recommendations for Future Research

As we explore how formal and informal institutions influence high-growth entrepreneurship, there are topics that deserve more research attention. One area worth investigating is the impact of norms and values on shaping entrepreneurs' behaviour.

Examining how cultural elements affect entrepreneurs' decision-making processes could offer insights into how institutions can enhance their support for high-growth ventures.

Another crucial aspect of investigation is the influence of technology on high-growth entrepreneurship. Given the evolution of technology, it is essential to understand how these advancements are influencing the landscape. Research in this domain could explore how technology enables business models, disrupts industries, and presents challenges and opportunities for high-growth entrepreneurs.

Furthermore, there is a pressing need for research on how government policies and regulations promote high-growth entrepreneurship. By analysing how government interventions either facilitate or impede activity, we can gain an understanding of creating an ecosystem that fosters and sustains high-growth ventures. This research could also offer insights into the effectiveness of policy measures and guide policymakers aiming to encourage entrepreneurship.

Moreover, there is a need for an investigation into how formal and informal institutions intersect within high-growth entrepreneurship. Understanding the relationship between these institutions and how they shape behaviour can provide valuable insights into the key drivers of successful business ventures. This line of inquiry may also uncover collaboration opportunities between informal institutions to enhance support for high-growth entrepreneurship.

In summary, the future outlook for research on the impact of informal institutions on high-growth entrepreneurship holds promise. By exploring aspects such as norms, technological advancements, government regulations, and the interplay between informal structures, we can deepen our comprehension of the underlying mechanisms that propel entrepreneurial achievements. This knowledge benefits scholars aiming to advance their field and decision-makers and industry professionals seeking to cultivate an environment conducive to innovation and economic expansion.

5.5. Conclusion

The dynamic between informal institutions impacts the fostering of high-growth entrepreneurship in entrepreneurial communities. Government policies and regulations, as institutions, play a role in supporting both high-growth and social entrepreneurship. On the other hand, informal institutions like values and social norms also influence entrepreneurial activities by shaping individuals' behaviours and perspectives.

Studies show that supportive informal institutions play a role in encouraging the establishment and expansion of businesses underscoring the importance of creating an environment conducive to entrepreneurial success. Additionally, the presence of institutions such as secure property rights and minimal government interference has been linked to facilitating both social and commercial entrepreneurial ventures.

Entrepreneurial ecosystems are shaped by frameworks and the resources and support accessible within these ecosystems. Supportive entrepreneurial environments provide resources that encourage innovation among entrepreneurs, leading to the formation of successful startups. Moreover, the development of ecosystems is impacted by individuals' drive for entrepreneurship and the specific contextual factors in which they operate.

Regarding implications, research suggests moving beyond theories, like Baumol's theory of entrepreneurial allocation, to consider how individual factors and entrepreneurial actions influence entrepreneurs' decision-making processes.

This emphasizes the importance of policymakers and professionals understanding the interaction between rules and informal practices to create successful approaches promoting thriving entrepreneurship.

To sum up, the mix of sources points out the connection between established regulations and informal norms and their effects on flourishing entrepreneurship. By recognizing the real-world consequences of this influence, policymakers and professionals can develop plans that encourage entrepreneurial endeavours and nurture a climate that supports continuous growth and creativity in entrepreneurial environments.

REFERENCES

- Abdelgaffar, H. and Ayoubi, R. (2019) 'Responsible management education in Egyptian public business schools,' *The Journal of Management Development*, 38(8), 681-696. <https://doi.org/10.1108/jmd-01-2019-0022>
- Abubakar, H. (2015) 'Entrepreneurship development and financial literacy in Africa,' *World Journal of Entrepreneurship Management and Sustainable Development*, 11(4), 281-294. <https://doi.org/10.1108/wjemsd-04-2015-0020>
- Ács, Z. and Sanders, M. (2015) *Patents, knowledge spillovers, and entrepreneurship*. <https://doi.org/10.4337/9781784718053.00019>
- Adomako, S. et al. (2018) 'Entrepreneurial Alertness and new venture performance: Facilitating roles of Networking Capability', *International Small Business Journal: Researching Entrepreneurship*, 36(5), pp. 453-472. doi:10.1177/0266242617747667.
- Adomako, S., Danso, A., and Ampadu, E. (2015) 'Institutional outlook of the entrepreneurial climate in Ghana,' *International Journal of Social Economics*, 42(6), 566-582. <https://doi.org/10.1108/ijse-09-2013-0206>
- Aeeni, Z., Mahmoud, M., Sakhdari, K., and Saedikiya, M. (2019) 'Extending the potential of baumol's entrepreneurial allocation theory,' *Journal of Entrepreneurship in Emerging Economies*, 11(3), 416-435. <https://doi.org/10.1108/jeee-07-2018-0067>
- Aeeni, Z., Mahmoud, M., Sakhdari, K., and Saedikiya, M. (2019) 'Extending the potential of baumol's entrepreneurial allocation theory,' *Journal of Entrepreneurship in Emerging Economies*, 11(3), 416-435. <https://doi.org/10.1108/jeee-07-2018-0067>

- Aggarwal, R., Holly, K. and Wadhwa, V. (2013) 'Health Insurance Availability and Entrepreneurship,' *Journal of Developmental Entrepreneurship*, 18(04), p. 1350025. <https://doi.org/10.1142/s1084946713500258>.
- Agrell, P.J. and Gautier, A. (2017) 'A Theory of Soft Capture', *Scandinavian Journal of Economics*, 119(3), pp. 571–596. <https://doi.org/10.1111/sjoe.12171>.
- Agrell, P.J. and Gautier, A. (2017) 'A Theory of Soft Capture', *Scandinavian Journal of Economics*, 119(3), pp. 571–596. <https://doi.org/10.1111/sjoe.12171>.
- Ajide, F. and Osinubi, T. (2020) 'Foreign aid and entrepreneurship in africa: the role of remittances and institutional quality,' *Economic Change and Restructuring*, 55(1), 193-224. <https://doi.org/10.1007/s10644-020-09305-5>
- Akintunde, T. and Aribatise, A. (2022) 'Institutional quality, financial inclusion and shadow economy in Nigeria (1991-2020): an ardl approach,' *Farabi Journal of Social Sciences*, 8(1). <https://doi.org/10.26577/fjss.2022.v8.i2.02>
- Aladejebi, O. (2020) 'Entrepreneurship: an option to solving unemployment problem among nigerian youths,' *European Business & Management*, 6(6), 151. <https://doi.org/10.11648/j.ebm.20200606.14>.
- Aljarodi, A., Thatchenkery, T. and Urbano, D. (2022) 'The influence of institutions on early-stage entrepreneurial activity: a comparison between men and women in Saudi Arabia,' *Journal of Entrepreneurship in Emerging Economies*, 15(5), pp. 1028-1049. <https://doi.org/10.1108/jee-02-2021-0076>.
- Alm, J. and Embaye, A. (2013) 'Using dynamic panel methods to estimate shadow economies around the world, 1984-2006,' *Public Finance Review*, 41(5), 510-543. <https://doi.org/10.1177/1091142113482353>

- Alvarez, S. and Busenitz, L. (2001) 'The entrepreneurship of resource-based theory,' *Journal of Management*, 27(6), 755-775.
<https://doi.org/10.1177/014920630102700609>
- Alvarez, S. and Busenitz, L. (2001) 'The entrepreneurship of resource-based theory,' *Journal of Management*, 27(6), 755-775.
<https://doi.org/10.1177/014920630102700609>
- An, Z., Ghazi, T. and Nathalie Gonzalez Prieto (2017) 'Growth and Jobs in Developing Economies: Trends and Cycles', *IMF Working Paper*, 17(257), pp. 1-1.
<https://doi.org/10.5089/9781484329627.001>.
- Andersen, P., Holmén, E., and Pedersen, A. (2018) 'Que sera, sera? conceptualizing business network foresighting,' *Imp Journal*, 12(1), 56-74.
<https://doi.org/10.1108/imp-03-2017-0009>
- Aparicio, S. et al. (2023) 'Incentivizing knowledge institutions for entrepreneurship and society,' *International Journal of Entrepreneurial Behaviour & Research* [Preprint]. <https://doi.org/10.1108/ijebr-07-2022-0652>.
- Aparicio, S. et al. (2023) 'Incentivizing knowledge institutions for entrepreneurship and society,' *International Journal of Entrepreneurial Behaviour & Research* [Preprint]. <https://doi.org/10.1108/ijebr-07-2022-0652>.
- Aparicio, S., Hughes, M., Audretsch, D., and Urbano, D. (2023) 'Incentivizing knowledge institutions for entrepreneurship and society,' *International Journal of Entrepreneurial Behaviour & Research*, <https://doi.org/10.1108/ijebr-07-2022-0652>
- Aparicio, S., Urbano, D., and Audretsch, D. (2016) 'Institutional factors, opportunity entrepreneurship and economic growth: panel data evidence,' *Technological*

- Forecasting and Social Change*, 102, 45-61.
<https://doi.org/10.1016/j.techfore.2015.04.006>
- Arabiyat, T.S. et al. (2019) 'The influence of institutional and conducive aspects on entrepreneurial innovation,' *Journal of Enterprise Information Management*, 32(3), pp. 366-389. <https://doi.org/10.1108/jeim-07-2018-0165>.
- Arnaut, D., Stani, M. and Beirovi, D. (2022) 'Exploring entrepreneurial alertness and entrepreneurial intention in times of the covid-19 pandemic,' *Management*, 27(1), 237-249. <https://doi.org/10.30924/mjcmi.27.1.13>.
- Audretsch, D. and Keilbach, M. (2006) 'Entrepreneurship capital and economic performance,' 60-78.
<https://doi.org/10.1093/acprof:oso/9780195183511.003.0004>
- Audretsch, D. and Link, A. (2011) 'Entrepreneurship and innovation: public policy frameworks,' *The Journal of Technology Transfer*, 37(1), 1-17.
<https://doi.org/10.1007/s10961-011-9240-9>
- Audretsch, D., Keilbach, M. and Lehmann, E. (2006) 'The knowledge spillover theory of entrepreneurship,' 34-59.
<https://doi.org/10.1093/acprof:oso/9780195183511.003.0003>
- Audretsch, D.B. (2007) 'Entrepreneurship capital and economic growth', *Oxford Review of Economic Policy*, 23(1), pp. 63–78. doi:<https://doi.org/10.1093/oxrep/grm001>.
- Audretsch, D.B. (2023) 'Institutions and entrepreneurship,' *Eurasian Business Review*, [online] 13(3), pp.495-505. <https://doi.org/10.1007/s40821-023-00244-5>.
- Audretsch, D.B. et al. (2020) 'Knowledge management and entrepreneurship,' *International Entrepreneurship and Management Journal*, 16(2), pp. 373–385.
<https://doi.org/10.1007/s11365-020-00648-z>.

- Ault, J.K. and Spicer, A. (2022) 'The formal institutional context of informal entrepreneurship: A cross-national, configurational-based perspective,' *Research policy*, [online] 51(9), pp.104160-104160. <https://doi.org/10.1016/j.respol.2020.104160>.
- Autio, E. and Ács, Z. (2015) *Intellectual property protection and the formation of entrepreneurial growth aspirations*. <https://doi.org/10.4337/9781784718053.00031>
- Autio, E., Pathak, S., and Wennberg, K. (2013) 'Consequences of cultural practices for entrepreneurial behaviors,' *Journal of International Business Studies*, 44(4), 334-362. <https://doi.org/10.1057/jibs.2013.15>
- Awwad, B. (2023) 'Governance with relationship between entrepreneurship and economic growth in Palestine,' *International Journal of Law and Management*, 66(2), 259-287. <https://doi.org/10.1108/ijlma-06-2023-0142>
- Awwad, M. and Al-Aseer, R. (2021) 'Big five personality traits impact on entrepreneurial intention: the mediating role of entrepreneurial alertness,' *Asia Pacific Journal of Innovation and Entrepreneurship*, 15(1), 87-100. <https://doi.org/10.1108/apjie-09-2020-0136>
- Aydogan, Y. and Donduran, M. (2019) 'Concluding Gibrat's law with Turkish firm data,' *Physica a Statistical Mechanics and Its Applications*, 533, p. 122066. <https://doi.org/10.1016/j.physa.2019.122066>.
- Babiak, K. and Kihl, L. (2018) 'A case study of stakeholder dialogue in professional sport: an example of CSR engagement,' *Business and Society Review*, 123(1), 119-149. <https://doi.org/10.1111/basr.12137>

- Baddache, F. and Nicola??, I. (2013) 'Follow the leader: how corporate social responsibility influences strategy and practice in the business community,' *Journal of Business Strategy*, 34(6), 26-35. <https://doi.org/10.1108/jbs-01-2013-0002>
- Bayat, T., Naderi, E., and Naraghi, M. (2022) 'Designing an entrepreneurship and production curriculum model for high school students,' *Ciencia Unemi*, 15(39), 76-83. <https://doi.org/10.29076/issn.2528-7737vol15iss39.2022pp76-83p>
- Ben, S. (2019) 'Significance of road infrastructure on economic sustainability,' *American International Journal of Multidisciplinary Scientific Research*, 5(4), 1-9. <https://doi.org/10.46281/aijmsr.v5i4.405>
- Berger, R. et al. (2016) 'Developing International Business Relationships in a Russian Context,' *Management International Review*, 57(3), pp. 441-471. <https://doi.org/10.1007/s11575-016-0295-6>.
- Betta, M., Jones, R. and Latham, J. (2010) 'Entrepreneurship and the innovative self: a schumpeterian reflection,' *International Journal of Entrepreneurial Behaviour & Research*, 16(3), 229-244. <https://doi.org/10.1108/13552551011042807>
- Biersteker, E. and Van Marrewijk, A. (2023) 'Integrating knowledge in infrastructure projects: the interplay between formal and informal knowledge governance mechanisms,' *Construction Management and Economics*, 41(10), pp. 859-874. <https://doi.org/10.1080/01446193.2023.2210695>.
- Bitar, M., Ouadghiri, I.E. and Peillex, J. (2022) 'A cross-institutional exploratory investigation of COVID-19 spread: formal vs. informal institutions,' *Applied Economics*, 55(35), pp. 4146-4163. <https://doi.org/10.1080/00036846.2022.2125495>.

- Bjørnskov, C. and Foss, N. (2009) 'Economic freedom and entrepreneurial activity: some cross-country evidence,' *Springer eBooks*, pp. 201-225.
https://doi.org/10.1007/978-3-540-87910-7_10
- Bjørnskov, C. and Foss, N. (2009) 'Economic Freedom and Entrepreneurial Activity: Some Cross-Country Evidence,' in *Springer eBooks*, pp. 201-225.
https://doi.org/10.1007/978-3-540-87910-7_10.
- Bjørnskov, C. and Foss, N. (2013) 'How strategic entrepreneurship and the institutional context drive economic growth,' *Strategic Entrepreneurship Journal*, 7(1), 50-69.
<https://doi.org/10.1002/sej.1148>
- Bjørnskov, C. and Foss, N. (2016) 'Institutions, entrepreneurship, and economic growth: what do we know? and what do we still need to know?,' *SSRN Electronic Journal*.
<https://doi.org/10.2139/ssrn.2714258>
- Bloch, H. and Bhattacharya, M. (2016) 'Promotion of innovation and job growth in small- and medium-sized enterprises in Australia: evidence and policy issues,' *Australian Economic Review*, 49(2), 192-199. <https://doi.org/10.1111/1467-8462.12164>
- Bonilla, C. and Cubillos, P. (2020) 'The effects of ambiguity on entrepreneurship,' *Journal of Economics and Management Strategy*, 30(1), 63-80.
<https://doi.org/10.1111/jems.12402>
- Boudreaux, C. and Nikolaev, B. (2018) 'Shattering the glass ceiling? how the institutional context mitigates the gender gap in entrepreneurship,' *SSRN Electronic Journal*.
<https://doi.org/10.2139/ssrn.3259670>
- Boulu-Reshef, B. (2013) 'Economics of identity and economics of the firm: why and how their three central questions overlap,' *Journal of Institutional Economics*, 9(3), 363-379. <https://doi.org/10.1017/s1744137413000167>

- Braunerhjelm, P. *et al.* (2015) 'The missing link: knowledge diffusion and entrepreneurship in endogenous growth,' in *Edward Elgar Publishing eBooks*.
<https://doi.org/10.4337/9781784718053.00014>.
- Braunerhjelm, P., Desai, S., and Eklund, J. (2015) 'Regulation, firm dynamics and entrepreneurship,' *European Journal of Law and Economics*, 40(1), 1-11.
<https://doi.org/10.1007/s10657-015-9498-8>
- Brustolin, P. Pinzeta, G. and Vier, P. (2022) 'Entrepreneurship and endogenous development: bibliometric study', *Figshare [Preprint]*.
<https://doi.org/10.6084/m9.figshare.21744207>.
- Bruton, G., Ahlström, D., and Li, H. (2010) 'Institutional theory and entrepreneurship: where are we now and where do we need to move in the future?,' *Entrepreneurship Theory and Practice*, 34(3), 421-440. <https://doi.org/10.1111/j.1540-6520.2010.00390.x>
- Buehn, A. and Schneider, F. (2011) 'Shadow economies around the world: novel insights, accepted knowledge, and new estimates,' *International Tax and Public Finance*, 19(1), 139-171. <https://doi.org/10.1007/s10797-011-9187-7>
- Buheji, M. (2018) 'Book Review- Endogenous Innovation the Economics of an Emergent System Property', *Journal of Social Science Studies*, 5(2), pp. 87–87.
<https://doi.org/10.5296/jsss.v5i2.13115>.
- Burns, S. and Fuller, C.S. (2020) 'Institutions and Entrepreneurship: Pushing the Boundaries,' *The Quarterly Journal of Austrian economics*, [online] 23(3-4), pp.568-612. <https://doi.org/10.35297/qjae.010080>.
- Byrne, J. and Toutain, O. (2012) 'Research in Entrepreneurship: Learning from Learning Theories', *Academy of Management Proceedings*, 2012(1), pp. 14080–14080.
<https://doi.org/10.5465/ambpp.2012.14080abstract>.

- Cai, Y. (2014) 'Why are suboptimal contracts usually chosen in venture capital backed nascent entrepreneurship?,' *Journal of Developmental Entrepreneurship*, 19(04), 1450021. <https://doi.org/10.1142/s1084946714500216>
- Caiazza, R., Foss, N., and Volpe, T. (2016) 'What we do know and what we need to know about knowledge in the growth process,' *Journal of Organizational Effectiveness People and Performance*, 3(2), 191-203. <https://doi.org/10.1108/joepp-03-2016-0022>
- Campero, A. and Kaiser, K. (2013) 'Access to Credit: Awareness and Use of Formal and Informal Credit Institutions.' <https://doi.org/10.36095/banxico/di.2013.07>.
- Capelleras, J.L. et al. (2018) 'Regional and individual determinants of entrepreneurial growth aspirations,' *Journal of Evolutionary Studies in Business-JESB* [Preprint], (1). <https://doi.org/10.1344/jesb2018.1.j036>.
- Caplan, B. (1999) 'The Austrian search for realistic foundations,' *Southern Economic Journal*, 65(4), 823-838. <https://doi.org/10.1002/j.2325-8012.1999.tb00202.x>
- Carrigan, C. and Coglianese, C. (2016) 'Capturing Regulatory Reality: Stigler's The Theory of Economic Regulation', *SSRN Electronic Journal* [Preprint]. <https://doi.org/10.2139/ssrn.2805153>.
- Çera, G., Çera, E., and Rózsa, Z. (2019) 'Exploring the associations between institutional constraints and entrepreneur's perception in future business climate.' <https://doi.org/10.3846/cibmee.2019.066>
- Chappell, L. and Waylen, G. (2013) 'Gender and the hidden life of institutions,' *Public Administration*, 91(3), 599-615. <https://doi.org/10.1111/j.1467-9299.2012.02104.x>
- Chaudhary, S. (2017) 'Effect of E-Commerce on Organization Sustainability,' *IOSR Journal of Business and Management*, 19(07), pp. 15-24. <https://doi.org/10.9790/487x-1907031524>.

- Chaux, M. and Haugh, H. (2020) 'When formal institutions impede entrepreneurship: how and why refugees establish new ventures in the dadaab refugee camps,' *Entrepreneurship and Regional Development*, 32(9-10), 827-851. <https://doi.org/10.1080/08985626.2020.1789752>
- Chen, C., Huang, Y., and Wu, S. (2023) 'How do institutional environment and entrepreneurial cognition drive female and male entrepreneurship from a configuration perspective?,' *Gender in Management an International Journal*, 38(5), 653-668. <https://doi.org/10.1108/gm-04-2022-0124>
- Chen, F. et al. (2018) 'The Influence of Entrepreneurship and Social Networks on Economic Growth-From a Sustainable Innovation Perspective,' *Sustainability*, 10(7), p. 2510. <https://doi.org/10.3390/su10072510>.
- Chen, H. et al. (2023) 'Entrepreneurship Education, Entrepreneurial Alert and Entrepreneurial Tendency,' *Frontiers in Business Economics and Management*, 9(1), pp. 361-368. <https://doi.org/10.54097/fbem.v9i1.8783>.
- Chen, Y., Watson, E., Cornacchione, E., and Azevedo, R. (2013) 'Flying high, landing soft,' *Journal of Chinese Entrepreneurship*, 5(2), 122-143. <https://doi.org/10.1108/jce-10-2012-0025>
- Chowdhury, F., Audretsch, D.B. and Belitski, M. (2018) 'Institutions and Entrepreneurship Quality,' *Entrepreneurship Theory and Practice*, 43(1), pp. 51-81. <https://doi.org/10.1177/1042258718780431>.
- Clark, C.E., Arora, P. and Gabaldon, P. (2021) 'Female Representation on Corporate Boards in Europe: The Interplay of Organizational Social Consciousness and Institutions,' *Journal of business ethics*, 180(1), pp.165-186. <https://doi.org/10.1007/s10551-021-04898-x>.

- Clemens, C. and Heinemann, M. (2006) 'On the effects of redistribution on growth and entrepreneurial risk-taking,' *Journal of Economics*, 88(2), 131-158. <https://doi.org/10.1007/s00712-006-0191-9>.
- Congregado, E., Golpe, A. and Esteve, V. (2018) 'Going solo: on the substitutability between paid-employment and self-employment,' <https://doi.org/10.20944/preprints201812.0014.v1>.
- Courtois, C., Plante, M., and Lajoie, P. (2020) 'Performance in neo-liberal doctorates: the making of academics,' *Qualitative Research in Accounting & Management*, 17(3), 465-494. <https://doi.org/10.1108/qram-11-2019-0127>
- Cullen, J., Johnson, J., and Parboteeah, K. (2014) 'National rates of opportunity entrepreneurship activity: insights from institutional anomie theory,' *Entrepreneurship Theory and Practice*, 38(4), 775-806. <https://doi.org/10.1111/etap.12018>
- Cyphert, D. et al. (2019) 'Communication Activities in the 21st Century Business Environment,' *Business and Professional Communication Quarterly*, 82(2), pp. 169-201. <https://doi.org/10.1177/2329490619831279>.
- Dada, J. and Ajide, F. (2021) 'The moderating role of institutional quality in shadow economy-pollution nexus in Nigeria,' *Management of Environmental Quality an International Journal*, 32(3), 506-523. <https://doi.org/10.1108/meq-10-2020-0238>
- Dada, J., Ajide, F., and Sharimakin, A. (2021) 'Shadow economy, institutions and environmental pollution: insights from Africa,' *World Journal of Science Technology and Sustainable Development*, 18(2), 153-171. <https://doi.org/10.1108/wjstd-12-2020-0105>

- Dai, W., Alon, I., and Jiao, H. (2015) 'Financial marketization and corporate venturing in China,' *Journal of Entrepreneurship in Emerging Economies*, 7(1), 2-22.
<https://doi.org/10.1108/jeee-01-2015-0001>
- D'Andrea, F. and Mazzoni, J. (2019) 'For a less dramatic creative destruction,' *Mises Interdisciplinary Journal of Philosophy Law and Economics*, 7(3).
<https://doi.org/10.30800/mises.2019.v7.1245>.
- Dau, L.A. et al. (2022) 'Informal institutions and the international strategy of MNEs: Effects of institutional effectiveness, convergence, and distance,' *Journal of International Business Studies*, 53(6), pp. 1257-1281.
<https://doi.org/10.1057/s41267-022-00543-5>.
- David, S. (2023) 'Formalizing the Informal Sector,' in *Advances in human resources management and organizational development book series*, pp. 1-20.
<https://doi.org/10.4018/978-1-6684-7578-2.ch001>.
- De Chiara, A. and Schwarz, M.A. (2021) 'A dynamic theory of regulatory capture,' *SSRN Electronic Journal* [Preprint]. <https://doi.org/10.2139/ssrn.3809634>.
- Demastus, J. and Landrum, N. (2023) 'Organizational sustainability schemes align with weak sustainability,' *Business Strategy and the Environment*, 33(2), 707-725.
<https://doi.org/10.1002/bse.3511>
- Dempere, J. and Pauceanu, A. (2022) 'The impact of economic-related freedoms on the national entrepreneurial activity,' *Journal of Innovation and Entrepreneurship*, 11(1). <https://doi.org/10.1186/s13731-022-00237-0>
- Deng, Y., Zeng, H., Xu, A., and Chen, Y. (2022) 'Based on role expectation to discuss role ambiguity and practice of university teachers in business administration,' *Frontiers in Psychology*, 13. <https://doi.org/10.3389/fpsyg.2022.789806>

- Detotto, C. and McCannon, B. (2016) 'Economic freedom and public, non-market institutions: evidence from criminal prosecution' *Economics of Governance*, 18(2), 107-128. <https://doi.org/10.1007/s10101-016-0183-3>
- Dia, I. and Ondo, H.A. (2022) 'Does economic freedom improve FDI inflow in Sub-Saharan Africa?,' *Research Square*. <https://doi.org/10.21203/rs.3.rs-2013709/v1>.
- Dmytrychenko, L.I., Chausovsky, A.M. and Plaksina, A.M. (2024) 'The Definition of "Entrepreneurship" in the Context of Modern Geopolitical Situation: New Development Trends,' *Vestnik of North-Ossetian State University*, (1), pp. 119-127. <https://doi.org/10.29025/1994-7720-2024-1-119-127>.
- Doan, M. (2023) 'The effect of relationship marketing practices on customer loyalty in the food service industry: a qualitative study on senior sales and marketing professionals,' *Journal of Tourism and Gastronomy Studies*. <https://doi.org/10.21325/jotags.2023.1254>
- Dobrosavljevi, A. and Uroševi, S. (2020) 'The impact of human resource management on business process improvement: an analysis within the msms of the textile and clothing industry,' *Bizinfo Blace*, 11(2), 19-32. <https://doi.org/10.5937/bizinfo2002019d>
- Dobryagina, N. (2021) 'Behavioural economics contribution to the entrepreneurship theory and its application in entrepreneurship policies,' *Administrative Consulting*, (1), 50-60. <https://doi.org/10.22394/1726-1139-2021-1-50-60>
- Domínguez, M., Triguero-Ruiz, F. and Avila-Cano, A. (2021) 'Firm growth in the 21st century: Does the Andalusian economy comply with Gibrat's Law?', *Physica A Statistical Mechanics and its Applications*, 577, pp. 126064–126064. <https://doi.org/10.1016/j.physa.2021.126064>.

- Doucouliaqos, H. (2005) 'Publication bias in the economic freedom and economic growth literature' *Journal of Economic Surveys*, 19(3), 367-387.
<https://doi.org/10.1111/j.0950-0804.2005.00252.x>
- Dreher, A., Kotsogiannis, C., and McCorriston, S. (2005) 'How do institutions affect corruption and the shadow economy?,' *SSRN Electronic Journal*.
<https://doi.org/10.2139/ssrn.670662>
- Eabrasu, M. (2021) 'Bet against yourself: integrating insurance and entrepreneurship,' *Journal of Institutional Economics*, 17(6), 959-972.
<https://doi.org/10.1017/s1744137421000394>
- Ebner, A. (2005) 'Entrepreneurship and economic development,' *Journal of Economic Studies*, 32(3), 256-274. <https://doi.org/10.1108/01443580510611047>
- Ebrashi, R. (2013) 'Social entrepreneurship theory and sustainable social impact,' *Social Responsibility Journal*, 9(2), 188-209. <https://doi.org/10.1108/srj-07-2011-0013>
- Ecer, F. and Zolfani, S. (2022) 'Evaluating economic freedom via a multi-criteria mercednma model-based composite system: case of opec countries,' *Technological and Economic Development of Economy*, 28(4), 1158-1181.
<https://doi.org/10.3846/tede.2022.17152>
- Eesley, E, C. et al. (2015) 'Institutions and Types of Entrepreneurship: The Interactive Influence of Regulatory and Non-Regulatory Institutions,' *Social Science Research Network*. <https://doi.org/10.2139/ssrn.2608793>
- Ehrlich, I., Li, D. and Liu, Z. (2017) 'The Role of Entrepreneurial Human Capital as a Driver of Endogenous Economic Growth', *Journal of Human Capital*, 11(3), pp. 310–351. <https://doi.org/10.1086/693718>.

- Elgin, C. and Oztunali, O. (2014) 'Institutions, informal economy, and economic development,' *Emerging Markets Finance and Trade*, 50(4), 145-162.
<https://doi.org/10.2753/ree1540-496x500409>
- Erhardt, E.C. (2022) 'Prevalence and Persistence of High-Growth Entrepreneurship: Which Institutions Matter Most?,' *Journal of Industry Competition and Trade*, 22(2), pp. 297-332. <https://doi.org/10.1007/s10842-022-00385-9>.
- Erilli, N. (2018) 'Economic freedom index calculation using fcm,' *Alphanumeric Journal*, 6(1), 93-116. <https://doi.org/10.17093/alphanumeric.337322>
- Esaku, S. (2021) 'Political instability and informality in uganda: an empirical analysis,' *The European Journal of Applied Economics*, 18(2), 161-177.
<https://doi.org/10.5937/ejae18-31159>
- Estrin, S. and Mickiewicz, T. (2012) 'Shadow economy and entrepreneurial entry,' *Review of Development Economics*, 16(4), 559-578. <https://doi.org/10.1111/rode.12004>
- Estrin, S., Korosteleva, J., and Mickiewicz, T. (2013) 'Which institutions encourage entrepreneurial growth aspirations?,' *Journal of Business Venturing*, 28(4), 564-580. <https://doi.org/10.1016/j.jbusvent.2012.05.001>
- Estrin, S., Mickiewicz, T., and Stephan, U. (2011) 'For benevolence and self-interest: social and commercial entrepreneurial activity across nations,' *SSRN Electronic Journal*.
<https://doi.org/10.2139/ssrn.1867039>
- Etzioni, A. (2009) 'The Capture Theory of Regulations—Revisited', *Society*, 46(4), pp. 319–323. <https://doi.org/10.1007/s12115-009-9228-3>.
- Eweje, G. and Sakaki, M. (2015) 'Csr in japanese companies: perspectives from managers,' *Business Strategy and the Environment*, 24(7), 678-687.
<https://doi.org/10.1002/bse.1894>

- Fabel, O. (2004) 'Spinoffs of entrepreneurial firms: an o-ring approach,' *Journal of Institutional and Theoretical Economics*, 160(3), 416.
<https://doi.org/10.1628/0932456041960614>
- Fadun, S. (2014) 'Corporate social responsibility practices and stakeholders expectations: the Nigerian perspectives,' *Research in Business and Management*, 1(2), 13.
<https://doi.org/10.5296/rbm.v1i2.5500>
- FarrWharton, R. and Brunetto, Y. (2007) 'Women entrepreneurs, opportunity recognition and government sponsored business networks,' *Women in Management Review*, 22(3), 187-207. <https://doi.org/10.1108/09649420710743653>
- Fazlagi, J., Szulczewska-Remi, A., and Loopesko, W. (2021) 'City policies to promote entrepreneurship: a cross-country comparison of Poland and Germany,' *Journal of Entrepreneurship Management and Innovation*, 17(2), 159-185.
<https://doi.org/10.7341/20211726>
- Ferreira, J.J. et al. (2023) 'Interlinking institutions, entrepreneurship and economic performance,' *International Journal of Entrepreneurial Behaviour & Research [Preprint]*. <https://doi.org/10.1108/ijebr-07-2022-0640>.
- Feruni, N. et al. (2020) 'The Impact of Corruption, Economic Freedom and Urbanization on Economic Development: Western Balkans versus EU-27,' *Sustainability*, 12(22), p. 9743. <https://doi.org/10.3390/su12229743>.
- Feth, S. and Mamolu, H. (2020) 'The impact of rent seeking on economic growth in the six geographic regions: evidence from static and dynamic panel data analysis,' *International Journal of Finance and Economics*, 26(4), 5349-5362.
<https://doi.org/10.1002/ijfe.2069>

- Filculescu, A. (2016) 'The heterogeneous landscape of innovation in female led-businesses - cross-country comparisons,' *Management and Marketing*, 11(4), 610-623.
<https://doi.org/10.1515/mmcks-2016-0019>
- Font, X., Elgammal, I., and Lamond, I. (2019) 'Greenhushing: the deliberate under communicating of sustainability practices by tourism businesses,' 139-155.
<https://doi.org/10.4324/9780203711668-9>
- Font, X., Tamajón, L., and Jones, S. (2016) 'Sustainability motivations and practices in small tourism enterprises in European protected areas,' *Journal of Cleaner Production*, 137, 1439-1448. <https://doi.org/10.1016/j.jclepro.2014.01.071>
- Foss, K. et al. (2007) 'The Entrepreneurial Organization of Heterogeneous Capital,' *Journal of Management Studies*, 44(7), pp. 1165-1186. <https://doi.org/10.1111/j.1467-6486.2007.00724.x>.
- Foss, K., Foss, N., and Klein, P. (2007) 'Original and derived judgment: an entrepreneurial theory of economic organization,' *Organization Studies*, 28(12), 1893-1912.
<https://doi.org/10.1177/0170840606076179>
- Foss, N. and Klein, P. (2012) 'The need for an entrepreneurial theory of the firm,' 1-22.
<https://doi.org/10.1017/cbo9781139021173.002>
- Foss, N. and Klein, P. (2015) 'Introduction to a forum on the judgment-based approach to entrepreneurship: accomplishments, challenges, new directions,' *Journal of Institutional Economics*, 11(3), 585-599.
<https://doi.org/10.1017/s1744137415000168>
- Frederick, H. and Monsen, E. (2009) 'New Zealand's perfect storm of entrepreneurship and economic development,' *Small Business Economics*, 37(2), 187-204.
<https://doi.org/10.1007/s11187-009-9234-2>

- Fuentelsaz, L., González, C. and Maícas, J.P. (2020) 'High-growth aspiration entrepreneurship and exit: the contingent role of market-supporting institutions,' *Small business economics*, [online] 57(1), pp.473-492. <https://doi.org/10.1007/s11187-020-00320-4>.
- Fuentelsaz, L., González, C., and Maícas, J.P. (2019) 'Formal institutions and opportunity entrepreneurship: the contingent role of informal institutions' *BRQ Business Research Quarterly*, 22(1), 5-24. <https://doi.org/10.1016/j.brq.2018.06.002>
- Fuentelsaz, L., González, C., Maícas, J., and Montero, J. (2015) 'How different formal institutions affect opportunity and necessity entrepreneurship,' *BRQ Business Research Quarterly*, 18(4), 246-258. <https://doi.org/10.1016/j.brq.2015.02.001>
- Gallouj, F. (2017) 'Knowledge spillover-based strategic entrepreneurship,' *International Journal of Entrepreneurial Behaviour & Research*, 23(4), 726-730. <https://doi.org/10.1108/ijebr-01-2017-0038>
- Gallouj, F. (2017) 'Knowledge spillover-based strategic entrepreneurship,' *International Journal of Entrepreneurial Behaviour and Research*, 23(4), 726-730. <https://doi.org/10.1108/ijebr-01-2017-0038>
- Gao, X., Zhang, X. and Liu, X. (2024) 'Research on Policy Environment, Entrepreneurial Alertness, and Innovative Entrepreneurial Decision-Making.' <https://doi.org/10.57237/j.wjeb.2024.01.003>.
- Gawe?, A. and Mi?ska?Struzik, E. (2023) 'The digitalisation as gender equaliser? the import and export of digitally delivered services in shaping female entrepreneurship in european countries,' *International Journal of Gender and Entrepreneurship*, 15(3), 293-313. <https://doi.org/10.1108/ijge-08-2022-0141>

- Gawel, A. (2023) 'Quality of governance and welfare generosity as institutional predictors of entrepreneurship: european perspective,' *Sage Open*, 13(4).
<https://doi.org/10.1177/21582440231205670>
- Gedajlovic, E. *et al.* (2013) 'Social Capital and Entrepreneurship: A Schema and Research Agenda,' *Entrepreneurship Theory and Practice*, 37(3), pp. 455–478.
<https://doi.org/10.1111/etap.12042>.
- Gehman, J., Sharma, G. and Beveridge, A. (2021) 'Theorizing Institutional Entrepreneurship: Arborescent and rhizomatic assembling' *Organisation studies*, [online] 43(2), pp.289-310. <https://doi.org/10.1177/01708406211044893>.
- Genus, A., Iskandarova, M., and Brown, C. (2021) 'Institutional entrepreneurship and permaculture: a practice theory perspective,' *Business Strategy and the Environment*, 30(3), 1454-1467. <https://doi.org/10.1002/bse.2708>
- Gërxxhani, K. (2004) 'The informal sector in developed and less developed countries: a literature survey,' *Public Choice*, 120(3/4), 267-300.
<https://doi.org/10.1023/b:puch.0000044287.88147.5e>
- Ghio, N. *et al.* (2014) 'The emergence of the knowledge spillover theory of entrepreneurship,' *Small Business Economics*, 44(1), pp. 1–18.
<https://doi.org/10.1007/s11187-014-9588-y>.
- Ghura, H., Harraf, A., Li, X., and Hamdan, A. (2019) 'The moderating effect of corruption on the relationship between formal institutions and entrepreneurial activity,' *Journal of Entrepreneurship in Emerging Economies*, 12(1), 58-78.
<https://doi.org/10.1108/jeee-03-2019-0032>
- Ghura, H., Li, X., and Harraf, A. (2017) 'Moderating relationship of institutions for opportunity entrepreneurship and economic development,' *World Journal of*

- Entrepreneurship Management and Sustainable Development*, 13(4), 350-374.
<https://doi.org/10.1108/wjemsd-06-2017-0031>
- Giorno, J. (2024) 'Reassessing the linkages among entrepreneurship, institutions and growth,' *Revista Brasileira De Economia*, 78(1). <https://doi.org/10.5935/0034-7140.20240006>
- Gmeiner, R. (2018) 'Regulatory Capture in the Petroleum Refining Industry', *SSRN Electronic Journal [Preprint]*. <https://doi.org/10.2139/ssrn.3304206>.
- Godlewska, M. (2019) 'Do interactions between formal and informal institutions matter for productive entrepreneurship?,' *Ekonomia I Prawo*, 18(1), 17.
<https://doi.org/10.12775/eip.2019.002>
- Godlewska, M. (2021) 'The Impact of Interplay between Formal and Informal Institutions on Innovation Performance: Evidence from CEECs,' *Engineering Economics*, 32(1), pp. 15-26. <https://doi.org/10.5755/j01.ee.32.1.27390>.
- Graafland, J. (2019) 'Contingencies in the relationship between economic freedom and human development: the role of generalized trust,' *Journal of Institutional Economics*, 16(3), 271-286. <https://doi.org/10.1017/s1744137419000705>
- Grüdtner, V. and Marques, A.M. (2020) 'Is Gibrat's law robust when cities interact each other?,' *Papers of the Regional Science Association*, 99(4), pp. 1087–1112.
<https://doi.org/10.1111/pirs.12518>.
- Guerzoni, M., Riso, L. and Vivarelli, M. (2024) 'Was Robert Gibrat right? A test based on the graphical model methodology', *Small Business Economics* [Preprint].
<https://doi.org/10.1007/s11187-024-00915-1>.
- Gwartney, J., Holcombe, R., and Lawson, R. (2006) 'Institutions and the impact of investment on growth,' *Kyklos*, 59(2), 255-273. <https://doi.org/10.1111/j.1467-6435.2006.00327.x>

- Gwartney, J., Lawson, R. and Murphy, R. (2023) Economic Freedom of the World: 2023 Annual Report. <https://doi.org/10.53095/88975012>.
- Haan, J., Lundström, S., and Sturm, J. (2006) 'Market oriented institutions and policies and economic growth: a critical survey,' *Journal of Economic Surveys*, 20(2), 157-191. <https://doi.org/10.1111/j.0950-0804.2006.00278.x>
- Hall, J., Sobel, R., and Crowley, G. (2010) 'Institutions, capital, and growth,' *Southern Economic Journal*, 77(2), 385-405. <https://doi.org/10.4284/sej.2010.77.2.385>
- Hanoteau, J. and Vial, V. (2020) 'Institutional quality, conforming and evasive entrepreneurship,' *Eurasian Economic Review*, 10(1), 97-121. <https://doi.org/10.1007/s40821-020-00151-z>
- Hanson-Rasmussen, N. and Opall, B. (2022) 'Trailblazers in green business: unconventional practices and motivation within a chamber of commerce business network,' *Qualitative Research in Organizations and Management an International Journal*, 17(3), 340-356. <https://doi.org/10.1108/qrom-05-2020-1952>
- Harraf, A. et al. (2020) 'Formal institutions and the development of entrepreneurial activity - the contingent role of corruption in emerging economies,' *Journal of Entrepreneurship and Public Policy*, 10(1), pp. 15-37. <https://doi.org/10.1108/jep-06-2020-0033>.
- Heckelman, J. and Stroup, M. (2002) 'Which economic freedoms contribute to growth? Reply,' *Kyklos*, 55(3), 417-420. <https://doi.org/10.1111/1467-6435.00194>
- Hedija, V. and Fiala, R. (2019) 'Is Gibrat's law valid for travel agencies and tour operators? Evidence from the Visegrad group countries', *Journal of East European Management Studies*, 24(3), pp. 447-465. <https://doi.org/10.5771/0949-6181-2019-3-447>.

- Henley, A. (2016) 'Does religion influence entrepreneurial behaviour?,' *International Small Business Journal Researching Entrepreneurship*, 35(5), 597-617.
<https://doi.org/10.1177/0266242616656748>
- Henrekson, M. and Roine, J. (2007) 'Promoting entrepreneurship in the welfare state,'
<https://doi.org/10.4337/9781847206794.00009>
- Heydari, R. et al. (2021) 'Emerging Industry: Identifying the Effective Institutional Factors on the Exploitation of Entrepreneurial Opportunities of Sports Tourism Industry in Developing Countries.' <https://doi.org/10.20944/preprints202104.0211.v1>.
- Hirvonen, M. (2023) 'The pyramid model,' *Journal of Electronic Commerce in Organizations*, 20(1), 1-15. <https://doi.org/10.4018/jeco.316149>
- Hisrich, R., Langan Fox, J., and Grant, S. (2007) 'Entrepreneurship research and practice: a call to action for psychology,' *American Psychologist*, 62(6), 575-589.
<https://doi.org/10.1037/0003-066x.62.6.575>
- Howell, S.T. (2021) 'Learning from Feedback: Evidence from New Ventures', *Review of Finance*, 25(3), pp. 595–627. <https://doi.org/10.1093/rof/rfab006>.
- Huggins, R. and Thompson, P. (2015) 'Entrepreneurship, innovation and regional growth: a network theory', *Small Business Economics*, 45(1), pp. 103–128.
<https://doi.org/10.1007/s11187-015-9643-3>.
- Huggins, R. and Thompson, P. (2015) 'Entrepreneurship, innovation and regional growth: a network theory,' *Small Business Economics*, 45(1), 103-128.
<https://doi.org/10.1007/s11187-015-9643-3>
- Huggins, R. and Thompson, P. (2017) 'A network theory of regional competitiveness: innovation, entrepreneurship and growth', *Edward Elgar Publishing eBooks* [Preprint]. <https://doi.org/10.4337/9781783475018.00017>.

- Huynh, N. and Dao, A. (2021) 'Factors of early-stage entrepreneurial aspirations in Asia Pacific economies,' *Journal of Asian Business Strategy*, 11(1), 10-23. <https://doi.org/10.18488/journal.1006.2021.111.10.23>
- Ilmakunnas, P. and Kanniainen, V. (2001) 'Entrepreneurship, Economic Risks, and Risk Insurance in the Welfare State: Results with OECD Data 1978±93,' *German Economic Review*, 2(3), pp. 195-218. <https://doi.org/10.1111/1468-0475.00034>.
- Jiang, B. and Capra, C. (2018) 'Are (active) entrepreneurs a different breed?,' *Managerial and Decision Economics*, 39(6), 613-628. <https://doi.org/10.1002/mde.2930>
- Jones, E. and Evans, D. (2015) 'Defending the solo and small practice neurologist,' *Neurology Clinical Practice*, 5(2), 158-163. <https://doi.org/10.1212/cpj.0000000000000109>
- Juliana, N.O. et al. (2021) 'The Impact of Creativity and Innovation on Entrepreneurship Development: Evidence from Nigeria,' *Open Journal of Business and Management*, 09(04), pp. 1743-1770. <https://doi.org/10.4236/ojbm.2021.94095>.
- Junaid, D. et al. (2020) 'The Configurations of Informal Institutions to Promote Men's and Women's Entrepreneurial Activities,' *Frontiers in Psychology*, 11. <https://doi.org/10.3389/fpsyg.2020.01909>.
- Junaid, D., He, Z. and Afzal, F. (2022) 'The impact of weak formal institutions on the different phases of the entrepreneurial process,' *Journal of business research*, 144, pp.236-249. <https://doi.org/10.1016/j.jbusres.2022.01.040>.
- Junaid, D., He, Z., Yadav, A., and Asare-Kyire, L. (2019) 'Whether analogue countries exhibit similar women entrepreneurial activities?.' *Management Decision*, 58(4), 759-772. <https://doi.org/10.1108/md-06-2018-0681>
- Kahando, D. and Mungai, E. (2018) 'Influence of cognitive factors on self-employment intention among students in technical, vocational education and training in Kenya,'

- International Journal of Business Administration*, 9(5), 21.
<https://doi.org/10.5430/ijba.v9n5p21>
- Kamarudin, M. (2024) 'The issues and challenges of diversification strategy in multiple industries: the case of kental bina sdn,' *Bhd Paper ASIA*, 40(3b), 48-58.
<https://doi.org/10.59953/paperasia.v40i3b.94>
- Kee Hoon Chung and Kim, D. (2021) 'Explaining Asian growth paradox through interaction between informal and formal institutions,' *Asian education and development studies*, [online] 10(4), pp.600-614. <https://doi.org/10.1108/aeds-10-2020-0235>
- Kellermanns, F. *et al.* (2014) 'The Resource-Based View in Entrepreneurship: A Content-Analytical Comparison of Researchers' and Entrepreneurs' Views,' *Journal of Small Business Management*, 54(1), pp. 26-48.
<https://doi.org/10.1111/jsbm.12126>.
- Khan, S. and Rehman, M. (2022) 'Macroeconomic fundamentals, institutional quality and shadow economy in OIC and Non-OIC countries,' *Journal of Economic Studies*, 49(8), 1566-1584. <https://doi.org/10.1108/jes-04-2021-0203>
- Kirzner, I. (2008) 'The alert and creative entrepreneur: a clarification,' *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.1224842>
- Kiyabo, *. (2019) 'Conceptualizing strategic entrepreneurship and smes performance using the resource-based theory,' *UJMDD*, 29(2).
<https://doi.org/10.69522/uongozi.v29i2.12>
- Klarita Gërkhani and Cichocki, S. (2023) 'Formal and informal institutions: understanding the shadow economy in transition countries,' *Journal of institutional economics*, [online] 19(5), pp.656-672. <https://doi.org/10.1017/s1744137422000522>

- Kleinheyer, M. (2021) 'Schumpeter's entrepreneur and the German historical school. a critical analysis.' *Revista Procesos De Mercado*, 91-120. <https://doi.org/10.52195/pm.v8i1.262>
- Korucuk, S. et al. (2022) 'Assessing Green Approaches and Digital Marketing Strategies for Twin Transition via Fermatean Fuzzy SWARA-COPRAS,' *Axioms*, 11(12), p. 709. <https://doi.org/10.3390/axioms11120709>.
- Kostic, V., Vučić, I., and Majstorović, J. (2018) 'The question of energy and consideration of its place and importance in classical and neoclassical theory of growth and development,' *Skola Biznisa*, (2), 117-132. <https://doi.org/10.5937/skolbiz2-19426>
- Krasniqi, B.A. and Saranda Lajqi (2018) 'Gibrat's law and Jovanovic's learning theory', *Ekonomski pregleđ*, 69(3), pp. 251–268. <https://doi.org/10.32910/ep.69.3.3>.
- Krishnan, H. (2023) 'Mindfulness practices for ethical leadership in a post covid-19 world,' *Journal of Management and Strategy*, 14(2), 1. <https://doi.org/10.5430/jms.v14n2p1>
- Kubičková, V., Bažó, L., and Staňo, R. (2012) 'The commercialization of the knowledge as the supposition of the economic growth,' *Studia Commercialia Bratislavensia*, 5(19), 423-433. <https://doi.org/10.2478/v10151-012-0008-5>
- Laing, E., André van Stel and Storey, D.J. (2021) 'Formal and informal entrepreneurship: a cross-country policy perspective,' *Small business economics*, [online] 59(3), pp.807-826. <https://doi.org/10.1007/s11187-021-00548-8>.
- Lajqi, S. and Krasniqi, B. (2017) 'Entrepreneurial growth aspirations in challenging environment: the role of institutional quality, human and social capital,' *Strategic Change*, 26(4), 385-401. <https://doi.org/10.1002/jsc.2139>

- Lawal Nureni, A. and Ojokuku Roseline, M. (2019) 'Effect of government health care expenditure on entrepreneurship growth in Nigeria (2001-2015),' *International Journal of Engineering Applied Sciences and Technology*, 4(3), pp. 316–321. <https://doi.org/10.33564/ijeast.2019.v04i03.052>.
- Le, A. and Kim, T. (2020) 'The effects of economic freedom on firm investment in Vietnam,' *Journal of Asian Finance Economics and Business*, 7(3), 9-15. <https://doi.org/10.13106/jafeb.2020.vol7.no3.9>
- Lechuga-Sancho, M.-P., Martínez-Fierro, S. and Ramos-Rodríguez, A.R. (2023) 'Thirty years of research on high-growth entrepreneurship: bibliometric overview of its H-Classics,' *El Profesional De La Informacion* [Preprint]. <https://doi.org/10.3145/epi.2023.may.20>.
- Lekovi, B. and Berber, N. (2019) 'Determinants of early stage high-growth entrepreneurship: evidence from south east Europe region,' *Journal of East European Management Studies*, 24(2), 347-369. <https://doi.org/10.5771/0949-6181-2019-2-347>
- Leyden, D. and Link, A. (2017) 'Knowledge spillovers, collective entrepreneurship, and economic growth: the role of universities,' <https://doi.org/10.4337/9781786432797.00020>
- Li, D. et al. (2021) 'Informal institutions, entrepreneurs' political participation, and venture internationalization,' *Journal of International Business Studies*, 53(6), pp. 1062-1090. <https://doi.org/10.1057/s41267-021-00402-9>.
- Li, J., Huang, S., and Chau, K. (2021) 'The influence of undergraduate entrepreneurship education on entrepreneurial intention: evidence from universities in China's pearl river delta,' *Frontiers in Psychology*, 12. <https://doi.org/10.3389/fpsyg.2021.732659>

- Littlewood, D. and Holt, D. (2015) 'Social entrepreneurship in South Africa: exploring the influence of environment,' *Business & Society*, 57(3), 525-561. <https://doi.org/10.1177/0007650315613293>
- Lubis, D., Maryam, S., and Hasanah, Q. (2023) 'The relation between islamic business ethics and the performance of traders in the traditional market of cipanas,' *Business Economic Communication and Social Sciences Journal*, 5(2), 147-158. <https://doi.org/10.21512/becossjournal.v5i2.10062>
- Lv, X., Zhou, B. and Shan, B. (2023) 'Supportive formal institutions, entrepreneurial learning, and new venture performance: a study from China's emerging economies,' *International Journal of Technology Management*, 92(4), p. 308. <https://doi.org/10.1504/ijtm.2023.129565>.
- Lynn, M. and Wang, S. (2013) 'The indirect effects of tipping policies on patronage intentions through perceived expensiveness, fairness, and quality,' *Journal of Economic Psychology*, 39, 62-71. <https://doi.org/10.1016/j.joep.2013.07.003>
- Mafimisebi, O. and Ogunsade, A. (2021) 'Unlocking a continent of opportunity: entrepreneurship and digital ecosystems for value creation in Africa,' *FiiB Business Review*, 11(1), 11-22. <https://doi.org/10.1177/23197145211018172>
- Mahadea, D. (2013) 'Entrepreneurship in motion: towards an interdisciplinary and an eclectic perspective,' *The Southern African Journal of Entrepreneurship and Small Business Management*, 6(1), 21. <https://doi.org/10.4102/sajesbm.v6i1.31>
- Mahmood, M. and Humphrey, J. (2012) 'Stakeholder expectation of corporate social responsibility practices: a study on local and multinational corporations in Kazakhstan,' *Corporate Social Responsibility and Environmental Management*, 20(3), 168-181. <https://doi.org/10.1002/csr.1283>

- Mahoney, J.T. and Michael, S.C. (2005) 'A Subjectivist Theory of Entrepreneurship,' in *Springer eBooks*, pp. 33-54. https://doi.org/10.1007/0-387-23622-8_3.
- Makhmudov, T. et al. (2018) 'The impact of the institutional environment on the shadow economy,' *Acta Oeconomica*, 68(1), pp. 115-133. <https://doi.org/10.1556/032.2018.68.1.6>.
- Mandi?, D., Borovi, Z., and Jovievi, M. (2017) 'Economic freedom and entrepreneurial activity: evidence from EU 11 countries,' *Economics*, 5(2), 11-17. <https://doi.org/10.1515/eoik-2017-0020>
- Mangeloja, E., Ovaska, T., and Takashima, R. (2022) 'Entrepreneurial choices depend on trust: some global evidence,' *Journal of International Entrepreneurship*, 20(4), 564-590. <https://doi.org/10.1007/s10843-022-00315-0>
- Marques, P. and Morgan, K. (2021) 'Innovation without Regional Development? The Complex Interplay of Innovation, Institutions, and Development,' *Economic Geography*, 97(5), pp. 475-496. <https://doi.org/10.1080/00130095.2021.1972801>.
- Mat, R. et al. (2022) 'Perspective and Theoretical Development of Women's Entrepreneurship.' <https://doi.org/10.4108/eai.14-12-2021.2318304>.
- McCaffrey, M. (2015) 'Bridging the gap between entrepreneurship teaching and economics,' *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2642853>
- McMullen, J. (2011) 'Delineating the domain of development entrepreneurship: a market-based approach to facilitating inclusive economic growth,' *Entrepreneurship Theory and Practice*, 35(1), 185-215. <https://doi.org/10.1111/j.1540-6520.2010.00428.x>
- Mello, L., Moraes, G., and Fischer, B. (2022) 'The impact of the institutional environment on entrepreneurial activity: an analysis of developing and developed countries,'

- Journal of Entrepreneurship and Public Policy*, 11(1), 1-22.
<https://doi.org/10.1108/jepp-09-2021-0113>
- Merkel, A.D. and Marktanner, M. (2023) 'When does Economic Freedom promote Equitable Social Development?,' *Research Square*.
<https://doi.org/10.21203/rs.3.rs-2514476/v1>.
- Mihet, R. (2012) 'Effects of culture on firm risk-taking: a cross-country and cross-industry analysis,' *Journal of cultural economics*, 37(1),p. 109-151. Available at:
<https://doi.org/10.1007/s10824-012-9186-2>
- Minniti, M. and Naudé, W. (2010) 'What do we know about the patterns and determinants of female entrepreneurship across countries?,' *European Journal of Development Research*, 22(3), 277-293. <https://doi.org/10.1057/ejdr.2010.17>
- Minniti, M. et al. (2019) 'Boyan Jovanovic: recipient of the 2019 Global Award for Entrepreneurship Research', *Small Business Economics*, 53(3), pp. 547–553.
<https://doi.org/10.1007/s11187-019-00233-x>.
- Minochkina, O. (2022) 'Institutional entrepreneurship in the knowledge based economy,' *Ekonomina Teoriâ*, 2022(4), pp. 69-83. <https://doi.org/10.15407/etet2022.04.069>.
- Miozzi, V. (2023). Global economic freedom during the second year of the pandemic. *Journal of Institutional Economics*, 20.
<https://doi.org/10.1017/s1744137423000280>
- MirajulHaq, M., Shamim, N. and Luqman, M. (2020) 'Foreign Aid, Political Institutions and Economic Freedom: Empirical Evidence from Selected Developing Countries,' *The Lahore Journal of Economics*, 25(1), pp. 153-178.
<https://doi.org/10.35536/lje.2020.v25.i1.a6>.

- Mobit, M. and Mbella, M. (2016) 'An assessment of the effect of entrepreneurship on youth,' *Journal of Small Business and Entrepreneurship Development*, 4(1).
<https://doi.org/10.15640/jsbed.v4n1a4>
- Mohammed, F. (2022) 'Impact of entrepreneurship development on employment generation in sabongari local government, kaduna state,' *International Journal of Entrepreneurship and Project Management*, 7(1), 14-28.
<https://doi.org/10.47604/ijepm.1567>
- Moige, G., Mukulu, E., and Orwa, G. (2016) 'Effect of corporate entrepreneurship on performance of food fortification companies in kenya,' *International Journal of Academic Research in Business and Social Sciences*, 6(3).
<https://doi.org/10.6007/ijarbss/v6-i3/2053>
- Mundula, L. and Auci, S. (2019) 'Institutional Entrepreneurship, Trust, and Regulatory Capture in the Digital Economy', *Advances in business strategy and competitive advantage book series*, pp. 58–79. <https://doi.org/10.4018/978-1-5225-6307-5.ch003>.
- Munshi, J. (2018) 'Job redundancy as a strategic option for mnes and its right implementation technique,' *International Journal of Economics & Management Sciences*, 07(03). <https://doi.org/10.4172/2162-6359.1000518>
- Muringani, J. (2022) 'Trust as a catalyst for regional growth in a decentralised Europe: The interplay between informal and formal institutions in driving economic growth,' *Journal of regional science*, [online] 62(5), pp.1229-1249.
<https://doi.org/10.1111/jors.12594>.
- Mwatsika, C. (2021) 'Reflecting on the entrepreneurship paradox in sub-Saharan Africa,' *Management & Economics Research Journal*, 4(1), 18-37.
<https://doi.org/10.48100/merj.2022.167>

- Mwatsika, C. (2021) 'Reflecting on the entrepreneurship paradox in sub-saharan Africa,' *Management & Economics Research Journal*, 4(1), 18-37.
<https://doi.org/10.48100/merj.2022.167>
- Nageri, K. and Gunu, U. (2020) 'Corruption and ease of doing business: evidence from ecowas,' *Acta Universitatis Sapientiae Economics and Business*, 8(1), 19-37.
<https://doi.org/10.2478/auseb-2020-0002>
- Nair, M. and Njolomole, M. (2020) 'Microfinance, entrepreneurship and institutional quality,' *Journal of Entrepreneurship and Public Policy*, 9(1), 137-148.
<https://doi.org/10.1108/jepp-07-2019-0061>
- Naseer, M. (2023) 'Unearthing the synergy of entrepreneurial skills, smallholder farming, and high-value agriculture: a case study from Punjab, Pakistan,' *Journal of Education and Social Studies*, 4(3), 764-779.
<https://doi.org/10.52223/jess.2023.4337>
- Nasra, R. and Dacin, M. (2010) 'Institutional arrangements and international entrepreneurship: the state as institutional entrepreneur,' *Entrepreneurship Theory and Practice*, 34(3), 583-609. <https://doi.org/10.1111/j.1540-6520.2009.00354.x>
- Nassar, C. and Hejase, H. (2021) 'Corruption in lebanon: an exploratory study about lebanese managers' and employees' perceptions,' *Asian Business Research*, 6(1), 38. <https://doi.org/10.20849/abr.v6i1.912>
- Ncube, T.R. (2023) The effectiveness of entrepreneurship education in the selected high schools, TVET colleges and public universities in KwaZulu-Natal province.
<https://doi.org/10.51415/10321/4724>.
- Nealy, C. (2020) 'Authentic engagement through workplace pedagogy,' *Administrative Issues Journal Education Practice and Research*, 10(2), 18-32.
<https://doi.org/10.5929/2020.10.2.2>

- Neil Aaron Thompson and Illes, E. (2020) 'Entrepreneurial learning as practice: a video-ethnographic analysis', *International Journal of Entrepreneurial Behaviour & Research*, 27(3), pp. 579–599. <https://doi.org/10.1108/ijebr-10-2018-0663>.
- Ngc, B. (2020) 'Effects of foreign direct investment and quality of informal institution on the size of the shadow economy: application to Vietnam,' *Journal of Asian Finance Economics and Business*, 7(5), 73-80. <https://doi.org/10.13106/jafeb.2020.vol7.no5.073>
- Nguyen, B., Canh, N.P. and Thanh, S.D. (2020) 'Institutions, Human Capital and Entrepreneurship Density,' *Journal of the Knowledge Economy*, 12(3), pp. 1270-1293. <https://doi.org/10.1007/s13132-020-00666-w>.
- Ni, Z. (2011) 'Regulatory capture: A rational action in business,' <https://doi.org/10.1109/icebeg.2011.5877048>.
- Nikolaou, I., Tsagarakis, K., and Tasopoulou, K. (2018) 'An examination of ecopreneurs' incentives through a combination between institutional and resource-based approach,' *Management of Environmental Quality an International Journal*, 29(2), 195-215. <https://doi.org/10.1108/meq-01-2017-0004>
- Nocke, V. (2006) 'A gap for me: entrepreneurs and entry.' *Journal of the European Economic Association*, 4(5), 929-956. <https://doi.org/10.1162/jeea.2006.4.5.929>
- Nyahuna, T. (2022) 'The choice of environmental management accounting practices adopted by managers: evidence from the hotel sector in KwaZulu Natal, South Africa,' *Indonesian Journal of Social and Environmental Issues (Ijsei)*, 3(2), 154-158. <https://doi.org/10.47540/ijsei.v3i2.618>
- Nyström, K. (2008) 'The institutions of economic freedom and entrepreneurship: evidence from panel data,' *Public Choice*, 136(3-4), 269-282. <https://doi.org/10.1007/s11127-008-9295-9>

- Obermiller, C., Ruppert, B., and Atwood, A. (2012) 'Instructor credibility across disciplines,' *Business Communication Quarterly*, 75(2), 153-165.
<https://doi.org/10.1177/1080569911434826>
- Oluseyi, O. and Abayomi, O. (2023) 'Risk taking behaviour as determinant of entrepreneurial aspiration of undergraduates in tertiary institutions in Ekiti state, Nigeria,' *Asian Journal of Education and Social Studies*, 48(1), 7-14.
<https://doi.org/10.9734/ajess/2023/v48i11034>
- Omer (2023) 'Entrepreneurship, social environment and endogenous growth', *Journal of development economics and finance*, 4(1), pp. 37–55.
<https://doi.org/10.47509/jdef.2023.v04i01.03>.
- Omer, K. (2023) 'Entrepreneurship, social environment and endogenous growth,' *Journal of Development Economics and Finance*, 4(1), 37-55.
<https://doi.org/10.47509/jdef.2023.v04i01.03>
- Omotilewa, O. (2024) 'Bridging stakeholders' expectations gap: the role of sustainability reporting of listed firms in Nigeria,' *European Journal of Business and Innovation Research*, 12(2), 17-40. <https://doi.org/10.37745/ejbir.2013/vol12n21740>
- Özer, M.Y. (2022) 'Informal Sector and Institutions,' *Theoretical and Practical Research in Economic Fields*, 13(2), p. 180. [https://doi.org/10.14505/tpref.v13.2\(26\).07](https://doi.org/10.14505/tpref.v13.2(26).07).
- Ozigbo, N. and Ezeaku, P. (2009) 'Promoting women and minorities owned enterprises in African countries,' *Journal of Business and Administrative Studies*, 1(1).
<https://doi.org/10.4314/jbas.v1i1.47896>
- Pacheco, D., York, J., Dean, T., and Sarasvathy, S. (2010) 'The coevolution of institutional entrepreneurship: a tale of two theories,' *Journal of Management*, 36(4), 974-1010.
<https://doi.org/10.1177/0149206309360280>

- Park, J.Y. et al. (2022) 'Sustainable Marketing Strategies as an Essential Tool of Business,' *American Journal of Economics and Sociology*, 81(2), pp. 359-379. <https://doi.org/10.1111/ajes.12459>.
- Pavlik, J. (2014) 'A spatial analysis of entrepreneurship and institutional quality: evidence from U.S. metropolitan areas,' *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2378957>
- Pelto, E. and Karhu, A. (2021) 'Stakeholder Responses and the Interplay Between MNE Post-entry Behavior and Host Country Informal Institutions,' *Progress in international business research*, pp.219-238. <https://doi.org/10.1108/s1745-886220210000015013>.
- Pereira, J. (2024) 'Entrepreneurship among social workers: implications for the sustainable development goals,' *Sustainability*, 16(3), 996. <https://doi.org/10.3390/su16030996>
- Peters, N., Hofstetter, J., and Hoffmann, V. (2011) 'Institutional entrepreneurship capabilities for interorganizational sustainable supply chain strategies,' *The International Journal of Logistics Management*, 22(1), 52-86. <https://doi.org/10.1108/09574091111127552>
- Petkova, A.P. (2008) 'A theory of entrepreneurial learning from performance errors', *International Entrepreneurship and Management Journal*, 5(4), pp. 345–367. <https://doi.org/10.1007/s11365-008-0075-2>.
- Petrakis, P. and Kafka, K. (2016). *Entrepreneurial creativity and growth*. <https://doi.org/10.5772/65453>
- Pham, T. (2023) 'Institutional quality, shadow economy and entrepreneurship: international evidence,' *International Journal of Sociology and Social Policy*, 44(1/2), 249-266. <https://doi.org/10.1108/ijssp-09-2023-0216>

- Pizlo, W. (2023) 'Gamification - use in tourism business management,' *European Research Studies Journal*, XXVI (Issue 2), 390-409. <https://doi.org/10.35808/ersj/3177>
- Popov, E., Veretennikova, A., and Kozinskaya, K. (2018) 'Formal institutional environment influence on social entrepreneurship in developed countries,' *Montenegrin Journal of Economics*, 14(4), 45-56. <https://doi.org/10.14254/1800-5845/2018.14-4.3>
- Pranugrahaning, A., Donovan, J., Topple, C., and Masli, E. (2023). Exploring corporate sustainability in the insurance sector: a case study of a multinational enterprise engaging with UN SDGs in Malaysia. *Sustainability*, 15(11), 8609. <https://doi.org/10.3390/su15118609>
- Prasetyo, P. and Setyadharma, A. (2022) 'Digitalization technology for sustainable rural entrepreneurship and inequality,' *Journal of Human Resource and Sustainability Studies*, 10(03), 464-484. <https://doi.org/10.4236/jhrss.2022.103028>
- Prasetyo, P., Setyadharma, A., and Kistanti, N. (2021) 'The collaboration of social entrepreneurship and institution for sustainable regional development security,' *Open Journal of Business and Management*, 09(05), 2566-2590. <https://doi.org/10.4236/ojbm.2021.95141>
- Prasetyo, P.E. *et al.* (2022) 'The Spirit of Social Entrepreneurship and Institutional Environment as Drives of Sustainable Economic Growth,' *International Journal of Sustainable Development and Planning*, 17(08), pp. 2485–2492. <https://doi.org/10.18280/ijstdp.170816>.
- Praszkier, R. and Nowak, A. (2011) 'Dimensions of Social Entrepreneurship,' *Cambridge University Press eBooks*, p. 14-25. <https://doi.org/10.1017/cbo9781139049467.004>

- Próchniak, M. (2014) 'An attempt to assess the quantitative impact of institutions on economic growth and economic development,' *International Journal of Management and Economics*, 38(1), 7-30. <https://doi.org/10.2478/ijme-2014-0012>
- Proença, S. and Soukiazis, E. (2022) 'The importance of entrepreneurship on economic development. evidence from the OECD countries,' *European Conference on Innovation and Entrepreneurship*, 17(1), 416-422. <https://doi.org/10.34190/ecie.17.1.664>
- Proença, S. and Soukiazis, E. (2022) 'The importance of entrepreneurship on economic development. evidence from the OECD countries,' *European Conference on Innovation and Entrepreneurship*, 17(1), 416-422. <https://doi.org/10.34190/ecie.17.1.664>
- Puffer, S., McCarthy, D., and Boisot, M. (2010) 'Entrepreneurship in Russia and China: the impact of formal institutional voids,' *Entrepreneurship Theory and Practice*, 34(3), 441-467. <https://doi.org/10.1111/j.1540-6520.2009.00353.x>
- Qader, A. et al. (2022) 'Capabilities and Opportunities: Linking Knowledge Management Practices of Textile-Based SMEs on Sustainable Entrepreneurship and Organizational Performance in China,' *Sustainability*, 14(4), p. 2219. <https://doi.org/10.3390/su14042219>.
- Qosja, E., Keci, I., and Pirani, E. (2020) 'Evaluating entrepreneurship framework through perceived institutional quality,' *Economicus*, 19(2), 76-95. <https://doi.org/10.58944/qxda6807>
- Rahman, M. and Fatima, N. (2011) 'Entrepreneurship and urban growth: dimensions and empirical models,' *Journal of Small Business and Enterprise Development*, 18(3), 608-626. <https://doi.org/10.1108/14626001111155736>

- Raimi, L. (2023) 'Impact of entrepreneurial governance and ease of doing business on economic growth: evidence from ecowas economies (2000–2019),' *Journal of Public Affairs*, 24(1). <https://doi.org/10.1002/pa.2887>
- Rapp, D. and Olbrich, M. (2020) 'On entrepreneurial decision logics under conditions of uncertainty: an attempt to advance the current debate,' *Journal of Innovation and Entrepreneurship*, 9(1). <https://doi.org/10.1186/s13731-020-00131-7>
- Riandika, D. and Mulyani, E. (2020) 'The role of entrepreneurship development for women welfare in rural area,' *Jurnal Ekonomi Pembangunan Kajian Masalah Ekonomi Dan Pembangunan*, 21(1), 23-31. <https://doi.org/10.23917/jep.v21i1.7921>
- Riot, E. (2019) 'Patterns of intention: Oberkampf and knoll as Schumpeterian entrepreneurs,' *Entrepreneurship and Regional Development*, 31(7-8), 623-651. <https://doi.org/10.1080/08985626.2019.1596359>
- Rodríguez, R. et al. (2018) 'Teleological sales and purchase approaches in complex business relationships - customers' expectations before and perceptions after purchase,' *Journal of Business and Industrial Marketing*, 33(4), pp. 523-538. <https://doi.org/10.1108/jbim-11-2016-0262>.
- Rugina, S. (2019) 'Female entrepreneurship in the Baltics: formal and informal context,' *International Journal of Gender and Entrepreneurship*, 11(1), 58-74. <https://doi.org/10.1108/ijge-05-2018-0055>
- Saadat, S. et al. (2021) 'The effect of entrepreneurship education on graduate students' entrepreneurial alertness and the mediating role of entrepreneurial mindset,' *Education + Training*, 64(7), pp. 892-909. <https://doi.org/10.1108/et-06-2021-0231>.

- Safdar, D. (2023) 'Business incubators: exploring the graduated incubates entrepreneurs' experiences in the context of Pakistan. *Academic Journal of Social Sciences (Ajss)*, 7(2), 001-024. <https://doi.org/10.54692/ajss.2023.07021956>
- Sajitha, P. (2023) 'Aspirations, apprehensions and the availability of career guidance among dental interns in Kerala, India,' *Indian Journal of Dental Research*, 34(2), 182-186. https://doi.org/10.4103/ijdr.ijdr_799_22
- Salinas, A., Ortiz, C., and Muffatto, M. (2019) 'Business regulation, rule of law and formal entrepreneurship: evidence from developing countries,' *Journal of Entrepreneurship and Public Policy*, 8(2), 254-271. <https://doi.org/10.1108/jep-03-2019-0019>
- Sambharya, R. and Rasheed, A. (2015) 'Does economic freedom in host countries lead to increased foreign direct investment?,' *Competitiveness Review an International Business Journal Incorporating Journal of Global Competitiveness*, 25(1), 2-24. <https://doi.org/10.1108/cr-05-2013-0047>
- Sanders, M. (2007) 'Scientific Paradigms, Entrepreneurial Opportunities and Cycles in Economic Growth', *Small Business Economics*, 28(4), pp. 339–354. <https://doi.org/10.1007/s11187-006-9038-6>.
- Sanders, M. and McClellan, J. (2012) 'Being business-like while pursuing a social mission: acknowledging the inherent tensions in us nonprofit organizing,' *Organization*, 21(1), 68-89. <https://doi.org/10.1177/1350508412464894>
- Sang, D. and Lin, J. (2019) 'How does entrepreneurial education influence the entrepreneurial intention of college students: the moderating and mediating effects of entrepreneurial alertness,' *International Journal of Emerging Technologies in Learning*, 14(08), 139. <https://doi.org/10.3991/ijet.v14i08.10408>

- Sanyang, S. and Huang, W. (2009) 'Entrepreneurship and economic development: the empretec showcase,' *International Entrepreneurship and Management Journal*, 6(3), 317-329. <https://doi.org/10.1007/s11365-008-0106-z>
- Sarfati, G. (2019) 'Entrepreneurship and the face of janus of institutions: stimulus policies for high-impact entrepreneurs in Brazil and Russia,' *Teoria E Prática Em Administração*, 9(1), 15-28. <https://doi.org/10.21714/2238-104x2019v9i1-40753>
- Sart, G., Bayar, Y. and Sezgin, F.H. (2022) 'Economic Freedom and Educational Attainment: Evidence From New Eu Member States,' *Deleted Journal [Preprint]*. <https://doi.org/10.3846/bm.2022.818>.
- Satar, M. (2024) 'The moderating role of entrepreneurial networking between entrepreneurial alertness and the success of entrepreneurial firms,' *Sustainability*, 16(11), 4535. <https://doi.org/10.3390/su16114535>
- Savelyev, Y. et al. (2021) 'Transformation of Ukrainian Automotive Industry in the Context of Electromobility: Applying the Experience of Visegrad States,' *SHS Web of Conferences*, 100, p. 01018. <https://doi.org/10.1051/shsconf/202110001018>.
- Schlögl, L. and Sumner, A. (2020) 'Economic development and structural transformation,' 11-20. https://doi.org/10.1007/978-3-030-30131-6_2
- Schmidt, P. (2002) 'Pursuing Regulatory Relief: Strategic Participation and Litigation in U.S. OSHA Rulemaking', *Business and Politics*, 4(1), pp. 71–89. <https://doi.org/10.2202/1469-3569.1031>.
- Schneider, F. (2010) 'The influence of public institutions on the shadow economy: an empirical investigation for OECD countries,' *Review of Law & Economics*, 6(3), 441-468. <https://doi.org/10.2202/1555-5879.1542>

- Sedeh, A., Beck, J., and Bajestani, M. (2020) 'Perceptual versus institutional determinants of entrepreneurial entry,' *Journal of Small Business and Enterprise Development*, 27(2), 329-346. <https://doi.org/10.1108/jsbed-07-2019-0245>
- Sekmen, F. (2019) 'Are children a normal good or an inferior good? a critique to the neoclassical theory,' *Gazi Journal of Economics and Business*, 5(3). <https://doi.org/10.30855/gjeb.2019.5.3.001>
- Setyaningrum, R. and Muafi, M. (2023) 'Green human resource management, green supply chain management, green lifestyle: their effect on business sustainability mediated by digital skills,' *Journal of Industrial Engineering and Management*, 16(1), 1. <https://doi.org/10.3926/jiem.4152>
- Shahid, M. (2021) 'Role of informal institutions in the relationship between social capital and international entrepreneurial entry,' *Journal of Business Management*, 19, 39-60. <https://doi.org/10.32025/jbm19004>
- Shahid, M.S. et al. (2022) 'Advancing the institutional perspective on informal entrepreneurship: a study of formalization intentions among street entrepreneurs,' *International Journal of Entrepreneurial Behaviour & Research*, 28(8), pp. 2103-2131. <https://doi.org/10.1108/ijebr-02-2022-0151>.
- Sharma, A. (2020) 'Does economic freedom improve health outcomes in sub-Saharan Africa?,' *International Journal of Social Economics*, 47(12), 1633-1649. <https://doi.org/10.1108/ijse-01-2020-0008>
- Siemieniako, D. (2024) 'Power dynamics in business relationships in a turbulent environment: focus on anticipated power consequences and value creation,' *Central European Management Journal*. <https://doi.org/10.1108/cemj-01-2024-0015>

- Silwal, Y.B. et al. (2022) 'Theoretical Foundations for Entrepreneurship Development Program,' *Nepal Journal of Multidisciplinary Research*, 5(5), pp. 109-118. <https://doi.org/10.3126/njmr.v5i5.51809>.
- Singla, A., Stritch, J., and Feeney, M. (2018) 'Constrained or creative? changes in financial condition and entrepreneurial orientation in public organizations,' *Public Administration*, 96(4), 769-786. <https://doi.org/10.1111/padm.12540>
- Srikanth, A. (2013) 'Evaluation of awareness level of Indian graduate aspirants towards entrepreneurship and intrapreneurship concepts: a selective study,' *Journal of Management and Science*, 1(1), 50-56. <https://doi.org/10.26524/jms.2013.7>
- Stephan, U., Uhlaner, L., and Stride, C. (2014) 'Institutions and social entrepreneurship: the role of institutional voids, institutional support, and institutional configurations,' *Journal of International Business Studies*, 46(3), 308-331. <https://doi.org/10.1057/jibs.2014.38>
- Stephan, U., Uhlaner, L., and Stride, C. (2014) 'Institutions and social entrepreneurship: the role of institutional voids, institutional support, and institutional configurations,' *Journal of International Business Studies*, 46(3), 308-331. <https://doi.org/10.1057/jibs.2014.38>
- Su, Y., Wu, N., and Zhou, X. (2019) 'An entrepreneurial process model from an institutional perspective,' *Nankai Business Review International*, 10(2), 277-305. <https://doi.org/10.1108/nbri-08-2017-0046>
- Suratman, A. and Roostika, R. (2022) 'Alertness, self-efficacy, and intention: mediating effects encouraging students entrepreneurship behavior,' *Journal of Education and Learning (Edulearn)*, 16(4), 448-457. <https://doi.org/10.11591/edulearn.v16i4.20551>

- Tack, L., Simon, M., and Jiang, R. (2017) 'The role of trust in social entrepreneurship: a case study of global brigades,' *New England Journal of Entrepreneurship*, 20(1), 46-59. <https://doi.org/10.1108/neje-20-01-2017-b004>
- Tai, L. (2014) 'Regulatory Capture and Quality', *SSRN Electronic Journal* [Preprint]. <https://doi.org/10.2139/ssrn.2452471>.
- Talmage, C. and Gassert, T. (2020) 'Unsettling entrepreneurship by teaching dark side theories,' *Entrepreneurship Education and Pedagogy*, 3(3), 316-345. <https://doi.org/10.1177/2515127420910415>
- Tasnim, N. and Afzal, M. (2018) 'An empirical investigation of country level efficiency and national systems of entrepreneurship using data envelopment analysis (dea) and the tobit model,' *Journal of Global Entrepreneurship Research*, 8(1). <https://doi.org/10.1186/s40497-018-0138-y>
- Terjesen, S., Bosma, N., and Stam, E. (2015) 'Advancing public policy for high growth, female, and social entrepreneurs,' *Public Administration Review*, 76(2), 230-239. <https://doi.org/10.1111/puar.12472>
- The Heritage Foundation (no date) Index of Economic Freedom: About the Index | The Heritage Foundation. <https://www.heritage.org/index/pages/about>.
- Thistoll, A. A grounded theory of entrepreneurial agency in information technology creation. <https://doi.org/10.26686/wgtn.16992424.v1>
- Thoo, A. and Tan, L. (2015) 'Stakeholder influences and environmental management practices in fleet operations - a research agenda,' *Applied Mechanics and Materials*, 773-774, 1360-1364. <https://doi.org/10.4028/www.scientific.net/amm.773-774.1360>

- Thornton, M. and Brown, C. (2023) 'Richard Cantillon and public policy,' *Journal of Entrepreneurship and Public Policy*, 12(1), 115-124. <https://doi.org/10.1108/jep-02-2022-0031>
- Thornton, M. and Brown, C. (2023) 'Richard Cantillon and public policy,' *Journal of Entrepreneurship and Public Policy*, 12(1), 115-124. <https://doi.org/10.1108/jep-02-2022-0031>
- Thornton, P., Soriano, D., and Urbano, D. (2011) 'Socio-cultural factors and entrepreneurial activity,' *International Small Business Journal Researching Entrepreneurship*, 29(2), 105-118. <https://doi.org/10.1177/0266242610391930>
- Tiberius, V., Rietz, M., and Bouncken, R. (2020) 'Performance analysis and science mapping of institutional entrepreneurship research,' *Administrative Sciences*, 10(3), 69. <https://doi.org/10.3390/admsci10030069>
- Tolbert, P. and Hiatt, S. (2010) 'The shape of things to come: institutions, entrepreneurs, and the case of hedge funds,' 157-182. [https://doi.org/10.1108/s0277-2833\(2010\)0000021010](https://doi.org/10.1108/s0277-2833(2010)0000021010)
- Tolbert, P. and Hiatt, S. (2010) 'The shape of things to come: institutions, entrepreneurs, and the case of hedge funds,' 157-182. [https://doi.org/10.1108/s0277-2833\(2010\)0000021010](https://doi.org/10.1108/s0277-2833(2010)0000021010)
- Tomáš, V. (2015) 'The effect of economic freedom on national competitiveness: causality from a panel of countries,' *Journal of Economics Business and Management*, 3(1), 150-155. <https://doi.org/10.7763/joebm.2015.v3.172>
- Townsend, D. (2024) 'Chance, probability, and uncertainty at the edge of human reasoning: what is Knightian uncertainty?,' *Strategic Entrepreneurship Journal*. <https://doi.org/10.1002/sej.1516>

- Tracey, P. (2011) 'Entrepreneurship in emerging markets,' *Management International Review*, 51(1), 23-39. <https://doi.org/10.1007/s11575-010-0066-8>
- Tran, K. and Nguyen, P. (2020) 'Corporate social responsibility: findings from the Vietnamese paint industry,' *Sustainability*, 12(3), 1044. <https://doi.org/10.3390/su12031044>
- Tran, T. (2022) 'Does institutional quality modify the shadow economy - environmental pollution nexus? evidence from an emerging market,' *Montenegrin Journal of Economics*, 18(4). <https://doi.org/10.14254/1800-5845/2022.18-4.7>
- Troilo, M. (2011) 'Legal institutions and high-growth aspiration entrepreneurship,' *Economic Systems*, 35(2), 158-175. <https://doi.org/10.1016/j.ecosys.2010.08.001>
- Urbano, D., Álvarez, C., and Turró, A. (2013) 'Organizational resources and intrapreneurial activities: an international study,' *Management Decision*, 51(4), 854-870. <https://doi.org/10.1108/00251741311326617>
- Urbano, D., Aparicio, S., and Audretsch, D. (2018) 'Twenty-five years of research on institutions, entrepreneurship, and economic growth: what has been learned?,' *Small Business Economics*, 53(1), 21-49. <https://doi.org/10.1007/s11187-018-0038-0>
- Urbano, D., Aparicio, S., and Audretsch, D. (2018) 'Twenty-five years of research on institutions, entrepreneurship, and economic growth: what has been learned?,' *Small Business Economics*, 53(1), 21-49. <https://doi.org/10.1007/s11187-018-0038-0>
- Urbano, D., Orozco, J. and Turro, A. (2023) 'The effect of institutions on intrapreneurship: An analysis of developed vs developing countries,' *Journal of Small Business Management*, pp.1-41. <https://doi.org/10.1080/00472778.2022.2161556>.

- Vanderstraeten, J. et al. (2016) 'Being flexible through customization? The impact of incubator focus and customization strategies on incubate survival and growth,' *Journal of Engineering and Technology Management*, 41, pp. 45-64. <https://doi.org/10.1016/j.jengtecman.2016.06.003>.
- Vorley, T. and Williams, N. (2016) 'Between petty corruption and criminal extortion: how entrepreneurs in Bulgaria and Romania operate within a devil's circle,' *International Small Business Journal Researching Entrepreneurship*, 34(6), 797-817. <https://doi.org/10.1177/0266242615590464>
- Vu, H. and Nwachukwu, C. (2021) 'Entrepreneurial alertness and profitability of micro firms: the role of risk-taking,' *Economics & Sociology*, 14(4), 107-117. <https://doi.org/10.14254/2071-789x.2021/14-4/6>
- Walter, S. and Block, J. (2016) 'Outcomes of entrepreneurship education: an institutional perspective,' *Journal of Business Venturing*, 31(2), 216-233. <https://doi.org/10.1016/j.jbusvent.2015.10.003>
- Wang, G., Li, L., and Jiang, X. (2019) 'Entrepreneurial business ties and new venture growth: the mediating role of resource acquiring, bundling and leveraging,' *Sustainability*, 11(1), 244. <https://doi.org/10.3390/su11010244>
- Wang, J., Li, Y., and Long, D. (2019) 'Gender gap in entrepreneurial growth ambition,' *International Journal of Entrepreneurial Behaviour & Research*, 25(6), 1283-1307. <https://doi.org/10.1108/ijeb-04-2018-0248>
- Wang, K., Li-Hua, R., and Xu, E. (2009) 'Acquisition of tacit marketing knowledge,' *Journal of Chinese Entrepreneurship*, 1(2), 103-120. <https://doi.org/10.1108/17561390910956279>
- Wang, L. and Huang, J. (2022) 'The relationship between internal locus of control and entrepreneurial intentions of college students: a chain mediation model,'

- International *Journal of Educational Methodology*, 8(1), 139-149.
<https://doi.org/10.12973/ijem.8.1.141>
- Wannamakok, W. and Yonwikai, W. (2023) 'The relationship between institutional environments and thai hospitality-oriented entrepreneurship through the moderating role of educational support: a mixed methods approach,' *Administrative Sciences*, 13(8), 188. <https://doi.org/10.3390/admsci13080188>
- Webb, J., Khoury, T., and Hitt, M. (2019) 'The influence of formal and informal institutional voids on entrepreneurship,' *Entrepreneurship Theory and Practice*, 44(3), 504-526. <https://doi.org/10.1177/1042258719830310>
- Webb, W, J. et al. (2013) Research on entrepreneurship in the informal economy: Framing
- Wei, B., Ye, D., and Jing-Hong, W. (2019) 'Emerging economies: institutions and entrepreneurship in the people's republic of China,' *Journal of Entrepreneurship and Innovation in Emerging Economies*, 5(2), 233-244.
<https://doi.org/10.1177/2393957519841515>
- Wei, F. (2021) 'How can entrepreneurship be fostered? evidence from provincial-level panel data in china,' *Growth and Change*, 52(3), 1509-1534.
<https://doi.org/10.1111/grow.12493>
- Wei, F. (2021) 'How can entrepreneurship be fostered? evidence from provincial?level panel data in China,' *Growth and Change*, 52(3), 1509-1534.
<https://doi.org/10.1111/grow.12493>
- Weiss, J. et al. (2019) 'Putting Entrepreneurial Intentions Into Context: Regional Institutions and the Intention-Behavior Link,' *SSRN Electronic Journal* [Preprint].
<https://doi.org/10.2139/ssrn.3504362>.
- Wibowo, F. (2023) 'Meet-ex: the exploratory study of sustainable business strategy model initiation in improving MSMEs capability to meet consumer expectations,' *Journal*

- of Management and Entrepreneurship Research*, 4(1), 1-16.
<https://doi.org/10.34001/jmer.2023.6.04.1-34>
- Wickramasinghe, V. and Dolamulla, S. (2016) 'The effects of hrm practices on teamwork and career growth in offshore outsourcing firms,' *Global Business and Organizational Excellence*, 36(2), 46-60. <https://doi.org/10.1002/joe.21769>
- Williams, C. and Horodnic, I. (2015) 'Evaluating the prevalence of the undeclared economy in central and eastern Europe: an institutional asymmetry perspective,' *European Journal of Industrial Relations*, 21(4), 389-406.
<https://doi.org/10.1177/0143831x14568835>
- Williams, C. and Horodnic, I. (2015) 'Explaining and tackling envelope wages in the Baltic sea region,' *Baltic Journal of Management*, 10(3), 295-312.
<https://doi.org/10.1108/bjm-10-2014-0153>
- Williams, C. and Kosta, B. (2019) 'Evaluating institutional theories of informal sector entrepreneurship: some lessons from Albania,' *Journal of Developmental Entrepreneurship*, 24(02), 1950009. <https://doi.org/10.1142/s1084946719500092>
- Williams, C. and Krasniqi, B. (2018) 'Explaining informal sector entrepreneurship in Kosovo: an institutionalist perspective,' *Journal of Developmental Entrepreneurship*, 23(02), 1850011. <https://doi.org/10.1142/s1084946718500115>
- Williams, N. and Vorley, T. (2017) 'Fostering productive entrepreneurship in post-conflict economies: the importance of institutional alignment,' *Entrepreneurship and Regional Development*, 29(5-6), 444-466.
<https://doi.org/10.1080/08985626.2017.1297853>
- Williamson, C. (2009) 'Informal institutions rule: institutional arrangements and economic performance,' *Public Choice*, 139(3-4), 371-387. <https://doi.org/10.1007/s11127-009-9399-x>

- Winter, S. (2016) 'The place of entrepreneurship in "the economics that might have been",' *Small Business Economics*, 47(1), 15-34. <https://doi.org/10.1007/s11187-016-9701-5>
- Woronkowicz, J., Noonan, D., and LeRoux, K. (2019) 'Entrepreneurship among nonprofit arts organizations: substituting between wage and flexible labor,' *Public Administration Review*, 80(3), 473-481. <https://doi.org/10.1111/puar.13110>
- Wulandari, O. (2023) 'Sustainable institutional entrepreneurial culture and innovation for economic growth,' *Aptisi Transactions on Management*, 7(3), 221-230. <https://doi.org/10.33050/atm.v7i3.2127>
- Yan, X. et al. (2018) 'Fostering Sustainable Entrepreneurs: Evidence from China College Students' "Internet Plus" Innovation and Entrepreneurship Competition (CSIPC),' *Sustainability*, 10(9), p. 3335. <https://doi.org/10.3390/su10093335>.
- Yang, F. (2022) 'Random matrix model for the ecological model of innovation and entrepreneurship education for college students,' *Mathematical Problems in Engineering*, 2022, 1-12. <https://doi.org/10.1155/2022/2103614>
- York, C., Gumbus, A., and Lilley, S. (2008) 'Reading the tea leaves-did citigroup risk their reputation during 2004-2005?,' presented at icaa's second international conference globalization - the good corporation june 26-28, 2007 baruch college, new york city,' *Business and Society Review*, 113(2), 199-225. <https://doi.org/10.1111/j.1467-8594.2008.00318.x>
- Youssef, A., Boubaker, S., and Omri, A. (2018) 'Entrepreneurship and sustainability: the need for innovative and institutional solutions,' *Technological Forecasting and Social Change*, 129, 232-241. <https://doi.org/10.1016/j.techfore.2017.11.003>

- Yu, X. (2023) 'Cognitive flexibility and entrepreneurial creativity: the chain mediating effect of entrepreneurial alertness and entrepreneurial self-efficacy,' *Frontiers in Psychology*, 14. <https://doi.org/10.3389/fpsyg.2023.1292797>
- Zahedieh, N. (2009) 'Regulation, rent-seeking, and the glorious revolution in the English Atlantic economy,' *The Economic History Review*, 63(4), 865-890. <https://doi.org/10.1111/j.1468-0289.2009.00505.x>
- Zhai, Q. and Su, J. (2019) 'A perfect couple? institutional theory and entrepreneurship research,' *Chinese Management Studies*, 13(3), 616-644. <https://doi.org/10.1108/cms-07-2017-0194>
- Zhang, W. (2012) 'Capital accumulation, technological progress and environmental change in a three-sector growth model,' *International Journal of Information Systems and Social Change*, 3(3), 1-18. <https://doi.org/10.4018/jissc.2012070101>
- Zhang, W. (2013) 'The impact of transport, land and fiscal policy on housing and economic geography in a small, open growth model,' *Journal of Transport and Land Use*, 6(1), 89-100. <https://doi.org/10.5198/jtlu.v6i1.239>
- Zhang, W. (2017) 'Discrimination and inequality in an integrated walrasian-general-equilibrium and neoclassical-growth theory,' *Asian Journal of Economic Modelling*, 5(1), 57-76. <https://doi.org/10.18488/journal.8/2017.5.1/8.1.57.76>
- Zhi-biao, L. (2006) 'Competitive advantage: an analytical framework based on entrepreneurship,' *Frontiers of Economics in China*, 1(2), 182-195. <https://doi.org/10.1007/s11459-006-0003-8>
- Zhu, H., Chen, Y., and Chen, K. (2019) 'Vitalizing rural communities: china's rural entrepreneurial activities from perspective of mixed embeddedness,' *Sustainability*, 11(6), 1609. <https://doi.org/10.3390/su11061609>

Appendix A: Probit Model

Let us assume that the decision to start a business depends on an unobservable utility index I_i , that is determined by many explanatory variables represented by X_i , in such a way that the larger the value of the index I_i , the greater the probability of starting a business.

$$I_i = \beta_1 + \beta_2 X_i$$

Given the assumption of normality, the probability that I_i^* is less than or equal to I_i can be computed from the standardized normal CDF as:

$$P_i = P(Y = 1|X) = P(I_i^* \leq I_i) = P(Z_i \leq \beta_1 + \beta_2 X_i) = F(\beta_1 + \beta_2 X_i)$$

Where $P(Y = 1|X)$ means the probability that an event occurs given the values of the X , pr explanatory variables and where Z_i id the standard normal variable, that is, $Z \sim N(0, \sigma^2)$. F is the standard normal CDF.

$$F(I_i) = \frac{1}{\sqrt{2\pi}} \int_{-\infty}^{I_i} e^{-z^2/2} dz$$

$$F(I_i) = \frac{1}{\sqrt{2\pi}} \int_{-\infty}^{\beta_1 + \beta_2 X_i} e^{-z^2/2} dz$$

Since P represents the probability that an event will occur, that is, the probability of starting a new business, it is measured by the area of the standard normal curve from $-\infty$ to I_i . Now to obtain information on I_i , the utility index, as well as β_1 and β_2 , we take the inverse and obtain

$$\begin{aligned} I_i &= F^{-1}(I_i) = F^{-1}(P_i) \\ &= \beta_1 + \beta_2 X_i \end{aligned}$$

Where F^{-1} is the inverse of normal CDF.