FOREX Publication
Open Access | Rapid and quality publishing
International Journal of
Business & Management Research (IJBMR)
Review Article | Volume 12, Issue 2| Pages 40-43 | e-ISSN: 2347-4696

Modern Entrepreneurship Approaches: A Review

Fariza Assylbekkyzy[1*] and Olzhas Turmanov[2]

[1]Bachelor of Business Administration (BBA) in Management, Narxoz University, Almaty, Kazakhstan; fariza.assylbekkyzy@narxoz.kz
[2]Master of Science, Adjunct Assistant Professor, School of economics and management, Narxoz university;

***Correspondence:** Fariza Assylbekkyzy; fariza.assylbekkyzy@narxoz.kz

ABSTRACT- In the modern world of entrepreneurship, success depends on an understanding of the internal and external environment. This article examines the key elements and strategies of entrepreneurship with a focus on the methodology of creating startups. In addition, the article examines the importance of innovation in the formation of business models and the impact of breakthrough technologies such as artificial intelligence, ML and automation on startups. The importance of using advanced technologies and implementing flexible methodologies and approaches to customer development is emphasized to navigate the dynamic and evolving entrepreneurial landscape.

Keywords: Modern Entrepreneurship; Startup Methodologies; Established Ecosystems; Innovation and Business Models; Disruptive Technologies; AI, ML, and Automation; Social Entrepreneurship; Customer Development (CD); Agile Methodologies.

ARTICLE INFORMATION
Author(s): Fariza Assylbekkyzy and Olzhas Turmanov
Received: 10/05/2024; **Accepted**: 25/05/2024; **Published**: 25/06/2024;
e-ISSN: 2347-470X;
Paper Id: IJBMR; 1005-02
Citation: 10.37391/IJBMR. 120203
Webpage-link:
https://ijbmr.forexjournal.co.in/archive/volume-12/ijbmr-120203.html

crossref member
CROSSREF.ORG
THE CITATION LINKING BACKBONE

Publisher's Note: FOREX Publication stays neutral with regard to Jurisdictional claims in Published maps and institutional affiliations.

1. INTRODUCTION

In the 21th century, the success of entrepreneurship consists of several key drivers: understanding the environment, both internal and external, vivid entrepreneurial culture, innovation processes as well as the team cooperation and the resource allocation (Usman et al., 2024). The main force in creating fundamental approach in new business models are technological innovations, considerably influencing the operation of companies and driving the competition in the modern economy (Usman et al., 2024). In this paper we wll discuss the key elements and strategies of modern entrepreneurship, particularly focusing on startup methodologies.

2. ROLE OF ESTABLISHED ECOSYSTEMS

Entrepreneurial ecosystems are important for economic development and innovation worldwide. Ecosystems consist of various of factors that facilitate innovation, growth, and startup success (Malecki, 2017). It is considered as an approach that highlights the role of non-governmental and governmental institutions, which creates maintenance system for entrepreneur to grow. There are six ecosystem components as leadership and policy, finance, culture and media, markets, human capital, and support services (Stam & Ven, 2019). Components are interconnected and each one of them can influence entrepreneurial performance. Growth of firms are related to the quality of its entrepreneurial ecosystems (Stam & Ven, 2019). Entrepreneurial successes connected to powerful entrepreneurial ecosystems, which create coupled economic system (Suresh & Ramraj, 2012). This in turn, creates new successful ventures in the market. There are elements that help conducive entrepreneurial environment to prosper such as access to capital, sustaining infrastructure, and talent pool, networking capabilities, industry experts, portative organizations, and access to resources. For the growth of ecosystems, it is important to conduct incubators, meetings, networking gatherings (Suresh & Ramraj, 2012). There are many established ecosystems, and while comparing them, the best one was identified as Silicon Valley (Stam & Ven, 2019). It stands out for its culture and values, innovation, capital firms and service infrastructure. Another prosperous ecosystem is London's entrepreneurial ecosystem is known for its multifarious copacetic workers, regulatory environment, and presence in holistic markets. Startups can grow by assessing ecosystems through gathering data via conducting surveys, interviews, and making focus groups consisting of investors, entrepreneurs, ecosystem stakeholders and policymakers involved to get better inner view of what is needed (Suresh & Ramraj, 2012).

3. INNOVATION AND BUSINESS MODELS

Innovation in shaping business model is important since new technology by itself cannot guarantee the success without this particularly main action in business - business model (Usman et al., 2024). To overcome challenges and seize opportunities, entrepreneurs increasingly engage in international business activities using technological advances and global networks. The evolution of this landscape reveals that entrepreneurship is becoming increasingly important for economic growth, innovation, and social development (Usman et al., 2024). Digital business ecosystems provide firms with new opportunities to expand their value creation potential, face increasing competition and acquire digital monopoly power.

Review Article | Volume 12, Issue 2| Pages 40-43 | e-ISSN: 2347-4696

Businesses can position themselves strategically, optimise their organisational structures and thrive in the digital era by understanding and adopting its ecosystems (Priyono & Hidayat, 2024). The 21st century has witnessed a paradigm shift in the entrepreneurial landscape. Modern entrepreneurship is a dynamic field shaped by technological advancements and evolving societal values. Startups that can capitalize on emerging trends like AI, the creator economy, blockchain, ESG, and automation will be well-positioned for success in the future.

4. STARTUP METHODOLOGIES

Effectuation, lean canvas, and business model canvas are essential tools for constructing prosperous businesses, verifying ideas, designing innovative business models, and testing various of hypotheses (Mansoori & Lackéus, 2019). Each tool offers distinctive approach. Effectuation is constructed from the idea that entrepreneurs cannot foresee the future, so they must be flexible to changes. Entrepreneur can create future results through actions and using approachable resources. There is a component in effectuation as “bird in hand principle”, which states for starting with what you have now in place of concentrating on future purposes. This tool also has “affordable loss principle” that takes deliberate endangers by only investing what you can afford to lose to minimizing possible losses. The last principle of the tool is “lemonade principle”, which perceives feasibilities as contingencies instead of interruptions (Mansoori & Lackéus, 2019). Entrepreneurs should be able to adapt to unexpected events. Next tool is lean canvas that helps startups to proficiently substantiate business ideas. It determines nine elements of business model such as the problem customers face, solution, key metrics that measures success of a business, value proposition, unfair advantage, customer segments, channels, revenue streams, and cost structure (Mansoori & Lackéus, 2019). The lean canvas tool uplifts startups to concentrate on product progress, hypotheses testing and customer validation to reduce risks and increase the level of efficiency. Subsequent strategic management tool is a business model canvas that provides a visual framework for analyzing, depicting, and constructing relevant business models (Sparviero, 2019). It contains of nine interconnected sections such as customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, cost structure. Filling up all sections gives a better view of the potential business model and helps to identify weaknesses, strengths, and gaps in the business idea (Sparviero, 2019). Taking all of three tools into account is important for entrepreneurs to identify potential areas for improvements, innovation, and optimization of their projects.

5. AI, ML, AND AUTOMATION

AI (artificial intelligence) and ML (machine learning) are rapidly transforming various industries, and startups are at the forefront of this revolution. These technologies offer a multitude of applications, including automatization of tasks in design, data analysis, and product optimization, leading to faster development cycles and more efficient resource allocation. Machine learning can personalize marketing campaigns, predict customer needs, and provide real-time support, enhancing customer satisfaction and loyalty. AI-powered tools can automate routine tasks, optimize logistics, and predict maintenance needs, leading to significant cost savings and improved operational efficiency (Soori, Arezoo, Dastres, 2023). The internet has empowered individuals to create and share content, fostering the rise of the "creator economy." Platforms like YouTube, Twitch, and TikTok provide creators with new avenues for monetization through subscriptions, advertising, and merchandise sales (Peres, Schreier, Schweidel, Sorescu, 2023). This trend presents opportunities for startups to develop innovative tools and platforms that support creators in content creation, audience engagement, and financial management. The creator economy is booming, with its global market size estimated at $104.2 billion in 2023 and projected to double by 2027 (Balkhi, 2023). This rapid growth indicates a massive market for innovative tools and platforms.

Blockchain technology offers a secure and decentralized way to store and manage data, opening possibilities for startups to track the movement of goods throughout the supply chain, ensuring transparency, and reducing fraud. Blockchain can revolutionize financial services by facilitating secure and efficient cross-border payments, micro-transactions, and crowdfunding. Its immutability can enhance data security and empower users with greater control over their personal information (Iansiti, Lakhani, 2018). A Deloitte survey revealed that 80% of consumers would be more likely to trust a company that uses blockchain technology (Deloitte, 2021). This highlights the potential of blockchain to build trust and improve user privacy.

6. SOCIAL ENTREPRENEURSHIP

Social entrepreneurship has a significant role to play in addressing the challenges of globalization as well as supporting sustainability. This is a shift in the entrepreneurial mindset, where the primary objective is to solve social problems and the secondary objective is to make a profit (Osyka, 2021). Trustme is an online service for signing documents using Blockchain technology to optimize the process of digital document creation and signature. The founder and CEO of TrustMe, Genghis Dauletbayev. In the Hero Training accelerator program held in the United States of America in November, Kazakhstan's TrustMe technology company was selected as one of the best (Janibek, 2023). Working on the customer satisfaction and automatization, TrustMe aims to introduce machine learning, develop AI, create a trust rating platform, promote ESG management ideas and enter the global market (Astana Hub, 2022). In the startup landscape as well as the business world the role of women is considered as developing and promising. The grow of women entrepreneurs, or 'Womenpreneurs', in the 21st century, is a substantial trend that reflects the changing landscape of entrepreneurial success. Women entrepreneurs have arisen as a powerful force in the global economy, bringing new perspectives and strategies to the business world (Usman et al., 2024). According to the Astana Hub statistics, 1,043 IT companies are registered in the technopark today, of which 179 are women (about 17%). Most of the IT startups in Astana Hub driven by women, aiming the social development and EdTech (Beresnev, 2023). In 2021, the Smartestprep platform - an online platform for preparing for admission to foreign universities. Laura Vaigorova founder and CEO startup SmartestPrep Made an ML-algorithm, which, using the data of universities, can estimate the chances of the applicant for admission to a particular university from their database. The system then produces personalized feedback that says how to improve student's profile (Bannyi, 2023). Considering these startups and the landscape of modern entrepreneurship, the future of business field in the digitalization. The growth in online platforms, the privilege of artificial intelligence and machine learning, emphasizes the digital skill and the importance of innovation (Usman et al., 2024).

7. HARNESSING DISRUPTIVE TECHNOLOGIES

Agile methodologies and Customer Development (CD) have emerged as dominant paradigms in contemporary entrepreneurship, emphasizing adaptability, rapid iteration, and a deep understanding of customer needs. However, integrating these strategies presents inherent challenges. Scope creep, the uncontrolled addition of features during iterative development, can derail project timelines (Gothelf & Seiden, 2017). Mitigating strategies involve user story refinement and robust prioritization frameworks (Cohn, 2004; Legg, 2010). Shifting from traditional project management to Agile can also evoke stakeholder apprehension (Schwaber, 2004). Proactive communication and stakeholder involvement can alleviate these concerns (Highsmith, 2009; Venable & Pries, 2012). Measuring customer value in Agile and CD can be difficult, as traditional metrics may not capture the impact on satisfaction and business value (Denning, 2001). Customer journey mapping and qualitative data offer a more holistic view (Lemon & Verhoef, 2016; McIntyre & Moller, 2017).

8. CONCLUSION

Looking forward, future trends in Modern entrepreneurship will likely revolve around harnessing disruptive technologies. Underpinning these advancements will be Agile methodologies and Customer Development (CD), emphasizing adaptability, rapid iteration, and a deep understanding of evolving customer needs. This approach allows entrepreneurs to quickly adapt their offerings to market demands and technological disruptions, ensuring long-term success. Entrepreneurs who capitalize on these trends and embrace Agile and CD are well-positioned for success in the dynamic and evolving business landscape.

REFERENCES

[1] Astana Hub (2022, February) Казахстанский стартап TrustMe привлек инвестиции, применив "теорию игр." (n.d.). https://astanahub.com/ru/article/kazakhstanskii-startap-trustme-privlek-investitsii-primeniv-teoriiu-igr?locale=ru

[2] Bannyi, V. (2023, December 18). «Примерно 87% наших учеников проходят на полный или частичный грант». Казахстанка создала платформу, которая помогает с поступлением в зарубежные университеты. Digital Business. https://digitalbusiness.kz/2023-11-03/primerno-87-nashih-uchenikov-prohodyat-na-polniy-ili-chastichniy-grant-kazahstanka-sozdala-platformu-kotoraya-pomogaet-s-postupleniem-v-zarubezhnie-universiteti/

[3] Balkhi, S. (2023). 2023's Creator Economy Statistics That Will Blow You Away. www.wpbeginner.com. https://www.wpbeginner.com/research/creator-economy-statistics-that-will-blow-you-away/.

[4] Beresnev, P. (2023, March 8). Сфера ИТ перестает быть мужской: в Astana Hub посчитали, сколько женщин руководят стартапами в Казахстане. Digital Business. https://digitalbusiness.kz/2023-03-07/it-perestaet-byt-muzhskim-v-astana-hub-poschitali-skolko-zhenshhin-rukovodyat-startapami-v-kazahstane/

[5] Iansiti, M. and Lakhani, K. (2018). The Truth About Blockchain. [online] Harvard Business Review. Available at: https://hbr.org/2017/01/the-truth-about-blockchain.

[6] Janibek, A. (2023, November 23). Казахстанский стартап вошёл в число лучших в акселерационной программе Hero Training в США. www.forbes.kz. https://forbes.kz/economy/startups/kazahstanskiy_startap_voshel_chislo_luchshih_v_akseleratsionnoy_programme_hero_training_v_ssha/

[7] Mansoori, Y. & Lackéus, M. (2019). Comparing effectuation to discovery-driven planning, prescriptive entrepreneurship, business planning, lean startup, and design thinking. Small Bus Econ. Available at: https://link.springer.com/content/pdf/10.1007/s11187-019-00153-w.pdf

[8] Malecki, E.J. (2017). Entrepreneurship and entrepreneurial ecosystems. Geography Compass. Available at: https://compass.onlinelibrary.wiley.com/doi/pdf/10.1111/gec3.12359

[9] Peres, R., Schreier, M., Schweidel, D. and Sorescu, A. (2023). The Creator Economy: An Introduction and a Call for Scholarly Research. [online] Available at: https://business.columbia.edu/sites/default/files-efs/imce-uploads/global_brands/Creator_Economy_Editorial_IJRM_June_2023.pdf.

[10] Priyono, A., & Hidayat, A. (2024). Fostering innovation through learning from digital business ecosystem: A dynamic capability perspective. Journal of Open Innovation: Technology, Market, and Complexity, 10(1), 100196. https://doi.org/10.1016/j.joitmc.2023.100196

[11] Sparviero, S. (2019). The Case for a Socially Oriented Business Model Canvas: The Social Enterprise Model Canvas, Journal of Social Entrepreneurship, 10:2, 232-251, DOI: 10.1080/19420676.2018.1541011

[12] Stam, E. & Ven, V.A. (2019). Entrepreneurial ecosystem elements. Small Bus Econ. Available at: https://link.springer.com/content/pdf/10.1007/s11187-019-00270-6.pdf

[13] Suresh, J. & Ramraj, R. (2012). Entrepreneurial Ecosystem: Case Study on the Influence of Environmental Factors on Entrepreneurial Success. European Journal of Business and Management. Vol 4, No.16, 2012. Available at: https://core.ac.uk/download/pdf/234624389.pdf

[14] Soori, M., Arezoo, B. and Dastres, R. (2023). Artificial Intelligence, Machine Learning and Deep Learning in Advanced Robotics, A Review. Cognitive Robotics doi:https://doi.org/10.1016/j.cogr.2023.04.001

International Journal of
Business & Management Research (IJBMR)
Review Article | Volume 12, Issue 2| Pages 40-43 | e-ISSN: 2347-4696

[15] Usman, F. O., Kess-Momoh, A. J., Ibeh, C. V., Elufioye, A. E., Ilojianya, V. I., & Oyeyemi, O. P. (2024). Entrepreneurial innovations and trends: A global review: Examining emerging trends, challenges, and opportunities in the field of entrepreneurship, with a focus on how technology and globalization are shaping new business ventures. International Journal of Science and Research Archive, 11(1), 552–569. https://doi.org/10.30574/ijsra.2024.11.1.0079

[16] www.deloitte.com. (2021). Blockchain: Ready for business | Deloitte. https://www.deloitte.com/lv/en/our-thinking/insights/topics/technology-management/tech-trends/2022/blockchain-trends.html