


**A STUDY ON THE ASSOCIATION OF ENTREPRENEURSHIP ECOSYSTEM WITH
FINANCIAL INCLUSION**

G. Subashini^A, R. Sofia^B, Surendar Gade^C, Rajesh Sadhwani^D, Rohit Bansal^E



ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 31 January 2023</p> <p>Accepted 27 March 2023</p> <p>Keywords:</p> <p>Entrepreneurship Ecosystem; Financial Inclusion; Organizational Culture; Positive Workplace Environment; Financial Stability.</p> <div data-bbox="172 987 480 1234" style="text-align: center;">  </div>	<p>Purpose: The purpose of this study is to examine the association of entrepreneurship ecosystem with financial inclusion, and to explore the potential ways in which the ecosystem can be leveraged to improve access to financial services for marginalized communities.</p> <p>Theoretical framework: The study utilizes the ecosystem approach to entrepreneurship, which emphasizes the interdependence and interplay of various stakeholders in the entrepreneurial process. The study also draws on the concept of financial inclusion, which refers to the provision of affordable and accessible financial services to all individuals and businesses.</p> <p>Design/methodology/approach: The study employs a mixed-methods approach, including a literature review, case studies, and surveys, to collect data from a variety of stakeholders in the entrepreneurship ecosystem.</p> <p>Findings: The findings suggest that the entrepreneurship ecosystem plays a critical role in promoting financial inclusion. The ecosystem can be leveraged to increase access to financial services for marginalized communities through the development of innovative financial products and services, the creation of mentorship and networking opportunities, and the promotion of policies that encourage financial inclusion.</p> <p>Research, practical and social implications: The study contributes to the understanding of the relationship between entrepreneurship and financial inclusion, and has implications for policymakers and practitioners seeking to promote financial inclusion through entrepreneurship. The findings can also inform the design and implementation of programs and policies aimed at promoting entrepreneurship and financial inclusion in marginalized communities.</p> <p>Originality/value: The study is among the first to examine the association of entrepreneurship ecosystem with financial inclusion and to explore the potential ways in which the ecosystem can be leveraged to improve access to financial services for marginalized communities.</p> <p>Doi: https://doi.org/10.26668/businessreview/2023.v8i4.1241</p>

^A Assistant Professor. Department of Business Management. Sri Padmavati Mahila Visvavidyalayam, Tirupati, Andhra Pradesh, India, 517502. E-mail: gsubamba123@gmail.com

Orcid: <https://orcid.org/0000-0003-1541-2801>

^B Assistant Professor. Department of Business Administration. Mannar Thirumalai Naicker College, Madurai, India-625004. E-mail: dr.softaboopathy@gmail.com Orcid: <https://orcid.org/0000-0001-6117-5136>

^C Assistant Professor. School of Commerce. NMIMS is Deemed to be University, Tarnaka, Hyderabad, India, 500017. E-mail: surendargade@gmail.com Orcid: <https://orcid.org/0000-0003-0181-4471>

^D Assistant Professor. Department of Management Studies. Indukaka Ipcowala Institute of Management, CHARUSAT University Off. Nadiad-Petlad Highway, Changa, Anand, Gujarat, India, 388421.

E-mail: rajeshsadhwani.mba@charusat.ac.in Orcid: <https://orcid.org/0000-0001-9884-1446>

^E Associate Professor. Mittal School of Business. Lovely Professional University, Phagwara, Punjab, India – 144411. E-mail: rbansal@lpu.ac.in Orcid: <https://orcid.org/0000-0001-7102-1640>

UM ESTUDO SOBRE A ASSOCIAÇÃO DO ECOSISTEMA EMPRESARIAL COM A INCLUSÃO FINANCEIRA

RESUMO

Objetivo: O objetivo deste estudo é examinar a associação do ecossistema empresarial com a inclusão financeira, e explorar as formas potenciais em que o ecossistema pode ser alavancado para melhorar o acesso a serviços financeiros para as comunidades marginalizadas.

Estrutura teórica: O estudo utiliza a abordagem ecossistêmica do empreendedorismo, que enfatiza a interdependência e a interação de várias partes interessadas no processo empresarial. O estudo também se baseia no conceito de inclusão financeira, que se refere à prestação de serviços financeiros acessíveis e de baixo custo para todos os indivíduos e empresas.

Design/metodologia/abordagem: O estudo emprega uma abordagem de métodos mistos, incluindo uma revisão de literatura, estudos de caso e pesquisas, para coletar dados de uma variedade de partes interessadas no ecossistema empresarial.

Descobertas: As constatações sugerem que o ecossistema empresarial desempenha um papel crítico na promoção da inclusão financeira. O ecossistema pode ser alavancado para aumentar o acesso a serviços financeiros para comunidades marginalizadas através do desenvolvimento de produtos e serviços financeiros inovadores, da criação de oportunidades de mentoria e rede de contatos e da promoção de políticas que incentivem a inclusão financeira.

Pesquisa, implicações práticas e sociais: O estudo contribui para a compreensão da relação entre empreendedorismo e inclusão financeira, e tem implicações para os formuladores de políticas e profissionais que buscam promover a inclusão financeira através do empreendedorismo. Os resultados também podem informar a concepção e implementação de programas e políticas que visam promover o empreendedorismo e a inclusão financeira em comunidades marginalizadas.

Originalidade/valor: O estudo está entre os primeiros a examinar a associação do ecossistema empresarial com a inclusão financeira e a explorar as formas potenciais de alavancar o ecossistema para melhorar o acesso aos serviços financeiros para as comunidades marginalizadas.

Palavras-chave: Ecossistema do Empreendedorismo, Inclusão Financeira, Cultura Organizacional, Ambiente de Trabalho Positivo, Estabilidade Financeira.

UN ESTUDIO SOBRE LA ASOCIACIÓN DEL ECOSISTEMA EMPRESARIAL CON LA INCLUSIÓN FINANCIERA

RESUMEN

Propósito: El propósito de este estudio es examinar la asociación del ecosistema empresarial con la inclusión financiera, y explorar las posibles formas en que el ecosistema puede ser aprovechado para mejorar el acceso a los servicios financieros para las comunidades marginadas.

Marco teórico: El estudio utiliza el enfoque ecossistémico de la iniciativa empresarial, que hace hincapié en la interdependencia y la interacción de las distintas partes interesadas en el proceso empresarial. El estudio también se basa en el concepto de inclusión financiera, que se refiere a la prestación de servicios financieros asequibles y accesibles a todas las personas y empresas.

Diseño/metodología/enfoque: El estudio emplea un enfoque de métodos mixtos, que incluye una revisión bibliográfica, estudios de casos y encuestas, para recopilar datos de diversas partes interesadas en el ecosistema empresarial.

Resultados: Los resultados sugieren que el ecosistema empresarial desempeña un papel fundamental en la promoción de la inclusión financiera. El ecosistema puede aprovecharse para aumentar el acceso de las comunidades marginadas a los servicios financieros mediante el desarrollo de productos y servicios financieros innovadores, la creación de oportunidades de tutoría y establecimiento de redes, y la promoción de políticas que fomenten la inclusión financiera.

Investigación e implicaciones prácticas y sociales: El estudio contribuye a la comprensión de la relación entre el espíritu empresarial y la inclusión financiera, y tiene implicaciones para los responsables políticos y los profesionales que tratan de promover la inclusión financiera a través del espíritu empresarial. Las conclusiones también pueden servir de base para el diseño y la aplicación de programas y políticas destinados a promover el espíritu empresarial y la inclusión financiera en las comunidades marginadas.

Originalidad/valor: El estudio es uno de los primeros en examinar la asociación del ecosistema empresarial con la inclusión financiera y en explorar las posibles formas de aprovechar el ecosistema para mejorar el acceso de las comunidades marginadas a los servicios financieros.

Palabras clave: Ecosistema Empresarial, Inclusión Financiera, Cultura Organizativa, Entorno Laboral Positivo, Estabilidad Financiera.

INTRODUCTION

This present research, discusses about the association of the entrepreneurship ecosystem with financial inclusion. The background of this chosen study has been discussed in this research. The objective of conducting this research has been highlighted. The prime objective of conducting this research has also been discussed in this study. Supportive and argumentative insights related to the research topic have been mentioned in the literature review section. The chosen method for gathering relevant data has been highlighted in this research.

Entrepreneurial ecosystem or entrepreneurship ecosystem can be referred to as the social and economic environment which has the potential to affect regional and local entrepreneurship. As per the opinion of Tripathi et al. (2019), the importance of an entrepreneurial ecosystem lies within its people and the culture between them which ensures their relationship with an organization. It has been identified that to carry out business operations effectively it is important to maintain an entrepreneurial ecosystem within an organization. On the other hand, Boldureanu et al. (2020) stated that to run a business successfully it is necessary to have financial support. For this reason, individuals and business organizations need to have financial access to useful services and products which can help them to meet their requirements for business. Having access to the financial aspects any organization can operate several financial activities within the organization. This can be referred to as financial inclusion which is essential for an organization.

The title "A Study on the Association of Entrepreneurship Ecosystem with Financial Inclusion" is chosen to reflect the research focus on understanding the relationship between the entrepreneurship ecosystem and financial inclusion. The term "entrepreneurship ecosystem" refers to the various factors and conditions that support the development and growth of entrepreneurs and their businesses. This includes access to funding, mentorship, networks, and resources. On the other hand, "financial inclusion" refers to the ability for individuals and businesses to access financial services and products, such as banking and credit. This study aims to explore how the entrepreneurship ecosystem may impact financial inclusion, and how financial inclusion may in turn impact the entrepreneurship ecosystem. By understanding this association, the study aims to provide insights into how policy makers, entrepreneurs, and other

stakeholders can support the development and growth of entrepreneurs and their businesses, while also promoting financial inclusion.

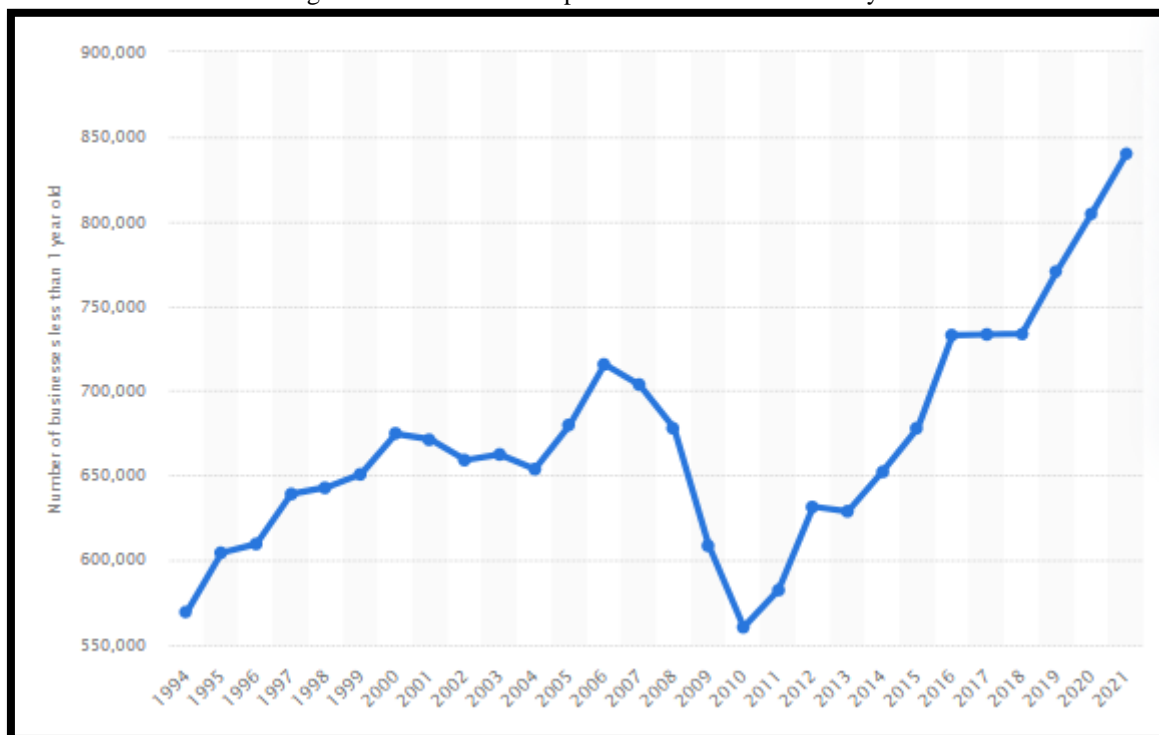
The objective of this study is to examine the relationship between entrepreneurship ecosystem and financial inclusion by identifying the key elements of an entrepreneurship ecosystem that promote financial inclusion and exploring the challenges faced by entrepreneurs in accessing financial services. The study aims to provide insights on how to develop effective strategies to enhance financial inclusion among entrepreneurs and promote sustainable economic growth.

LITERATURE REVIEW

In this section the research topic has been discussed with the help of several supportive and argumentative literatures that can help to provide a concept related to the research topic.

An entrepreneurship ecosystem can be defined as a system of interdependent individuals and relationships that can directly or indirectly affect the creation and growth of new ventures. As per the opinion of Rashid & Ratten (2021), the essence of an entrepreneurship ecosystem lies within its people and culture of trusting each other which can help them to interact successfully within a working environment. This system allows the entrepreneurs to gain insights about the talents, information and resources that can help to respond faster in case of the growth of the new venture. In contrast, Ahmad et al. (2020) stated that financial inclusion can be refer to as the investments, insurance, payments and transaction that can be achieved by an organization in the sustainable way. Financial inclusion is beneficial for an organization to gain the necessary products which is needed for running the business successfully. Hence, it has been identified that both entrepreneurship ecosystem and financial inclusion is an important factors to run a new business successfully.

Figure 1: Number of entrepreneur businesses within 1 year



(Source: Statista, 2022)

It has been identified from the above figure 1; the measurement of entrepreneurialism has been identified within 1 year which helps to understand the number of startup business present in the country from 1994 to the year 2021(Statista, 2022). It has been also identified that a total number of 840,000 start-up business presence in the country which shows that there was a significant increase in the entrepreneurship businesses from the previous year (Statista, 2022). A social of the entrepreneurial ecosystem within an organization helps to manage the activities which also bring financial stability to the organization. For this reason, it is important for the organizations to betting changes within organizations that can help them to create a culture that can increase the trust among the workers which can also help to run the business successfully. This can be helpful for bringing financial stability that can help them to gain all the necessary products and services.

Figure 2: Entrepreneurship ecosystem



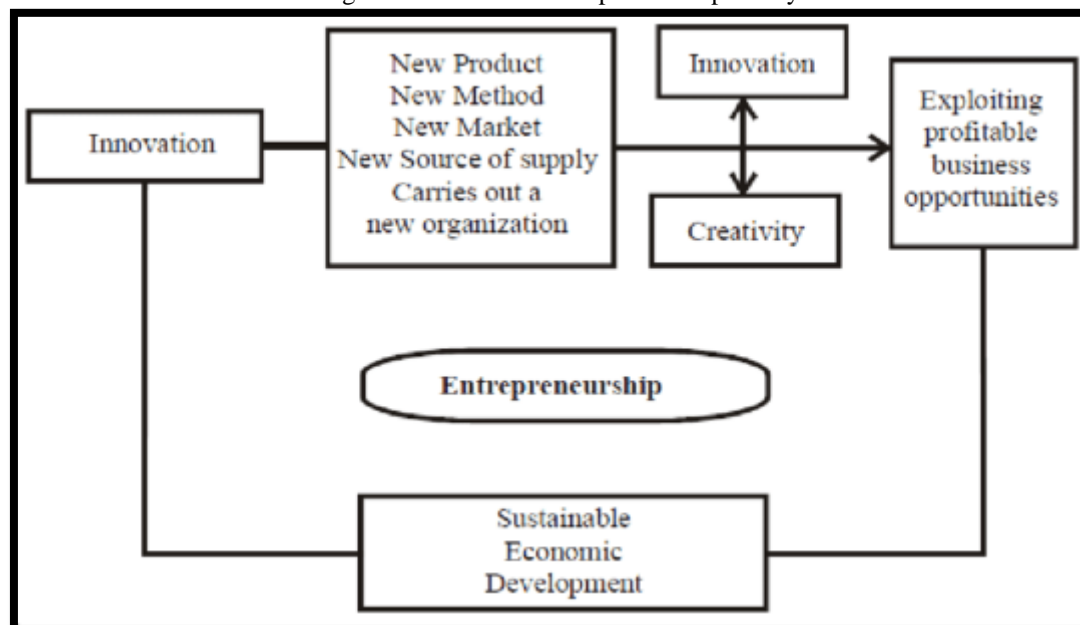
(Source: Rashid & Ratten, 2021)

Entrepreneurship ecosystem is an important factor which can help to maintain a positive culture within an organization. As stated by Fitria (2018), positive culture can help to increase the trust between the employees. Increasing trust can help to develop effective communication that can help to operate the business activities effectively. It is evident that in case of running a new business an entrepreneur needs financial support. As opined by Óskarsdóttir et al. (2019) financial support can be gained by incorporating financial inclusion within an organization. This can help the entrepreneur to manage the system in a way that can provide financial services such as loan, investments and others easily while it is needed. This can be maintained by entrepreneurship ecosystem which is advantageous for a new venture.

It has been identified that entrepreneurs can face many challenges that can affect the financial inclusion process. *Conflict within the workforce* can create a huge problem that can affect the business operations. Wiklund et al. (2019) stated that *lack of communication* is another huge issue that can affect a new venture adversely. Lack of communication can lead to decrease the *transparency and trust* among the employees which also affects the financial inclusion. *Lack of effective decision making* by the entrepreneurs in required situations can also affect the venture negatively. This can lead to create a problem while getting the financial support while needed by the company. In order to overcome the challenges the entrepreneurs need to develop some effective strategies. The entrepreneurs need to *maintain a positive culture* within the organization which can help to increase the trust among the workers. As opined by Hameed & Irfan (2019) *effective communication* of the entrepreneurs with the employees can also help to mitigate challenges. For this reason, entrepreneurs need to communicate with the workforce effectively to *increase their engagement*. Additionally, entrepreneurs need to *take effective decisions* regarding the business activities. In this case the *Innovation entrepreneurship theory*

has been taken into consideration. Malerba & McKelvey (2020) opined that the entrepreneurs emerge due to certain psychological elements. The physiological elements are will power, self-intuitions, tolerance capacity which needs to have within an entrepreneur that can help him to develop a business in a market by maintaining its ecosystem and financial stability.

Figure 3: Innovation entrepreneurship theory



(Source: Malerba & McKelvey, 2020)

Creativity regarding product, market and method has helped the entrepreneurs to sustain the new venture in the market. Hence, this theory is applicable in this case.

Required or Not Required Item

Required Items:

A study on the association of entrepreneurship ecosystem with financial inclusion

Analysis of the relationship between the various components of the entrepreneurship ecosystem (such as access to funding, education and training, support networks, etc.) and financial inclusion. Examination of the impact of the entrepreneurship ecosystem on financial inclusion in various geographic regions or demographic groups. Identification of potential policy recommendations or strategies to improve financial inclusion through the development of a strong entrepreneurship ecosystem

Not Required Items:

Personal opinions or biases of the researcher. Detailed financial data or statistics beyond what is necessary to support the study's findings. Information unrelated to the association of entrepreneurship ecosystem with financial inclusion.

MATERIAL AND METHODOLOGY

The research method can be referred to as the step-by-step process in which a researcher performed research. As per the opinion of Patel & Patel (2019), research methodology can help to collect the necessary information that can help to achieve the research objective. In this present research, a survey has been conducted that can help to gain the insights of the respondents regarding the research topic. In this research, the researcher has developed a questionnaire having 5 questions related to the research subject. The researcher also includes a number of 25 respondents to participate in the survey. A consent letter has been sent to the participants and the survey has been performed with the help of Google Forms.

Figure 4: Different types of survey modes

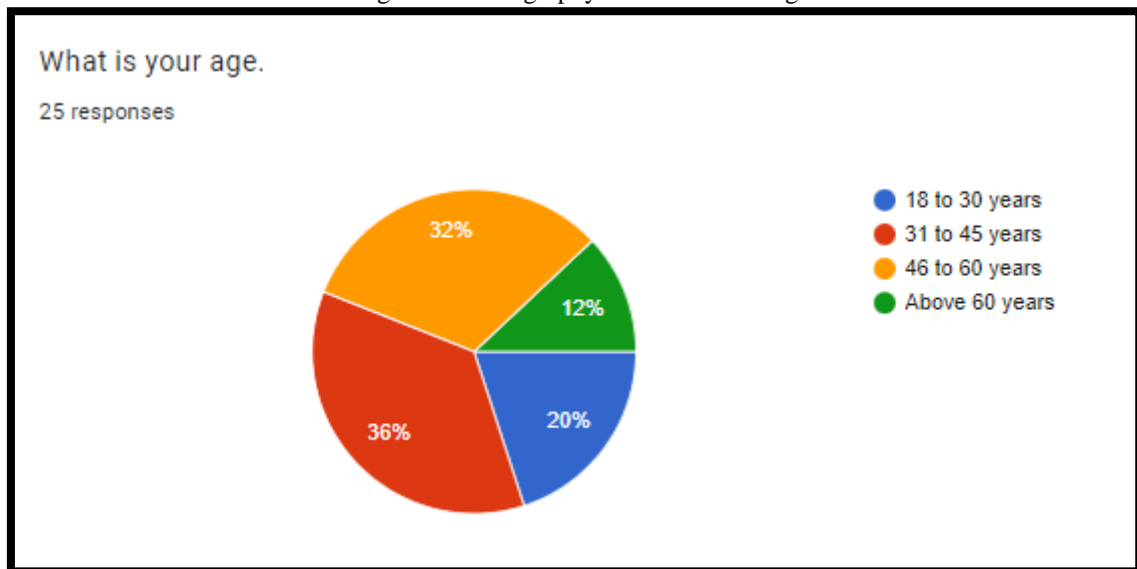


(Source: Dang et al. 2019)

Incorporating survey method has several advantages such as it is relatively easier process. As opined by Dang et al. (2019), survey can be conducted in online processes with the help of mobile and computer. The geographical dependence can be removed in case of online survey method. On the other hand, in case of interview it is a time consuming process. As per the statement of Low et al. (2020), interview can be a costly process and it includes geographical barriers. For this reason, the researcher has selected the survey method to conduct this research. The data collected from the survey has been analyzed through graphical representation.

RESULT AND DISCUSSION

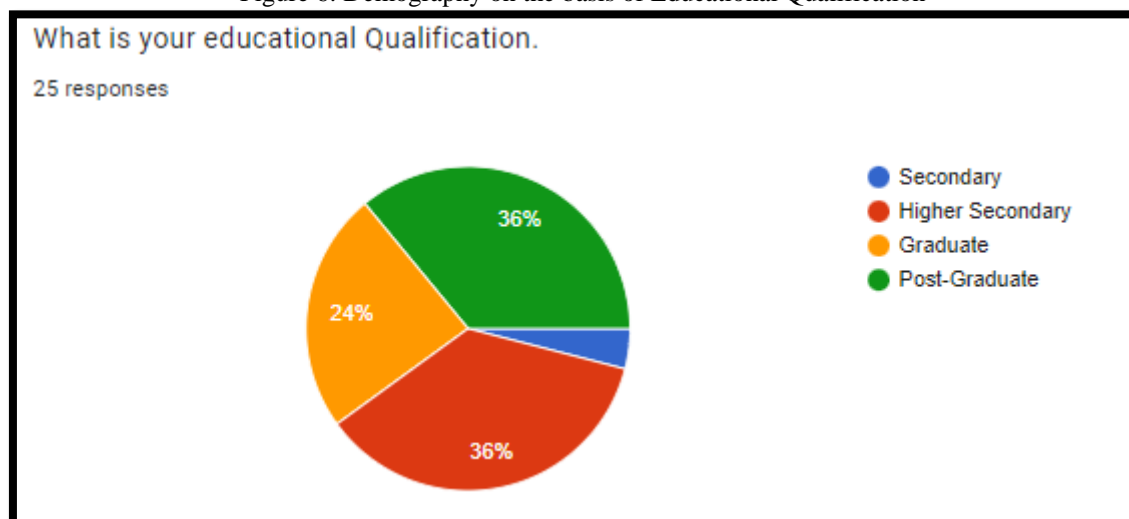
Figure 5: Demography on the basis of Age



(Source: Google form)

From the above graphical representation it has been identified that respondents from all age groups has participated in the survey. Most of the respondents which were 36% were from the age group of 31 to 45 years. On the other hand, 32% of the other respondents were from the age group of 46 to 60 years of age. 20% and 12 % of the participants are from the age group of 18 to 30 years and above 60 years respectively. Hence, it has been identified that people from all age group has showed their interest in the research topic.

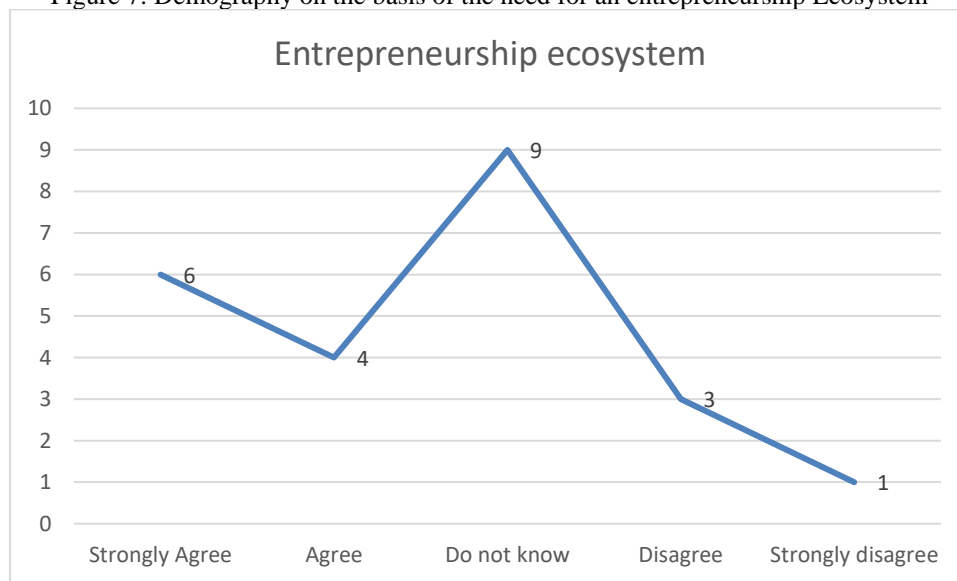
Figure 6: Demography on the basis of Educational Qualification



(Source: Google form)

From the above graphical representation, the educational qualification of the survey participants has been identified. It has been observed from the survey that 36% of the participants have a qualification for post-graduation. On the other hand, another 36% of the respondents qualify for a higher secondary pass. Additionally, 24% of the respondents were graduated and others were secondary pass. Therefore, from this above analysis, it can be concluded that the survey respondents are educated they have minimum knowledge about the research subject.

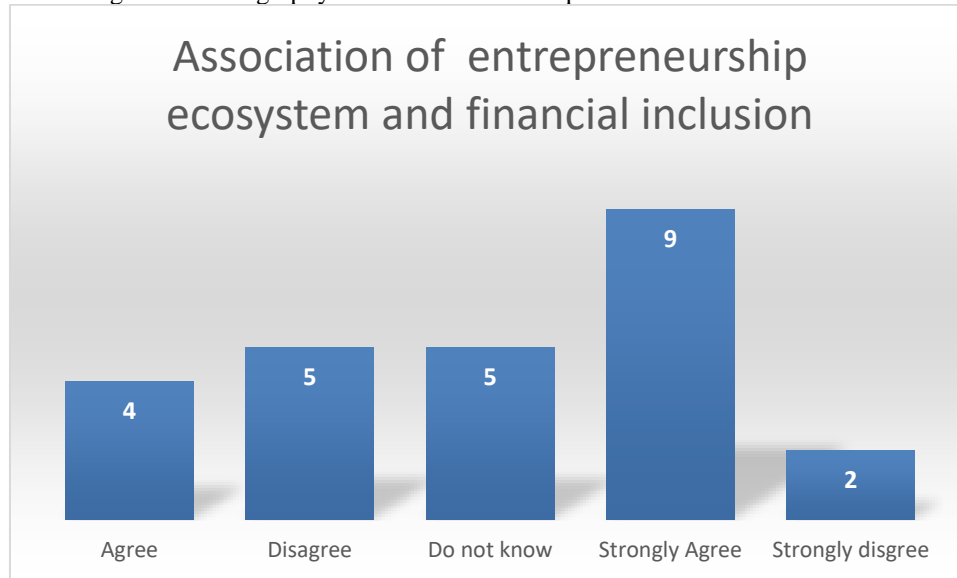
Figure 7: Demography on the basis of the need for an entrepreneurship Ecosystem



(Source: Google form)

The above graphical representation represents the need for an entrepreneurship ecosystem in case to maintain a positive culture within the organization. It has been identified that 44% of the participants gave neutral responses regarding this question. However, 16% and 24% of the participants agree and strongly agree respectively reading this particular survey question. 12% of the participants disagree with this statement. Therefore it can be concluded from this survey responses that the majority of the respondents show positive responses which means entrepreneurship Ecosystem is necessary to maintain a positive culture within the organization.

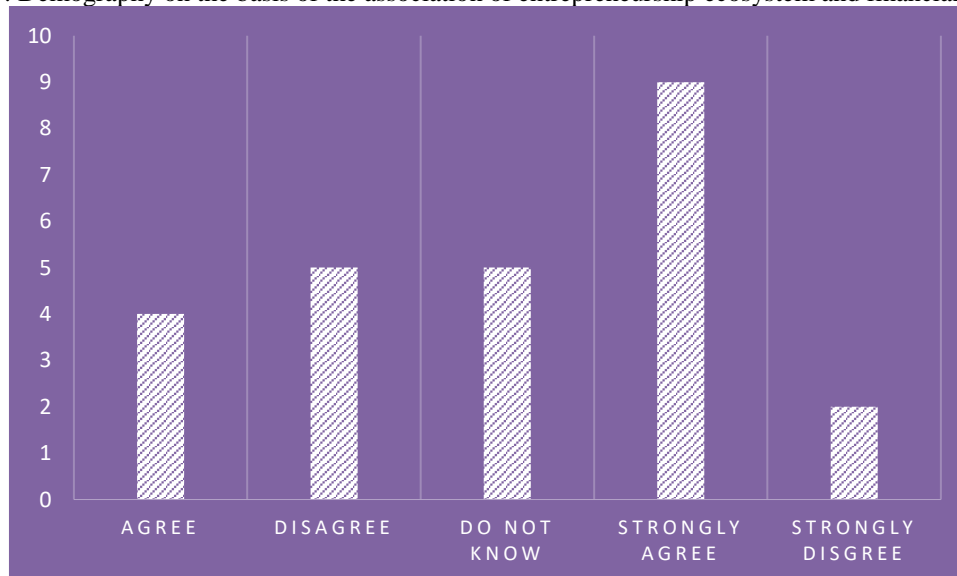
Figure 8: Demography on the basis of the importance of financial inclusion



(Source: Google form)

In the above graphical representation the 1, 2, 3, 4, and 5 can be represented as strongly agree, agree, neutral, disagree and strongly disagree respectively, as per the Likert Scale. From the above analysis, the importance of financial inclusion for a new venture to gain financial support on time has been identified. It is observed from the bar diagram that 48% of the respondents agreed with this statement. Additionally, 24% of the participants have also given their strong agreement regarding this statement. 16% of the participants show their neutral responses which reflect that according to the respondents financial inclusion is necessary in case of financial support for a new venture.

Figure 9: Demography on the basis of the association of entrepreneurship ecosystem and financial inclusion



(Source: Google form)

The above graphical representation is based on the importance of associating the entrepreneurship ecosystem and financial inclusion in the case of running the business successfully in the market. It is observed that 36% of the respondents strongly agreed with the fact that this association is beneficial for new ventures. 16% of the participants also agreed with this statement whereas, 20% of the respondents have shown their neutral responses regarding this survey statement. Therefore, according to the majority, it can be concluded that associating entrepreneurship ecosystem and financial inclusion is important in case of new business.

CONCLUSION

From the above research, it has been identified that the association of the entrepreneurial ecosystem and financial inclusion is advantageous for an organization. This association helps an organization create a healthy culture within an organization by increasing trust among the employees. This is helpful to carry out the business processes of any organization which can help them to provide financial stability to operate the business activities. Survey has been conducted in this research to collect necessary data regarding this research topic which helps to gather insights from the survey respondents. Graphical representation has been provided which helps to understand the survey result. This study helps to analyze the association between the entrepreneurship ecosystem and financial inclusion within an organization. The importance of the entrepreneurship ecosystem and financial inclusion has been discussed in this research. However, this research failed to provide more detailed information about the importance of the association between financial inclusion and the entrepreneurship ecosystem. More focus can be given to the importance of financial inclusion to bring financial stability within the organization. In this research survey has been conducted to gather information related to the research topic, however, this research can be conducted by using the secondary qualitative method which helps to gain information related to the research topic from the previously done researcher. This can be advantageous for getting more detailed information related to the entrepreneurship ecosystem and financial inclusion.

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