

A Review of Evolution of Theories and Models of New Business Creation

Muhammad Hamdi¹

muhammad.hamdi@mgm.uad.ac.id

Department of Management, Faculty of Economics and Business, Ahmad Dahlan University
Yogyakarta, Indonesia¹

Abstract. The development of new businesses is a hot topic in management research. The development of numerous theories and models has resulted from the evolution of this field of study over time by conceptualizing new components that can more effectively explain the phenomenon of new business creation. Over the past three decades, there have been a rising amount of studies on this subject, which has largely fueled this evolution process. To give academics who plan to use these models in their research an overview of this crucial field, we aim to trace the development of numerous theories and models of new business creation across time in this study. In light of the swift and fundamental changes in the business environment, we also examine the necessity to discover new components in the new business creation model.

Keywords: New business creation; Management; Theory and models; Evolution; Business environment changes

1 Introduction

The creation of new ventures is a hot topic that has attracted the attention of researchers [49]. Researchers believe that the creation of new businesses can improve the living standards of individuals and customers through value creation by identifying and selling new and more useful goods and services ([61]). The creation of new businesses is also believed to be able to encourage business expansion, technological development, and increase wealth as well as an engine driving the country's economic growth in the long run [38]; [45]; [47]; [52].

The interest of researchers in studying the creation of new ventures has been evident from the increasing number of studies on this topic over the last two decades ([9]). Bibliometric analysis performed by ([32]) revealed that research articles on the creation of new businesses in 1978-1994 averaged less than six articles per year, increased to 15-20 in 1995-2003, and increased again to approximately 40 articles per year in the period 2004-2007. Nevertheless, the increasing amount of research on the creation of new ventures has not yielded agreement on the best perspectives, axioms, presuppositions, and theories to describe and explain the phenomenon of new business creation ([49]; [56]).

Initially, researchers used a macro-level perspective to study the phenomenon of new business creation [49]. Researchers have formulated this perspective to understand the causes of the

emergence of new businesses and the process that continues until the establishment of new businesses at the regional or industrial level [28] . However, the macro-level perspective is seen as less functional in explaining the phenomenon of new business creation at the meso- and micro-levels [49].

Researchers, such as [59],[22], and ([61]) then, in order to compensate for the lack of a global view, construct meso and micro level perspectives. The meso-level perspective focuses on the planning and early development of new ventures. The micro-level perspective focuses on examining founder characteristics and the driving factors for creating new ventures. [28] found that the theories and models used by researchers from the meso-level perspective are still the same as those used to understand the creation of new ventures from a macro-level perspective. Based on these findings, they combined the meso-level perspective and the macro-level perspective so that there are only two perspectives, namely the macro- and micro-level perspectives.

The axioms, preconceived notions, and theories used to examine the phenomenon of creating new ventures have also not been agreed upon by researchers [49]. Regarding the axiom aspect, [57] state that the creation of new ventures is an integral part of entrepreneurship. However, a study conducted by [54] reveals that entrepreneurship relates to the idea of creating a new venture. The relationship between entrepreneurship and the idea of creating new businesses indicates that they are separate entities.

[28] attempted to compromise the difference in these axioms by understanding entrepreneurship as a process of evaluation, commitment to, and effort to achieve, under the constraints of a particular context, the creation of new value from new knowledge to meet stakeholder expectations. Referring to this view, the creation of new value is not always through the creation of new businesses; therefore, it can be said that the creation of new businesses is part of entrepreneurship and is the only way to create new value from new knowledge.

When it comes to preconceived notions, there are two distinct preconceived notions regarding the creation of new ventures. [29] , [33] and Starr (1993), and [5] suggest that the creation of a new business is a process. As a process, business creation consists of stages starting with the intention to create a new business to become an organization ([29]).

Other researchers, such as [22] and Storey (2016), argue that the creation of a new venture cannot be understood as a process. The process of creating a new business is very complex, has a variety of variations (Haugh, 2007), and transitions between stages are not completed automatically [5]. Storey (2016) it even explicitly states that understanding the factors that influence the creation of a new business is more important than thinking about the process of creating a new business. Therefore, it's crucial to comprehend how this field of study has changed when new businesses are founded and to consider potential directions for future research. In this study, we examine the current literature on the topic to chart the development of research in the area of new business creation across time. For researchers who want to use this model in their research, the goal of this work is to offer an overview of this crucial domain.

2 Literature Review

This study uses the view of creating a new business as a process. This choice refers to the results of recent studies on the creation of new businesses, namely [39] , [4], and [49], which provide a process view to understand the phenomenon of new business creation. [39] grouped new business creation patterns into four, all departing from the process view: static

frameworks, stage models, process dynamic models, and quantification sequence models. [4] conveyed an integrative view of dynamic multistage new venture emergence. This idea was developed based on the understanding that the creation of new businesses is a process. [49] also states that the creation of new businesses as a process can be used to better understand the phenomenon of new business creation. Researchers have used diverse perspectives to study the phenomenon of new business creation. Originally, this was a macro-level perspective [49]. This perspective views the creation of new businesses as the birth of new businesses in a particular area or type of industry. Two studies that are widely referenced from this perspective are those conducted by [52] and [25]. Researchers have then developed micro perspectives and mesos to complement existing macro perspectives [59]; [61]. Research conducted by [59] develops three perspectives in examining the phenomenon of new business creation: micro (individual), meso (organizational), and macro (ecology). [61] It also categorizes new venture creation research into three perspectives: micro perspective (creating entrepreneurs), meso (creating new ventures), and macro (making new ventures successful). Recent studies on the creation of new businesses suggest that the presumption of new business creation as a process can be used to better understand the phenomenon of new business creation [4]; [4] ; [49]. Based on this belief, this study adopts the view that creating new businesses is a process.

3 Research Methods

A literature review was the approach employed in this investigation. The papers that explore starting new firms make up the majority of the literature for this topic. Research papers with pertinent keywords were acquired from online databases like EBSCO, Google Scholar, ProQuest, and INFORMS. These keywords included entrepreneurship, new venture creation, new business formation, and start-ups. The purpose of the research is to categorize them into three dimensions—macro, meso, and micro—and to identify them. Extraction information is tabulated for the methodology, data set, and key findings of the publication.

4 Results And Discussion

The theories and models of the approaches used by researchers to unravel the phenomenon of new business creation are diverse. At first, macro theory was used by researchers [49]; however, with the development of research, researchers have also used micro and macro theories taken from the disciplines of psychology and sociology (Brush, 1992). The evolution of theoretical studies on business creation is shown in Table 1.

Table 1. The Evolution of Theoretical Studies of New Business Creation

Year	Theoretical Studies
1900 - 1970	Macro Level: Theory of economic development ([52]).
1970s	Macro Level: Ecological population theory [25].
1980s	Meso and Macro Levels: New business creation dimensions [22]; factors of New

Year	Theoretical Studies
	Business Creation [29]; levels in the creation of new business [59].
1990s	<p>Macro Level: Ecological perspective on new business creation [2].</p> <p>Meso and Macro Levels: New business components [60]; network theory on the creation of new business [33]; new Business Creation Process Model [5]; pre-activity of business and stages of activity of new business creation [11].</p> <p>Micro Level: Cognitive factors that influence the success of new business creation [23] ; growing confidence from experience [3]; the processes underlying the emergence of new business creation skills and practices ([7], 2001); the role of networks in the creation of new venture [13]; the influence of norms and relationships between individuals in the creation of new business [11].</p>
2000s	<p>Meso and Macro Levels: Implementation approach [51]; activity-Based Business Creation Model [17]; Incubation model on the creation of new business [24] ; dynamics in the creation of new business ([36]; entrepreneurial model on the creation of new business ([53]).</p> <p>Micro Level: Social cognitive theory for the development of models of entrepreneurial behavior [15]).</p>
2010s	<p>Meso and Macro Levels: A conceptual model of the nascent entrepreneur and the emergence of the business ([18], 2010); panel study on new business creation [14]; a view of the creation of new businesses that occur dynamically and multi-stage [4], contract-based theory on media company intermediators [31] .</p>

Source: adapted from [49] .

The theories and models of the approaches used by researchers to unravel the phenomenon of new business creation are diverse. Studies conducted by [49] revealed that the theory used by researchers to analyze the phenomenon of new business creation was from a macro-level perspective, such as the theory of economic development [52] and population ecology theory [25] . Economic development theory explains that one factor affecting a country's economic growth is the creation of new businesses. [49]. This theory explains that the creation of new business depends on the entrepreneur's ability to use business opportunities and cause technological changes.

The population ecology theory provides an additional understanding of the external factors that influence the birth of new businesses in certain industries. Both theories were widely used by researchers to study the phenomenon of new business creation at the macro level until the 1987s. However, neither theory serves to explain the phenomenon of creating new businesses at the meso- and micro-levels [49].

Economic development theory and population ecology theory were widely used as references by researchers to study the phenomenon of new business creation at the macro level until the 1987s. However, neither theory serves to explain the phenomenon of creating new businesses at the meso- and micro-levels [49]. These shortcomings were addressed in subsequent studies. [59] and [22] trying to further develop new business creation models at the meso and micro

levels. [59] Finding that previous research on the creation of new business only used one of the perspectives without considering the other perspectives. Based on these facts, [59] proposed three perspectives on the creation of new businesses, at the individual, organizational, and ecological levels.

The individual-level approach focuses on examining the characteristics of founders and the drivers of new business creation. The approach at the organizational level focuses on the planning and early development process of a new venture. The ecological approach examines the growth rate of new businesses by using the population of the organization as a unit of analysis and examining the conditions of social, political, and economic structures that drive efforts to create new businesses [59].

One year later, [22] developed a concept called the dimension of the creation of new businesses. This concept offers a multi-perspective framework that can be used to explain the phenomenon of new business creation comprehensively. [22] divided the creation of new business into four dimensions: individual characteristics, the type of organization created, the environment surrounding it, and the process of its formation. The concept was later followed by other researchers, such as [29], Veciana (1988), [60], [2], [5], [11], [2], Deakins & Whittam (2000), [51], [17], [24], [36], [53], [37], [14], [8], [18], [14], Brush et al (2014), [4], and [31].

Other researchers, such as [15] and [23], have also attempted to develop studies on the creation of new businesses at the micro level. They use existing theories in psychological science, especially trait theory, psychoanalysis, and sociological theory (Brush, 1992). Studies conducted by [15] use social cognitive theory to develop models of entrepreneurial behavior that result from interactions between the environment (e.g., social networks) and the cognitive aspects of entrepreneurs. Social cognitive theory is used to explore the cognitive factors and social networks that influence entrepreneurs' persistence in creating new business.

[23] Examining the creation of new businesses using attribution theory to find cognitive factors that influence the persistence of entrepreneurs in the process of creating new businesses even though the chances for success are still uncertain. Attribution theory is used to analyze the interaction between personal forces (capabilities possessed by individuals) and environmental forces (external dispositional characteristics that surround individuals), which are related to success in the process of creating new business. The key elements of personal strength are ability, intention, and effort, whereas external strength is the difficulty of the activity and luck. In addition, researchers have begun to explore existing theories in sociology, such as the social learning theory [3], relational theory [7], network theory [13], and social capital theory [11]. [3] Using social learning theory to explain the growth of beliefs to create new business from one's social experience. [7] used relational theory to explain the development of experiences underlying the skills and practices of new business creators, particularly women. [13] use network theory to explain the role of networks owned by entrepreneurs in providing advice and support in the process of creating new business. [11] Using social capital theory to explain the influence of norms, networks, and relationships between individuals in a particular social structure on the creation of new business. The variety of theories used provides opportunities for future research to empirically explore other factors that influence the creation of new business using existing theories.

Social cognitive theory was first introduced in 1986 by Bandura and is an evolution of social learning theory (Bandura, 2005). This theory states that human behavior is the result of triadic interactions among personal factors, individual behavior, and the environment (Bandura, 1986; Bandura, 1977). The interaction between personal factors (such as cognitive, affective, and biological symptoms) and individual behavior involves the influence of a person's thoughts, beliefs, and actions. The interaction between personal and environmental factors involves an

individual's beliefs and cognitive abilities, which are developed and modified by social influences and structures within the environment. The interaction between the environment and personal behavior involves a person's behavior that determines aspects of their environment and, in turn, their behavior is changed by the environment (Bandura, 1986).

The main idea of social cognitive theory concerns the phenomenon of learning to imitate, or the process of learning by observing. The purpose of this theory is to identify and predict cognitive processes in the formation of individuals' attitudes, motivations, and behaviors. According to Bandura (1986), human behavior is understood as the result of a learning process, a mental process that occurs internally and may directly reflect changes in behavior. Social cognitive theory is built on six assumptions (Bandura, 1986). The first assumption is that individuals perform learning by observing others and the objects observed are referred to as models. The second assumption is that learning can affect behavior, but it can not. The third assumption is the belief that learning is a behavior directed towards achieving goals. The fourth assumption is a pattern of behavioral reinforcement consisting of three types; first, direct reinforcement that comes from experience; second, the reinforcement of substitutes derived from the observation of model behavior; third, self-reinforcement that comes from feelings of satisfaction or dislike for behavior measured by one's own behavioral standards. The fifth assumption is the existence of a reciprocal causal mechanism. The sixth assumption is that there are direct and indirect effects of reinforcement and punishment in learning (Bandura, 1986). Recent studies on the creation of new businesses suggest that the presumption of new business creation as a process can be used to better understand the phenomenon of new business creation [4]; [49]. Based on this belief, this study adopts the view that creating new businesses is a process.

Social capital theory has been widely accepted for use in understanding and predicting social norms and relations inherent in the social structure of society [41]. However, researchers still have mixed views on their connotations and uses [1]. One of the proofs is that, until now, the theory of social capital has not had a clear meaning on the substantive and ideological side [19]; [21]; [26].

To date, the theory of social capital does not have a mutually agreed upon definition [26]. The definition used in this study depends on the discipline and investigation carried out by the researcher [46]. ([6] defined social capital as a collection of tangible or virtual resources that are constantly increasing through the possession of good networks or informal relationships in the form of friendships or reciprocal relationships. [12] defining social capital as a set of entities that are distinct but have two characteristics in common, consisting of some aspect of the social structure and facilitating certain actions of the individuals residing in the structure.

According to the literature, the main elements of the social capital theory are trust [12]; [20]; [30]; [34]; [35]; [43], rules and norms governing social action [12], types of social interaction [55], and network resources ([27]). Each dimension contributes to the meaning of social capital [27].

Social capital is closely related to the value formed in social networks, the bonds of individuals who have something in common, and the link between different individuals and reciprocally prevailing norms [16]. [1] stated that what guides research on social capital is the existence of good faith in what others have. Thus, good faith is a valuable resource. These resources depend on the structure and content of the actors present in social relations. Therefore, [1] defined social capital as the availability of goodwill to individuals or groups.

The central proposition of the social capital theory is that the relationships that exist within networks are valuable resources for carrying out social interactions and are collectively owned [6]. As a set of resources rooted in relationships, social capital has several attributes. [40]

formulated three dimensions of social capital: structural, cognitive, and relational. Structural dimensions refer to all patterns of connections between actors in an existing network structure. The cognitive dimension refers to the representation, interpretation, and system of shared meanings between actors. The relational dimension refers to personal relationships formed between certain individuals [40].

Referring to the process approach, the model for understanding the phenomenon of new business creation also varies. [39] categorized the new business creation model into four categories:

1. **Static model.** This model covers all the processes of creating new business and divides the process of creating new business into several main phases. The main weakness of this model is that researchers tend to narrow the study space and the main phases often overlap ([39] & [28], 2012). For example, a model developed by [59] , [22], [60], [37], and [8].
2. **Stage model.** This model adds a sequence to the static model and renders the process as sequential. This model describes all processes of creating new business without examining a sequence process consisting of a set of interconnected variables based on speculative causal relationships. This model is process-oriented but cannot capture the dynamic aspects that exist [39]. For example, a model developed by [29] and [5].
3. **Dynamic process model.** This model shows the influence of context and process variations on the outcomes. The model uses qualitative methods to understand how and why variations within the context and process of creating new business affect outcomes; it is often interpretative, temporal, and change-oriented ([39] & [28], 2012). Some studies that use this model are [33] , [36] , and [51].
4. **Sequence quantification model.** This model uses an approach based on historical order to create new businesses. Researchers using this model are not allowed to understand the dynamics of the formation of current conditions and future developments in the process of creating new business [39] . Example [11] develop models that can be used to identify new business creation activities including; started a business, gave up, and still keeps trying. Other studies using the same approach include [24] , [53], and [4].

5 Conclusion

For a better understanding of how new businesses are created, this review offers an overview of the theories and models that have developed over time. It will be extremely helpful to the current academics who are organizing their next work in adoption because it aims to provide a bird's eye perspective of many theories and models relevant to this relatively developed sector of new business creation.

Reference

- [1] Adler, P. S., & Kwon, S. W. (2002). Social Capital: Prospects for a New Concept. *Academy of Management Review*, 27(1), 17–40. <https://doi.org/10.5465/AMR.2002.5922314>
- [2] Aldrich, H. E. (1990). Using an Ecological Perspective to Study Organizational Founding Rates. *Entrepreneurship: Theory and Practice*, 14(3), 7–24. <https://doi.org/Article>
- [3] Anna, A. L., Candler, G. N., Jansen, E., & Mero, N. P. (2000). Women Business Owners in Traditional and Non-Traditional Industries. *Journal of Business Venturing*, 15(3), 279–303.
- [4] Becker, A., Aufseß, D. zu K., & Brem, A. (2015). Beyond Traditional Developmental Models: A Fresh Perspective on Entrepreneurial New Venture Creation. *International Journal of Entrepreneurial Venturing*, 7(2), 152. <https://doi.org/10.1504/IJEV.2015.068591>
- [5] Bhawe, M. P. (1994). A Process Model of Entrepreneurial Venture Creation. *Journal of Business Venturing*, 9(3), 223–242. [https://doi.org/10.1016/0883-9026\(94\)90031-0](https://doi.org/10.1016/0883-9026(94)90031-0)
- [6] Bourdieu, P. (1986). The Forms of Social Capital. In *Handbook of Theory and Research for the Sociology of Education* (pp. 241–258).
- [7] Buttner, E. H. (2001). Examining Female Entrepreneurs' Management Style: An Application of A Relational Frame. *Journal of Business Ethics*, 29(3), 253–269.
- [8] Campbell, Jeffrey. R., & De Nardi, M. (2009). A Conversation with 590 Nascent Entrepreneurs. In *Working Paper, No. 2007-20, Federal Reserve Bank of Chicago*.
- [9] Carland, J. C., & Carland, J. W. (2000). New Venture Creation. *The Entrepreneurial Mind*, 12(3), 29.
- [10] Carter, N. M., Brush, C. G., Greene, P. G., Gatewood, E., & Hart, M. M. (2003). Women Entrepreneurs Who Break Through to Equity Financing: The Influence of Human, Social and Financial Capital. *Venture Capital*, 5(1), 1–28. <https://doi.org/10.1080/1369106032000082586>
- [11] Carter, N. M., Gartner, W. B., & Reynolds, P. D. (1996). Exploring Start-Up Event Sequences. *Journal of Business Venturing*, 11(3), 151–166.
- [12] Coleman, J. (1988). Social Capital in the Creation of Human Capital. *Knowledge and Social Capital*, 94, S95–S120. <https://doi.org/10.1016/B978-0-7506-7222-1.50005-2>
- [13] Cromie, S., & Birley, S. (1992). Networking by Female Business Owners in Northern Ireland. *Journal of Business Venturing*, 7(3), 237–251. [https://doi.org/10.1016/0883-9026\(92\)90029-Q](https://doi.org/10.1016/0883-9026(92)90029-Q)
- [14] Davidsson, P., & Gordon, S. R. (2012). Panel Studies of New Venture Creation: A Methods-Focused Review and Suggestions for Future Research. *Small Business Economics*, 39(4), 853–876. <https://doi.org/10.1007/s11187-011-9325-8>
- [15] De Carolis, D. M., & Saporito, P. (2006). Social Capital, Cognition, and Entrepreneurial Opportunities: A Theoretical Framework. *Entrepreneurship Theory and Practice*, 30(1), 41–56.
- [16] Dekker, P., & Uslaner, E. M. (2003). *Social Capital and Participation in Everyday Life*. Routledge.
- [17] Delmar, F., & Shane, S. (2004). Legitimizing First: Organizing Activities and the Survival of New Ventures. *Journal of Business Venturing*, 19(3), 385–410. [https://doi.org/10.1016/S0883-9026\(03\)00037-5](https://doi.org/10.1016/S0883-9026(03)00037-5)

- [18] Dimov, D. (2010). Nascent Entrepreneurs and Venture Emergence: Opportunity Confidence, Human Capital, and Early Planning. *Journal of Management Studies*, 47(6), 1123–1153. <https://doi.org/10.1111/j.1467-6486.2009.00874.x>
- [19] Dolfsma, W., & Dannreuther, C. (2005). Subjects and Boundaries: Contesting Social Capital-Based Policies. *Journal of Economic Issues*, 37(2), 405-413.
- [20] Falk, I., & Kilpatrick, S. (2000). What is Social Capital? A Study of Interaction in a Rural Community. *Sociologia Ruralis*, 40(1), 87–110. <https://doi.org/10.1111/1467-9523.00133>
- [21] Foley, M. W., & Edwards, B. (1997). *Editors' Introduction: Escape from Politics? Social Theory and the Social Capital Debate*.
- [22] Gartner, W. B. (1985). A Conceptual Framework for Describing the Phenomenon of New Venture Creation. *Academy of Management Review*, 10(4), 696–706. <https://doi.org/10.5465/AMR.1985.4279094>
- [23] Gatewood, E. J., Shaver, K. G., & Gartner, W. B. (1995). A Longitudinal Study of Cognitive Factors Influencing Startup Behaviors and Success at Venture Creation. *Journal of Business Venturing*, 10(5), 371–391.
- [24] Grimaldi, R., & Grandi, A. (2005). Business Incubators and New Venture Creation: An Assessment of Incubating Models. *Technovation*, 25(2), 111–121. [https://doi.org/10.1016/S0166-4972\(03\)00076-2](https://doi.org/10.1016/S0166-4972(03)00076-2)
- [25] Hannan, M. T., & Freeman, J. (1977). The Population Ecology of Organizations. *American Journal of Sociology*, 82(5), 929–964. <https://doi.org/10.1086/226424>
- [26] Häuberer, J. (2011). *Social Capital Theory Towards a Methodological Foundation*.
- [27] Hean, S., Cowley, S., Forbes, A., Griffiths, P., & Maben, J. (2003). The M–C–M' Cycle and Social Capital. *Social Science & Medicine*, 56(6), 1061–1072.
- [28] Hindle, K., & Al-Shanfari, D. (2011). Mapping the Landscape of New Venture Creation Research. In *Handbook of Research on New Venture Creation* (pp. 14–33).
- [29] Katz, J., & Gartner, W. B. (1988). Properties of Emerging Organizations. *Academy of Management*, 13(3), 429–441. <https://doi.org/10.5465/AMR.1988.4306967>
- [30] Kawachi, I., Kennedy, B. P., & Glass, R. (1999). Social Capital and Self-Rated Health: A Contextual Analysis. *American Journal of Public Health*, 89(8), 1187–1193.
- [31] Khajeheian, D., & Tadayoni, R. (2016). User Innovation in Public Service Broadcasts: Creating Public Value by Media Entrepreneurship. *International Journal of Technology Transfer and Commercialisation*, 14(2), 117–131. <https://doi.org/10.1504/IJTTC.2016.081635>
- [32] Landström, H., & Åström, F. (2011). Who's Asking the Right Question? Patterns and Diversity in the Literature of New Venture Creation. In *Handbook of Research on New Venture Creation* (p. 34).
- [33] Larson, A., & Starr, J. A. (1993). A Network Model of Organization Formation. *Entrepreneurship Theory and Practice*, 17(2), 5–15. <https://doi.org/10.1177/104225879301700201>
- [34] Leana III, C. R., & Van Buren, H. J. (1999). Organizational Social Capital and Employment Practices. *Academy of Management Review*, 24(3), 538-555.
- [35] Lemmel, L. (2001). The Dynamics of Social Capital: Creating Trust-Based Relationships and Trustworthy Environments. *National Civic Review*, 90(1), 97-104.
- [36] Lichtenstein, B. B., Dooley, K. J., & Lumpkin, G. T. (2006). Measuring Emergence in the Dynamics of New Venture Creation. *Journal of Business Venturing*, 21(2), 153–175. <https://doi.org/10.1016/j.jbusvent.2005.04.002>
- [37] Lim, S. S., Platts, K., & Minshall, T. (2008). An Exploratory Study on Manufacturing

- Strategy Formulation in Start-Up Companies. *16th High Technology Small Firms*.
- [38] Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the Entrepreneurial Orientation Construct and Linking It to Performance. *The Academy of Management Review* *VO - 25*, *21*(1), 135–172.
- [39] Moroz, P. W., & Hindle, K. (2012). Entrepreneurship as a Process: Toward Harmonizing Multiple Perspectives. *Entrepreneurship: Theory and Practice*, *36*(4), 781–818. <https://doi.org/10.1111/j.1540-6520.2011.00452.x>
- [40] Nahapiet, J., & Ghoshal, S. (2000). Social Capital, Intellectual Capital, and the Organizational Advantage. *Knowledge and Social Capital*, 119–157.
- [41] Narayan, D., & Cassidy, M. F. (2001). A Dimensional Approach to Measuring Social Capital: Development and Validation of a Social Capital Inventory. *Current Sociology*, *49*(2), 59–102.
- [42] Portes, A., & Sensenbrenner, J. (1993). Embeddedness and Immigration: Notes on the Social Determinants of Economic Action. *American Journal of Sociology*, *98*(6), 1320–1350.
- [43] Putnam, R. D. (1993). The Prosperous Community. *The American Prospect*, *4*(13), 35–42.
- [44] Putnam, R. D. (2011). Bowling Alone: America's Declining Social Capital. In *Journal of Democracy* (1995). In *The City Reader* (pp. 166–174). Routledge.
- [45] Reynolds, M. M. (1982). Religious institutions and the prevention of mental illness. *Journal of Religion and Health*, *21*(3), 245–253. <https://doi.org/10.1007/BF02274184>
- [46] Robison, L. J., Allan Schmid, A., & Siles, M. E. (2002). Is Social Capital Really Capital? *Review of Social Economy*, *60*(1), 1–21. <https://doi.org/10.1080/00346760110127074>
- [47] Romer, P. M. (1994). The Origins of Endogenous Growth. *Journal of Economic Perspectives*, *8*(1), 3–22. <https://doi.org/10.1257/jep.8.1.3>
- [48] Salamzadeh, A. (2015). New Venture Creation: Controversial Perspectives and Theories New Venture Creation: Controversial Perspectives and Theories. *Economic Analysis*, *48*(3–4), 101–109.
- [49] Salamzadeh, A., & Kirby, D. A. (2017). New Venture Creation: How Start-Ups Grow? *AD-Minister*, *30*, 9–29. <https://doi.org/10.17230/ad-minister.30.1>
- [50] Sarasvathy, S. D. (2001a). Effectual Reasoning in Entrepreneurial Decision Making: Existence and Bounds. *Academy of Management Proceedings*, *2001*(1), D1–D6. <https://doi.org/10.5465/APBPP.2001.6133065>
- [51] Sarasvathy, S. D. (2001b). Effectual Reasoning in Entrepreneurial Decision Making: Existence and Bounds. *Academy of Management Proceedings*, *2001*(1), D1–D6. <https://doi.org/10.5465/APBPP.2001.6133065>
- [52] Schumpeter, J. A. (1934). *The Theory of Economic Development*. The President and Fellows of Harvard College.
- [53] Serarols, C. (2008). The Process of Business Start-Ups in the Internet: A Multiple Case Study. *International Journal of Technology Management*, *43*(1–3), 142–159.
- [54] Shane, S., & Venkataraman, S. (2000). The Promise of Entrepreneurship as a Field of Research. *Academy of Management Review*, *25*(1), 217–226. <https://doi.org/10.2307/259271>
- [55] Snijders, T. A., & Kenny, D. A. (1999). The Social Relations Model for Family Data: A Multilevel Approach. *Personal Relationships*, *6*(4), 471–486.
- [56] Spinelli, S., & Adam, R. J. (2012). New Venture Creation Entrepreneurship for The 21st Century. In *McGraw-Hill*.

- [57] Timmons, J. A., Spinelli, S., & Tan, Y. (2004). *New venture creation: Entrepreneurship for the 21st century* (Vol. 6). McGraw-Hill/Irwin New York.
- [58] Uslaner, E. M. (2001). Volunteering and Social Capital: How Trust and Religion Shape Civic Participation in The United States. In *Social Capital and Participation in Everyday Life* (pp. 104-117.).
- [59] Van de Ven, A. H., Hudson, R., & Schroeder, D. M. (1984). Designing New business Starups Entrepreneurial, Organizational, and Ecological Considerations. *Journal of Management*, 10(1), 87–107. <https://doi.org/0803973233>
- [60] Vesper, Karl. H. (1990). New Venture Strategies,. In *University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship*.
- [61] Wu, J. (2009). Entrepreneurial Orientation , Entrepreneurial Intent and New Venture Creation: Test of a Framework in a Chinese Context. In *Virginia Polytechnic Institute and State University, USA*.