

SYSTEMATIC LITERATURE REVIEW ON FACTORS IMPACTING THE JOURNEY
OF STARTUPS TO ENTERPRISES

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Purpose: This paper sheds light on the myriad factors that exert influence on the development and success of startups and enterprises. Through a meticulous systematic literature review, it emphasizes the diverse spectrum of elements shaping the landscape for these business ventures. Drawing on secondary data from an array of journals and disciplinary streams, the study underscores the paramount importance of government policies, educational institution support, incubator contributions, and societal impact as key determinants for both startups and enterprises. The overarching aim of this research is to dissect the intricate web of influences on the establishment and prosperity of startups and enterprises. Furthermore, the study adopts a three-pronged analytical approach, assessing these factors through the lenses of temporal dynamics, varied journal sources, and diverse methodological frameworks.

Methodology: The paper employs the PRISMA statement as its chosen methodology, conducting a systematic review in two key stages: 1) the acquisition and selection of papers, and 2) the subsequent descriptive and content analysis of the selected papers. Through this rigorous process, the study identifies and focuses on 601 papers crucial for a comprehensive understanding of the subject matter at hand.

Findings: The study's results suggest that among the myriad factors influencing startups and enterprises, the pivotal contributors to their growth and long-term impact are government policies and support, support from educational institutions, the role of incubators, and the societal impact these ventures generate. These four elements emerge as crucial determinants in shaping the trajectory and enduring influence of startups and enterprises.

Research limitations: The current investigation concentrated on a selection of papers sourced from two databases: Google Scholar and ScienceDirect. To broaden the research scope, future studies could enhance comprehensiveness by enlarging the sample size and incorporating papers from a wider array of global databases. Moreover, a deeper exploration could involve the examination of additional factors of interest through further investigative analysis.

Theoretical contributions: This article emerges as a pivotal resource for researchers keen on unravelling the dynamics inherent in startups and enterprises. It not only provides innovative perspectives on both well-established and emerging factors influencing successful ventures but also plays a crucial role in setting a theoretical foundation for forthcoming empirical research. As

a guiding beacon, this paper aids researchers in crafting hypotheses and shaping research questions within the same domain, establishing itself as an indispensable reference for those navigating the complex terrain of startup studies.

Keywords: Startups, enterprises, factors, ventures, literature review

INTRODUCTION:

Given the significant progress in the startup and enterprise landscape, there is a growing enthusiasm among academics, professionals, researchers, and consultants globally to explore the factors influencing these entities. This interest is reflected in the increasing volume of articles published in this field and its related areas. However, it is noteworthy that a substantial proportion of these articles remain conceptual rather than empirical in nature. Despite the abundance of research, there is a persistent trend towards theoretical frameworks and conceptual discussions, highlighting the need for more empirical studies to deepen our understanding of the practical dynamics impacting startups and enterprises.

Roth (2007) characterizes "empirical" as systematically analysing data through observation. Scholars like Gupta et al. (2006) highlight the crucial role of empirical research in operations management, emphasizing its contribution to developing, exploring, and validating practical insights. In summary, empirical studies provide valuable knowledge by rigorously observing and analysing operational dynamics. A systematic exploration of scientific literature in a specific domain is crucial for identifying research questions and laying the groundwork for future investigations (Torres-Carrión et al., 2018, April). Well-executed integrative reviews not only summarize the current state of the science but also play a pivotal role in advancing theories, with direct implications for practical applications and policymaking (Whittemore & Knafl, 2005).

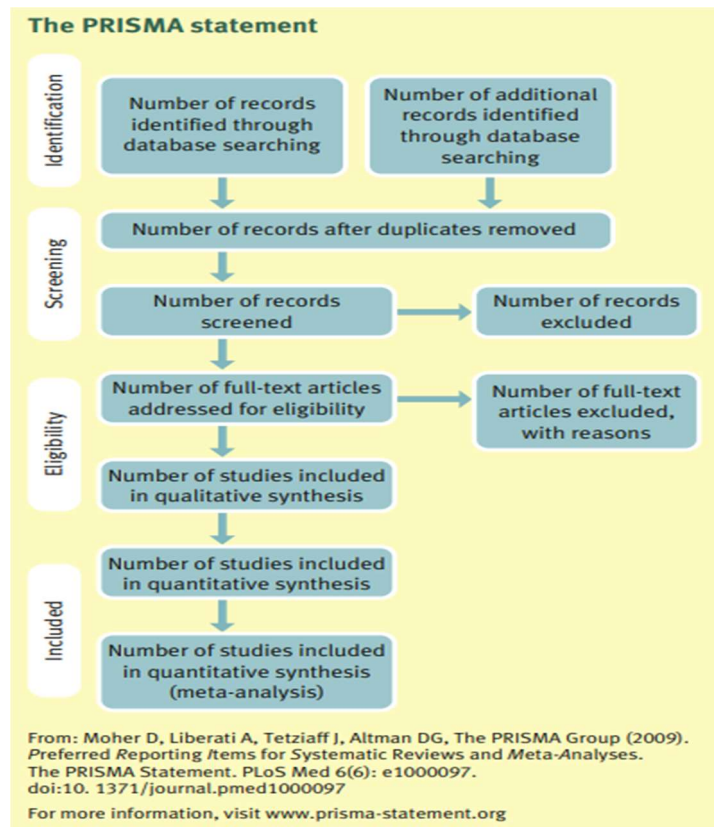
The ascent of evidence-based practice initiatives has triggered a notable proliferation in the landscape of literature reviews, encompassing integrative reviews, systematic reviews, meta-analyses, and qualitative reviews. This surge over the past decade has led to the widespread embrace of more systematic and robust research methodologies. Valuable insights into the strategies for amalgamating diverse studies into cohesive results and conclusions, prominently observed in systematic reviews and meta-analyses, have been amassed (Cooper 1998, Greenhalgh 1997). Yet, it's crucial to underscore that existing evidence-based practice initiatives have traditionally treated distinct types of evidence—quantitative and qualitative—as distinctly separate and mutually exclusive facets (Evans & Pearson 2001).

METHODOLOGY:

Systematic reviews strive to comprehensively capture all research relevant to a specific question, providing an unbiased and balanced summary of the literature. The methods are tailored to ensure that even research published in non-indexed bibliographic databases, such as low impact journals or conference proceedings, is considered. This approach aims to prevent a bias towards positive findings and contributes to a more nuanced and complete understanding of the subject matter by

incorporating a diverse range of research outcomes (Nightingale, 2009). One such systematic way to follow-up on literature review is The PRISMA statement as described below.

Figure 2: The PRISMA statement



The following is the phases in which systematic literature review for this paper has been incorporated (Centobelli, et. al.,2017).

Phase I: Phase of papers acquisition and selection:

- Material search: This step includes the identification of keywords and the choice of databases to be investigated (Scopus, Web of Science, etc.).
- Selection: This step includes the definition of criteria for inclusion/exclusion and the process of selection according to the criteria of inclusion/exclusion.

Phase II: Phase of descriptive and content analysis of the selected papers:

- Descriptive analysis: The papers are aggregated according to different perspectives to give a summary view of the selected papers
- Content analysis: Papers are reviewed and studied in deep. The analysis of papers highlights strengths and weaknesses in the body of literature, evidences research gaps and define a future research agenda on the topic.

The detailed analysis of the above-mentioned criteria is as follows:

Phase I a) Material search

Papers spanning 1990 to 2023 were gathered from Google Scholar, Scopus, and Web of Science. The keyword set, including "factors," "startup*," and "entrepr*," ensured the inclusion of relevant

terms like "startups" and "entrepreneurship." The use of the wildcard (*) broadened the search scope for a comprehensive review of literature on factors impacting startups and enterprises.

Table 1: Material Search

Keywords used	“factors”, combined with “startup*”, “start-up*”
Date range	1990 to 2023
Google Scholar (top 100 pages)	156 hits
Science Direct (open access, business, research articles, English)	490 hits
Total	646 hits
Duplicates	12
Number of hits excluding duplicates	634

Phase I b) Selection

To streamline the investigation, three specific criteria for selecting research papers were established, as outlined in Table 2.

Table 2: Criteria for inclusion/exclusion

Criterion	Definition
First criterion: focus of the abstracts	Abstracts focusing on startups, enterprises, factors of startups, factors of enterprise have been included
Second criterion: focus of the papers	Papers focusing on enterprise and its factors and startups to enterprise and its factors have been included
Third criterion: cited references	Papers not included in Google Scholar and Science Direct but cited in the literature on factors of enterprises have been included

The initial criterion was established to ensure the inclusion of papers directly relevant to the investigation of startups and enterprises within the context of factors. To accomplish this, the abstracts of the 634 selected papers underwent thorough analysis, leading to their categorization into three distinct lists, as detailed in Table 3:

List A: Encompasses papers with a primary focus on factors influencing both startups and enterprises.

List B: Includes papers primarily centered on factors related to startups, with minimal or negligible references to enterprises.

List C: Consists of papers predominantly highlighting factors related to enterprises, with limited or marginal references to startup factors.

Table 3: First step selection

List	Description	Number of papers
A	papers with a focus on both factors of startups and enterprises	56
B	papers with a prevalent focus on factors of startups, but scarce or insignificant reference to enterprises	545
C	papers with a predominant focus on factors of enterprises, but scarce or inconsiderable reference to factors of startup	33*

*The papers contained in List C (33 papers) were excluded as they were out of the scope of the research. The other papers contained in List A and B were fully considered.

Phase II a) Descriptive analysis

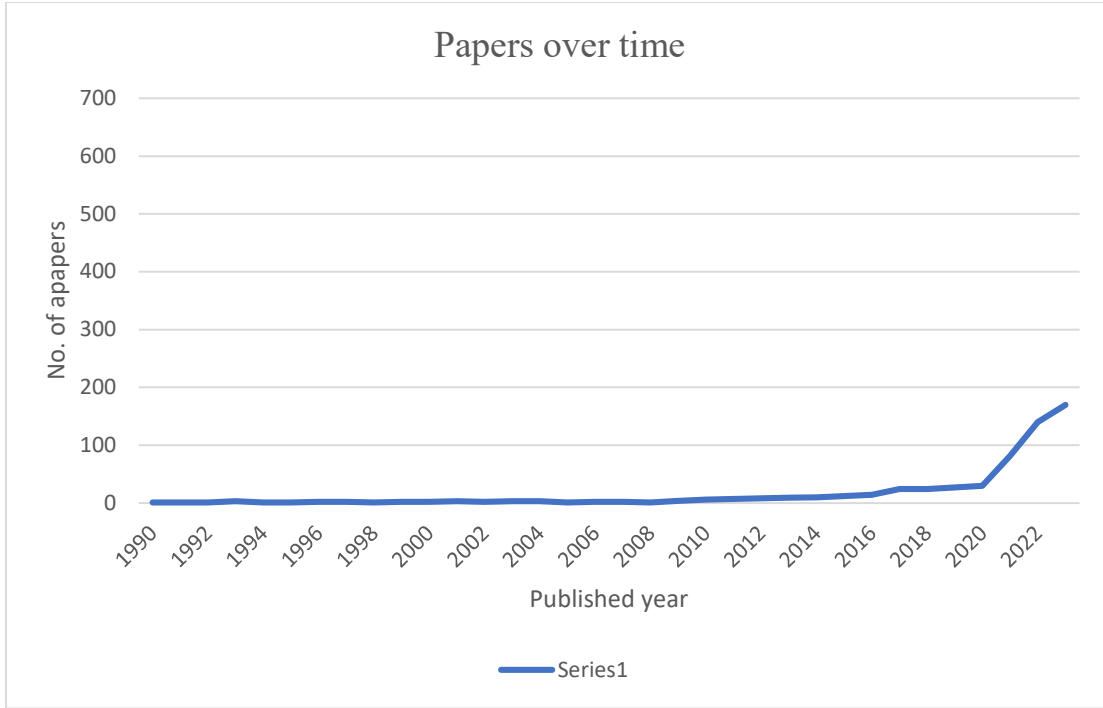
The descriptive analysis seeks to provide an initial exploration of the 601 selected papers, emphasizing factors related to startups and enterprises. This analysis is approached from three key perspectives:

- 1) Time-based Analysis: Investigating the temporal distribution of papers to identify trends and patterns in research on startup and enterprise factors over time.
- 2) Journal-based Analysis: Examining how the selected papers are distributed across different journals to understand the scholarly landscape and publication trends within the field of startup and enterprise factors.
- 3) Methodology-based Analysis: Categorizing papers based on their methodologies to gain insights into the diverse approaches employed in studying factors associated with startups and enterprises.

- 1) For the time-based analysis:

Figure 1, depicting the distribution over time, underscores a significant upswing in contributions, notably in 2023. Remarkably, there is a lone paper predating 1994. The prevailing trend reveals a concentrated surge in publications between 2010 and 2023, signifying a pronounced increase in contributions to this topic in recent years.

Figure 1: Papers analyzed over time



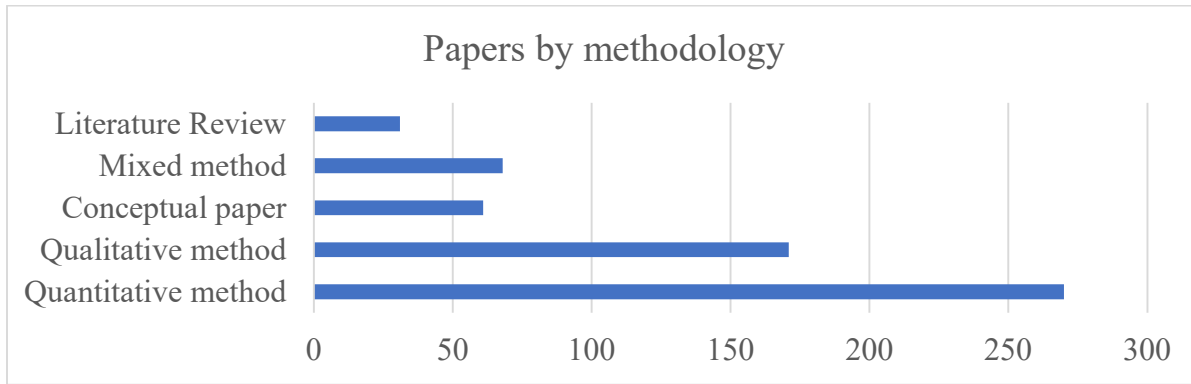
2) For Journal-based analysis:
Figure 2: Papers analyzed by journals

Journal	Business, Management and Accounting	Decision Sciences	Engineering	ComputerScienc andFinance	Economics, Econometrics	Environmental Science	MaterialsScience	SocialScience
Journal of Business Research	✓							
Technological Forecasting and Social Research Policy		✓						
Journal of Business Venturing	✓				✓			
Journal of Innovation & Knowledge Technovation	✓							
Industrial Marketing Management	✓							
Technology in Society	✓	✓				✓		
Journal of Business Venturing Insights	✓							
IIMB Management Review	✓							
International Journal of Innovation	✓	✓				✓		✓
Digital Business	✓							
The International Journal of Asia Pacific Management Review	✓							
She Ji: The Journal of Design, Economics, Journal of Corporate Finance	✓							
Cities	✓							✓
Digital Investigation				✓	✓			
Transportation Research Part E: Logistics and Transportation Review			✓					
Long Range Planning	✓							
European Research on Management and Telecommunications Policy	✓							
Futures	✓				✓			✓
Business Horizons	✓							
Journal of Financial Economics	✓				✓			

3) For methodology-based journals

The prevailing methodology among the selected papers leans heavily towards quantitative approaches, holding the top position. Following closely is the utilization of qualitative methodologies, securing the second rank. Mixed-methodology papers occupy the third position in terms of frequency. Notably, conceptual papers and literature review-based papers are positioned lower in the hierarchy.

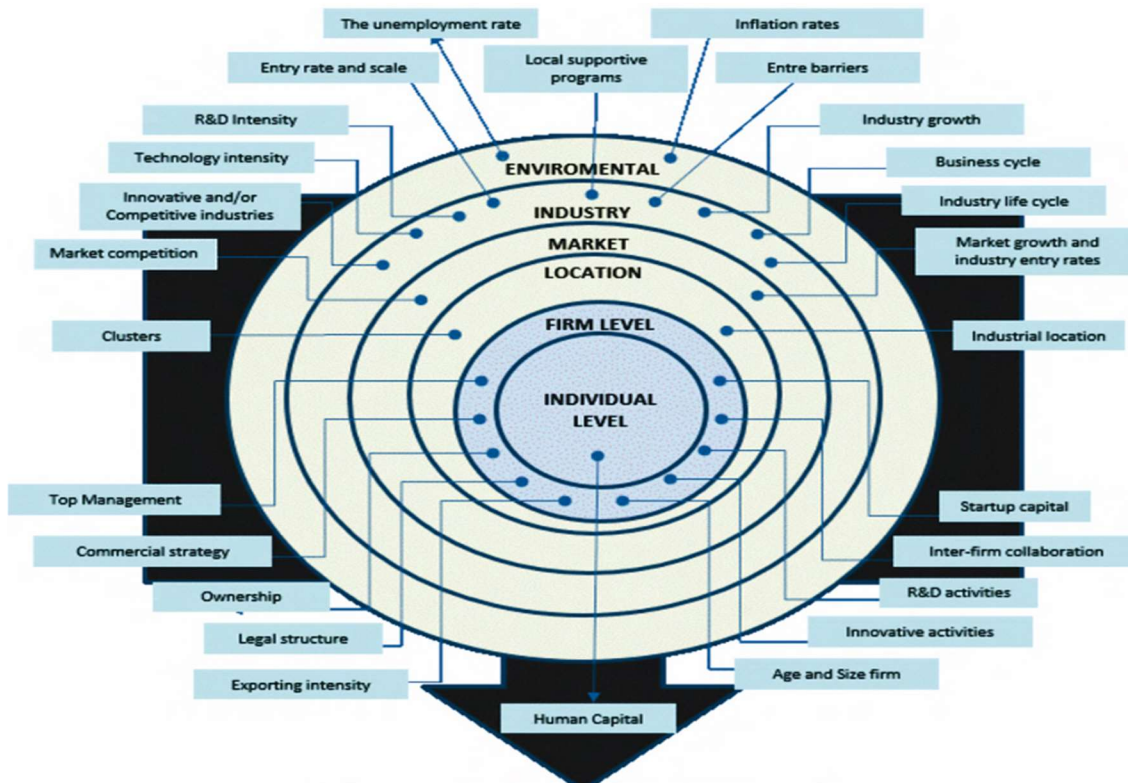
Figure 3: Papers by methodology



FINDINGS:

The evolution of startups into robust enterprises and the sustained success of established businesses are intricately shaped by a myriad of factors, systematically categorized as internal or external. These factors, drawn from extensive literature studies, form a comprehensive array that profoundly influences the trajectory of entrepreneurial ventures. The following figures offer a visually compelling representation of this intricate web of elements, providing insights into the multifaceted landscape that underpins the growth and resilience of businesses across various stages of their development.

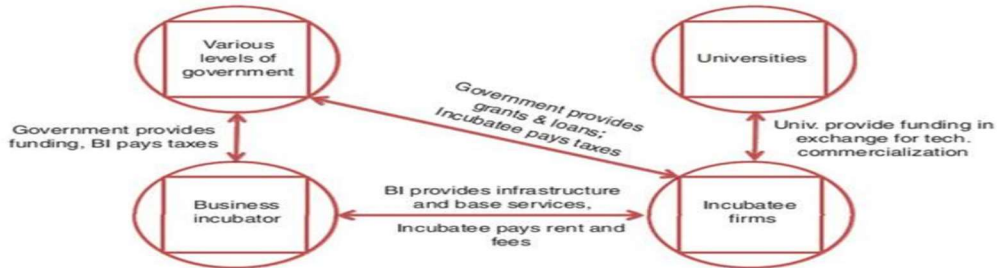
Figure 4: Internal and external factors influencing a firm’s survival



Source: Hernández, et. al., 2020

Upon analytical observation, it has been considered that predominantly, Chandra & Chao’s model (2011) distinguished 4 key players, namely, public and government, business incubators, entrepreneurs, and universities. Public, government, and university support for incubation is generally provided for the expectation of growth and job creation in the economy.

Figure 5: External Environment Model



Source: (Chandra & Chao, 2011))

Verma (2004) presented a theoretical framework delineating success factor for business incubators. The central focus is the dependent variable, which signifies the degree of incubator success. This framework identifies several independent success factors, categorized as (1) shared services, (2) facilities and location, (3) funding and support, (4) incubator governance, (5) tenant entry and exit criteria, and (6) mentoring and networking.

In the context of sustaining startups, critical factors for their survival include:

- Government policies and support
- Support from educational institutions
- The role of incubation, involving mentorship and financial assistance
- Societal impact

Determining common factors out of the above-mentioned literature review has been described as follows:

Table 4: Common factors that impact startups and enterprises

Factors affecting startups	Determinants of enterprise	Common Factors
Internal: <ul style="list-style-type: none"> • Demographic Variables- Age, Gender, Education • Entrepreneurial skillsets (Need for achievement, risk taking, need for motivation, creativity & innovation) 	Internal: <ul style="list-style-type: none"> • Entrepreneurial skillsets (Risk taking) 	Financial factors (VC, equity) Political factors Technological factors- Innovation Policies/schemes in the nation Mentorship Growth (size)

<ul style="list-style-type: none"> • Social/Cultural factors • Family background 		
<p>External:</p> <ul style="list-style-type: none"> • Environmental factors • Financial factors • Technological factors • Startup ecosystem in the country • Mentorship • Industry/sector • Political factors • University support 	<p>External:</p> <ul style="list-style-type: none"> • Mentorship • Policies/schemes that impact the industry/sector for promoting enterprises • Enterprise size • Political factors • Technological advancements • Innovation • Financial factors 	

CONCLUSION:

Theoretical Contributions:

This research paper systematically engages with existing literature to unveil common factors influencing both startups and enterprises. The primary objective is to uncover shared elements in both contexts, providing nuanced insights into the multifaceted nature of entrepreneurship. A pivotal focus is placed on illuminating the transitional journey from startup to enterprise, emphasizing the dynamic interplay between internal and external factors that shape this evolution. The array of factors identified includes financial considerations such as Venture Capital and equity, political influences within the operating nation, technological elements reflecting enterprise innovativeness, supportive national policies, mentorship programs from educational institutions and professional networks, and the growth (size) of the firm within a specified time frame. Noteworthy is the study's ambition to offer a more comprehensive understanding of the entire entrepreneurial journey, distinguishing itself from existing literature that often isolates factors within either startups or enterprises.

Acknowledging the perpetual dynamism of entrepreneurship, the paper delves into ongoing efforts to define and comprehend the traits and characteristics exhibited by successful entrepreneurs.

Additionally, it explores the intriguing question of whether these attributes can be cultivated, refined, or identified, introducing a dynamic layer to the study and contributing to the broader discourse on entrepreneurial success.

In summary, this literature review significantly enriches our understanding of the common factors influencing startups and enterprises. It provides a holistic perspective on the entrepreneurial journey, establishing a robust foundation for comprehending the success of enterprises and facilitating their sustained growth.

Limitations and Future Directions:

While the research paper offers valuable insights, acknowledging potential limitations is essential for nuanced interpretation and to guide future research endeavours:

- **Generalization Challenges:** There is a potential risk of oversimplifying the nuanced dynamics of startups and enterprises across diverse industries, cultures, and regions, possibly limiting the broad applicability of the study's conclusions. Future research could benefit from a more context-specific exploration of factors.
- **Potential Overemphasis on Specific Factors:** The study may inadvertently lean towards an overemphasis on certain factors, such as financial considerations or technological aspects, potentially hindering a comprehensive understanding of the diverse elements contributing to startup success. Future studies should strive for a balanced exploration.
- **Neglect of Cultural and Regional Nuances:** The limited consideration of cultural and regional nuances might diminish the study's relevance in different contexts. To enhance applicability, future research should incorporate a more thorough examination of these influences.

Addressing these limitations in future research endeavours is crucial for refining the study's outcomes and contributing to a more comprehensive understanding of the varied factors influencing startups and enterprises throughout their journey to success.

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