

A Study on identifying Factors and Determinants for the
journey of Startups to Enterprises in Gujarat

A Thesis submitted to Gujarat Technological University
for the Award of
Doctor of Philosophy

in

Management

by

Khushboo Kushal Vachhani Talati

Enrollment No. 219999903001

Under supervision of

Dr. Krishnaba Vaghela



GUJARAT TECHNOLOGICAL UNIVERSITY
AHMEDABAD

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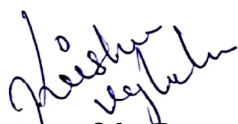
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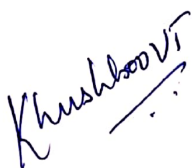
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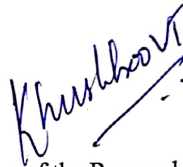
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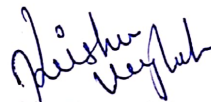
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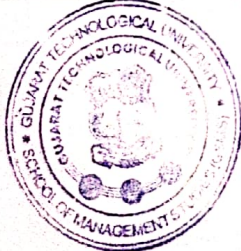
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ABSTRACT

The rapid growth of emerging businesses has become an essential key to how economies of developing countries are booming in the current times, especially in countries like India. While the process of starting a new business has become relatively easier in the past decade, there are still times when these new businesses do not move from their title of startups to enterprises. Most startups do not become stable and sustainable businesses that limits their ability to create jobs, upgrading their surroundings and promote economic sustainability. These reasons become essential specially in countries like India, where programs like Startup India, made in India and state-level policies have encouraged more people to start businesses.

Gujarat is known for its industrial nature and is recognized amongst the top places in India for startups, not just innovativeness but also purpose-driven, solving problems from grassroot level. Thanks to the strong tradition of entrepreneurship and *jugaad*, newer policies, support system and other aids are taking the center stage for developing an ecosystem. Despite the level of enthusiasm and entrepreneurial spirit in blood, not many startups in Gujarat are able to turn into long-lasting businesses. This scenario reveals the need for a detailed and focused look at what helps startups become enterprises.

The present study aims to examine the factors as well as determinants influencing the journey of startups to enterprises in Gujarat region. Leveraging on the well-established theories of Entrepreneurial Orientation (EO), Dynamic Capabilities Theory (DCT) and stage-based growth models, the study visions on the transition as a multidimensional process which is shaped by internal and external enablers i.e. entrepreneurial orientation being impacted by determinants as well as factors as well as the need of mentorship and incubations as external enablers.

Although existing literature has contributed much towards entrepreneurial orientation, internal capabilities, and stage-based growth models, the role of government policies, demographic characteristics including the background of entrepreneurs and their education, and social impact as a motivational factor influencing the transition of startups into enterprises remains underexplored. Furthermore, these factors and determinants have not been sufficiently examined within the context of Gujarat's startup ecosystem. Due to this identified gap in empirical evidence, the present study has been undertaken.

A quantitative research design was adopted for the study. The primary data was collected from startup founders and entrepreneurs across various sectors, regions in Gujarat. The data collection process took place through a structured questionnaire which was analyzed and approved through a pre-test and pilot study. The members of the pre-test were entrepreneurs who were gathered for a focus study to understand the ecosystem support available in Gujarat. The analysis was also done by incubation managers and academic experts. This assisted with content validity and relevance of the questionnaire. A total of 201 entrepreneurs were contacted across 4 major cities of Gujarat and 8 districts. The data collected was analysed using Statistical Package for the Social Sciences (SPSS), which included descriptive statistics, reliability testing, correlation analysis, independent samples t-tests, and regression analysis for hypothesis testing.

The findings show that entrepreneurial orientation, resource capabilities, incubation and mentorship support and social impact exert an influence on the transition. The Government initiatives and support were found to play an indirect role in the study. They mainly help by increasing awareness and preparing the environment rather than directly transitioning startups into sustainable enterprises. The results further indicate that the transition of enterprise from a startup is not a secluded event but is a synergy of strategic internal capabilities being influenced through determinants and factors as well as the ecosystem support mechanisms being promoted for sustainable development. This research makes a contribution to the existing body of literature on entrepreneurship by highlighting an ecosystem-driven and entrepreneurial approach. The findings of this study have practical implications for policymakers, incubators, academic institutions, and startup entrepreneurs.

Keywords: Startups, enterprise transition, entrepreneurial orientation, ecosystem support, mentorship, incubation, Gujarat.

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LIST OF ABBREVIATION

Abbreviation	Full Form
ANOVA	Analysis of Variance
CSR	Corporate Social Responsibility
DCT	Dynamic Capabilities Theory
DPIIT	Department for Promotion of Industry and Internal Trade
EDII	Entrepreneurship Development Institute of India
EFA	Exploratory Factor Analysis
EO	Entrepreneurial Orientation
ESG	Environmental, Social, and Governance
GDP	Gross Domestic Product
GIFT	Gujarat International Finance Tec-City
GS	Government Schemes Awareness
GTU	Gujarat Technological University
GUSEC	Gujarat University Startup and Entrepreneurship Council
i-Hub	Innovation Hub (Government of Gujarat initiative)
IT	Information Technology
JE	Journey of Startups to Enterprises
MNT	Mentorship
NIRAMAI	Non-Invasive Risk Assessment with Machine Intelligence
OECD	Organisation for Economic Co-operation and Development
PDEU	Pandit Deendayal Energy University
R&D	Research and Development

RBV	Resource-Based View
RC	Resource Capabilities
SC/ST	Scheduled Caste/Scheduled Tribes
SIDBI	Small Industries Development Bank of India
SISFS	Startup India Seed Fund Scheme
SME	Small and Medium Enterprise
SPSS	Statistical Package for the Social Sciences
SS	Social Impact
SSIP	Student Startup and Innovation Policy
TBI	Technology Business Incubators

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CHAPTER – 1

STARTUPS TO ENTERPRISES: AN OVERVIEW

CHAPTER 1: STARTUPS TO ENTERPRISES: AN OVERVIEW

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CHAPTER 1: STARTUPS TO ENTERPRISES: AN OVERVIEW

1.1 Introduction to Entrepreneurship, Startups, and Enterprises

“The entrepreneur has been defined as transfer of economic resources from lower area to higher area of productivity,” by the French economist Say in the 1800s. But this definition as given by Say does not clearly define who this “entrepreneur” is. And since this almost definition was defined two centuries ago, a significant ambiguity has existed regarding the terminology’s “entrepreneur” and “entrepreneurship.” To be defined as a nature of being entrepreneurial, an enterprise needs characteristics that are special rather than being defined as new or small (Drucker & Maciariello, 2014). This classical view laid the foundation for understanding how modern startups shift from mere novelty to productive enterprises.

Entrepreneurship is also said to be risky and in the areas of innovation, the chances of survival and success are quite low. In this case, the concept of "survival" is thus relative and closely related to Darwin's theory of evolution described by Claeys (2000). Survival, in this case, is depicted as the nature of natural selection, with social competition among groups and individuals being the criteria for putting them into categories of either adaptation or non-adaptation. The path of entrepreneurship is tough as many factors affect it. This analogy draws parallels between evolutionary survival and the startup ecosystem, where adaptability and innovation determine longevity.

Schumpeter has backed Say in Drucker and Maciariello (2014) stating that entrepreneurs perceive change as a standard and beneficial aspect of business. Usually, individuals do not initiate change on their own. However, what characterizes an entrepreneur and the concept of entrepreneurship is the continuous pursuit of change; entrepreneurs actively seek it out, react to it, and leverage it as a chance for growth. The researchers' expertise in seizing opportunities has moved the researchers' focus from just defining the entrepreneurial aspirants to scrutinizing the relationship between the enterprising persons and the valuable opportunities (Venkataraman, 1997). Thus, this change of viewpoint has compelled the academic community to express the importance of opportunities within the scope of the entrepreneurial process. It permits the modern scholars to view entrepreneurship not merely as an individual characteristic but instead as a dynamic interaction between people and the opportunities that are surrounding them.

Baron (2007), on the basis of this transition, divides entrepreneurship into three distinct stages: (a) the identification of opportunity stage; (b) the launch stage. Post this, he focuses on the post launch stage, where he focuses on sustainability. Undoubtedly, entrepreneurship has been viewed through different perspectives, such as economic, psychological, and social perspectives, among others. These different points of view have continuously contributed to our comprehension of entrepreneurship over the years. The research on entrepreneurship has been varied, looking at its factors of survival and growth through both, quantitative and qualitative methods. At the end, entrepreneurship to be defined as a discipline (Croci, 2016). These phases are analyzed through economic, psychological, and social lenses thereby enhancing our comprehension of the dynamics of entrepreneurship.

With the exploration of opportunities comes the creation of venture. Entrepreneurial behavior involves actions that are linked with perceiving or creating of opportunities (Bygrave & Hofer, 1991). A new venture exists when an entrepreneur responds well to these opportunities pursued (Aldrich, 1995).

Venture creation is defined as the process that initiates with a business idea and is fulfilled when that business succeeds in offering its products and services to the customers (Bhave, 1994). According to Blank (2010) a startup is an organization that is specifically designed with scalable business model. Startup phase exists because newer ideas enter market and are transformed to sustainable enterprises generating profits (Spender, 2014). The transition from idea to enterprise is the main foundation of this research, especially in the light of the developing startup ecosystem of Gujarat. To put it briefly, entrepreneurship is always more than just starting a company; it is a science that requires constant adaptation, mobilization of resources, and exploitation of opportunities. The modern entrepreneurial ship, the startup, embodies this journey— from idea to a viable enterprise— a path that the research intends to trace in the case of Gujarat region specifically.

To specifically understand the difference between the three, it can be said that entrepreneurship can be coined as “the mindset,” startup as “the growth engine” and enterprise as “the established power.”

1.2 The Economic and Strategic understanding of Startups in Growth of the Nation

Startups have become a major force in the global economies, both developed and underdeveloped in terms of economic development, innovation, and job creation. Startups are on the front line of the global market revolution which entails creativity, risk-taking and problem-solving as the paradigm of the new economy. They are the ones to change the rules of the partnership, bring along revolutionized technologies, and reveal the needs of the consumers that have not yet been satisfied. Based on Schumpeterian economics, financial development should be viewed as a necessary condition for the constant and radical flow of innovations into the economy, and hence the creation of new businesses and growth. Financial development can be regarded as the adoption of innovation-based advancements in monetary tools, markets, and intermediaries, and the positive influences of information, regulations, and transaction costs (Law, et al., 2018).

Startups by their nature are very vulnerable to uncertainties; nevertheless, their skills are unique ways of doing business put them in a more advantageous position than the old-timers. The stability and established profit models of existing companies leave them in a better position now than ever while startups are still introducing agility and disruption. The fate of a venture is largely determined by the founder's strategic vision and the business environment (Kriuchkova, et al., 2025). In measuring a startup's success and contribution, one should also think about the maturity and the structure of the entrepreneurial ecosystem. It is through the comprehensive mapping of the startup ecosystem that its specific strengths and weaknesses are correctly identified, which in turn allows for more precise policy interventions, better investment choices, and greater impact of development cooperation (Biest, and Wyss, 2019).

The Indian new venture ecosystem has remained and even becomes a very active and colorful area which in the last decade has gained considerable force and now stands at the top of the world's largest and most colorful ecosystems. India is said to be in the top five countries in the world for both startups and unicorns, with very fast growth in areas like fintech, edtech, health-tech, and agritech, according to a number of studies. This increase is due to many reasons, such as more people using technology, a middle class that is growing, a demographic dividend, and government policies that help businesses. In addition to creating jobs, startups also empower young and female businesses, reduce the differences between cities and the countryside, and address basic problems with their scalable models (Startup India, 2023).

Mature companies—especially those that have evolved from startups—are the key players in the process of achieving sustainable economic development. Startups not only transition into successful companies significantly contributing to GDP, industrial output, and global competitiveness but also begin to apply business practices related to governance, compliance, and corporate responsibility which in turn help to great extent shape the business ecosystem in their particular country or region. The product of such firms has a domino effect being the root cause of the proliferation of ancillary industries, supply chain networks, and knowledge spillovers. In a developing country like India, the strategic importance of startups and their benefits to the economy go beyond mere economic metrics. They are the ones carrying the burden and assisting the whole country in accomplishing its "National Missions" namely, Digital India, Atmanirbhar Bharat, and Make in India. Moreover, they are the frontiers to the territories of technological futuristic leaps, social innovation, and widespread growth. As the Indian national startups' ecosystem blossoms, the regional ones like that of Gujarat are the ones who are mainly responsible for defining the meaning of entrepreneurship in India.

Table 1.1: Annual growth rate of startups

Year	DPIIT Recognized Startups
2022	100000
2023	117254
2024	157,706

Source: DPIIT

Table 1.2: Annual growth rate in startups in Gujarat

Year	Gujarat Recognized
2022	2,282
2023	3,295
2024	3,444

Source: DPIIT

Table 1.2 highlights Gujarat's steady rise in startup recognitions, reflecting that there might be influence of regional policy support and the culture that predominantly exists in the state.

As of June 2024, DPIIT has recognized over 1.4 lakh startups across India (DPIIT, 2024). Present in more than 670 districts and spanning many industries, these startups exhibit a great geographic reach. Reflecting India's improved startup environment, the total number shows

notable rise from 2020–2023. With over 1.5 million direct jobs generated, the ecosystem has also helped to boost employment. From 2016 to 2024, this official government annexed lists yearly DPIIT-recognized startup counts. Particularly in 2021–2023, when legislative changes and funding assistance expedited recognition, the data indicates consistent year-on-year increase. By December 31, 2024, 157,706 startups had been acknowledged. In line with larger national goals on inclusion and innovation, the paper also emphasizes the number of businesses headed by women and the employment created (DPIIT, 2024).

These startups not only contribute in the job creation aspect but also contribute in nation's growth and development. The IndBiz report of 2025 states that while the digital economy stood at 11.74% in FY 2022-23, it was officially projected to reach 13.42% by the end of FY 2024-25.

1.3 Entrepreneurship in India and Gujarat: Policies and Ecosystem Support

The combination of policies, education, and ecosystems forms the drive for entrepreneurs. In order to be niche, the question is asked of how Gujarat has emerged as a leader for India. The website of the startup policy shows that the state has emerged as the leader for providing the ecosystem for growth through its culture and innovation strategies.

1.3.1 Government schemes awareness

The development of entrepreneurship in India follows a set of policy changes, educational programs, and overall development. In the case of Gujarat, a historical mercantile tradition and strategic initiatives are apparent.

In Gujarat:

- The Industrial Policy for Gujarat 2015 introduced the Startup/Innovation Scheme and the Electronics & IT/ITES Startup Policy for promoting new ideas in many sectors.
- iCreate (International Centre for Entrepreneurship and Technology) is a Public-Private Partnership organization that offers world-class facilities and 6 to 24 months of incubation.
- The GVFL Startup Fund (₹250 crores) and Student Innovation Fund (₹200 crores) were established to assist startups and students with their endeavors (GVFL, 2023).

- The IT/ITeS Policy for Gujarat – 2022-27 also plans to create 100,000 direct employable jobs and develop the ecosystem for AI and co-working spaces, according to GIDC (2023).

1.3.2 The Academic and Institutional Ecosystem

Linkages between higher education and incubators create a sound base of support:

- The incubation program run by the Centre for Entrepreneurship Development at Naroda campus of CED provides continuous mentorship and office space as per state policy.
- Gujarat Student Startup & Innovation Hub established under Student Startup and Innovation Policy with space for over 500 startups in Ahmedabad.
- CIIE.CO, since its inception in 2002, at IIM Ahmedabad has played a role in accelerating almost thousand businesses (CIIE.CO, 2022).
- Ahmedabad University's VentureStudio, which was set up in 2011 with the support of Stanford, has supported over almost 150 startups till date.
- Incubation facility is provided by Swarnim Startup & Innovation University, established in 2017, catered towards technology and business education.

1.3.3 Ecosystem Synergy

The Gujarat ecosystem is synergistic:

- For instance, 31 incubators such as iCreate, CIIE, NID-Incubator, IIT Gandhinagar, and DA-IICT provide state-supported programs (Startup India, 2023).
- In addition to funding by a number of angel networks (GVFL, Gujarat Angel Investors Network, Ahmedabad Angel Investors) and startups funding as well.
- Networking events, such as the Vibrant Gujarat Startup Summit, and mentorship groups, such as TiE, eChai, and Gujpreneurs can bring visibility (Startup India, 2023).

1.3.4 Macro-Economic Digital Data

By January 2025, India reached its highest-ever digital contribution to the national economy, growing nearly twice as fast as the non-digital sectors.

Table 1.3 National data about contribution of startup in India (Jan 2025)

Metric	National Value	% Growth
Digital Economy Share	₹31.64 Lakh Crore (\$402B)	11.74% of GDP (FY23-24)
Projected Share (FY25)	~₹36 Lakh Crore	13.42% of GDP
Digital GVA Multiplier	17.3% CAGR	2.8x faster than overall economy
Workforce Productivity	14.67 million Workers	5x more productive than traditional
Digital Infrastructure	2.18 Lakh Gram Panchayats	Connected via BharatNet

Source: Ministry of Electronics and Information Technology & Indian Council for Research on International Economic Relations (MeitY-ICRIER, 2025).

By January 2025, Gujarat-Specific Economic Indicators (FY 2024-25) details are as follows:

Table 1.4 National data about contribution of startup in Gujarat (Jan 2025)

Category	Value / Projection	Key Driver
GSDP (Gross State Domestic Product)	₹27.9 Lakh Crore	13.3% YoY Growth
Industrial Contribution	49.3% of GSVA (Gross State Value Added)	Manufacturing & Electronics
Services Sector Growth	6.9%	Fintech (GIFT City) & IT
Capital Outlay	₹75,689 Crore	29% increase in Asset Creation
Connectivity	6.15 Lakh Villages	4G/5G mobile penetration

Source: Government of Gujarat (2024); PRS Legislative Research (2024)

1.4 From Startups to Enterprises: An Overview of Key Growth Factors

From a startup to a completely established company, the change is a multifarious and multi-dimensional process. Although vision, creativity, and opportunity recognition drive startup development most of the time, the road to become a sustainable business calls for organised development, flexibility, and long-term strategic planning. Especially in the Indian and Gujarat settings, this section investigates the main growth elements that let a startup develop into a scalable, strong, and competitive company.

1.4.1 Vision and Leadership

Startups founders who have a clear and defined vision for their organizations, focus on adaptation and growing are better at getting through their initial problems. Decisions made early on depend on how entrepreneurial founders' traits are –how innovative, risk-takers, and proactive they can be. Research has shown that CEOs who keep learning, build up their people, and change plans when needed also tend to run successful companies (Baron, 2007; Venkataraman, 1997).

Let us discuss this with an example: Infibeam: Scaling with Strategic Vision in Gujarat's Digital Commerce Landscape

Founded: 2007

Founder: Vishal Mehta

Sector: Digital Payment Infrastructure

Headquarters: Gandhinagar, Gujarat

Vishal Mehta founded Infibeam with the vision of building a platform in India for digital payment. This platform realized the drawbacks of logistics, e-commerce infrastructure and digital payment services and soon turned to be a fierce competition to other online payment avenues. Infibeam's e-commerce platform was built for small and medium enterprises (SMEs). It was customized as per their client's needs and turned as a payment gateway enabling digital transaction transformation. The company had a unique vision for the future and the capacity to grow as it developed, which had led it to the extremely posh stage of corporate growth that was the startup to enterprise transition. In 2016, Infibeam did something that had not been done by any other Indian e-commerce company before it by going public on the NSE and BSE. Infibeam's play was deeply affected by the technology ecosystem of Gujarat, which had been created by GIFT City, industry networking through the Vibrant Gujarat initiatives, and favorable policies. The emergence of Infibeam tells the story of how the vision of the entrepreneur, the clever shift in strategies, and the positioning of the company in the ecosystem helped to create the journey from a regional startup to a national fintech and ecommerce technology company.

1.4.2 Access to Capital and Financial Management

Startup success is heavily influenced by strong financial strategy and enough finance. Growth paths can be much influenced by your capacity to draw seed money, venture capital, government grants, or angel investments. State funds that include the GVFL Startup Fund, Student Innovation Fund, and angel networks like Ahmedabad Angels have helped Gujarat-based businesses.

Founded: 2018

Founders: Kartikey Hariyani, Yash Agrawal

Sector: Electric Vehicle Charging Infrastructure

Headquarters: Vadodara, Gujarat

ChargeZone is an electric vehicle charging infrastructure startup that has successfully targeted about more than 13,000 charging points by 2025. They have partnered with various organizations such as Hyundai, Landmark, Audi and so on for their vision. This case study highlights the importance of financial discipline and early access to capital in achieving revenue diversification and scalability, which are essential for startups to become sustainable entities.

1.4.3 Market Fit and Customer Acquisition

Startups that develop into businesses typically have great product-market fit—that is, their offers satisfy real market need. Essential at this phase are ongoing client feedback, agile iterative development, and scalable distribution capability. Successful companies usually give client lifetime value, branding, and market distinction top priority from a young age.

Founded: 2014

Founders: Jimit Bagadiya and Tejas Mehta

Sector: Social Media Management & Marketing SaaS

Headquarters: Ahmedabad region, Gujarat

SocialPilot started as a basic social media management platform. Over the years, it has taken into consideration customer feedback as its continuous development growth strategy. It meets the requirement of small to medium-sized businesses. They handle all their social media needs

and cater to make it in a simplified manner. This has given SocialPilot a great product-market fit that has allowed it to grow its customer base worldwide, serving more than 13,000 businesses in over 15 countries, culminating in a major acquisition deal of over ₹400 crore by Sweden's Group.one.

1.4.4 Team Capability and Organizational Structure

While many startups start with a small, cross-functional workforce, lasting businesses engage in creating organised teams, leadership structures, and defined roles. One of the main turning points in the road of development is the capacity to draw in and keep qualified professionals. Maintaining control in growing companies depends on design of the organization, authority delegation as well as good governance.

Founded: 2012

Founders: Farooq Adam, Sreeraman Mohan Girija

Sector: Omni-channel retail technology platform

Headquarters: Ahmedabad, Gujarat

Fynd started as a mobile-first marketplace that would connect online product listing to offline businesses. As the company grew, it organized itself as a structured business by forming specialized teams for product, operations, sales, customer experience, and supply chain partnerships. This helped Fynd handle its growth effectively and also hire talent that was specialized in technology, logistics, and business development. Eventually, the company's enhanced leadership and talent capability made it an attractive acquisition target for Reliance Industries, which subsequently merged it into Flipkart Wholesale to enhance its omni-channel retail presence. They have grown into a network supporting 2,300+ brands and reaching over 20 million consumers across India and beyond.

1.4.5 Innovation and Technology

Startups who are positioned to scale are those that give innovation and technology and/or innovative technology integration a top priority—in operations, customer interaction, or product development. Enterprises that integrate innovation as a core value might achieve longer

scalability not only in terms of profit but also in terms of sustainability. Many Gujarat incubators, including iCreate and CIIE.CO, emphasizes technical innovations for financing and scalability.

Founded: 2011

Founders: Ranjith Mukundan

Sector: Dairy Tech and IoT-enabled Agri-Tech

Headquarters: Gandhinagar, Gujarat

Stellapps uses cutting-edge technology to solve inefficiencies in the dairy value chain, ranging from milk collection to cold chain logistics and quality analysis. By combining sensors, mobile communication, and data analytics in real-time for farm clusters and dairy cooperatives, Stellapps built a scalable technology platform that greatly improved productivity for dairy farmers and processors. The strong innovation infusion in operational activities enabled Stellapps to secure venture capital investment to expand into multiple states in India. The innovation infusion in its operations not only enables scalable revenue streams but also sustainable impact in agricultural livelihoods, making it a great example of innovation for enterprise growth among Gujarat startups.

1.4.6 Institutional and Ecosystem Support

Strong ecosystems can assist well for growth and development. This includes mentoring, incubation, government policies, associations from industry experts. Access to incubators, state-funded accelerators, and Vibrant Gujarat platforms helps Gujarat's startup ecosystem support enterprise visibility and relationships.

Founded: 2016

Founder: Dr. Geetha Manjunath

Sector: HealthTech – AI-based Cancer Detection

Supported by: CIIE.CO, i-Hub Gujarat, Axilor Ventures

Relevant to Gujarat through: participation in Vibrant Gujarat and CIIE.CO programs

NIRAMAI (Non-Invasive Risk Assessment with Machine Intelligence) created a brand-new AI-powered method for thermal imaging-based early-stage breast cancer screening. It was radiation-free, portable, non-invasive, and reasonably priced, making it perfect for India's rural

and semi-urban areas where access to diagnostic services is restricted. Despite its potential, a deep-tech product's growth in India necessitated cross-regional pilot studies, validation collaborations with hospitals, and regulatory advice. The ecosystem stepped in at this point. CIIE.CO at IIM Ahmedabad provided NIRAMAI with early support, including financial access, mentorship, and product-market fit. Later, it became visible across the country as it participated in i-Hub Gujarat initiatives and was highlighted at the Vibrant Gujarat Startup Summit. Additional contributions came from DST and BIRAC grants as well as acknowledgement from NITI Aayog. Since then, the business has partnered with major companies in the global healthcare industry, secured international patents, and implemented its technology in more than 100 hospitals and diagnostic networks. It is currently investing to evolve as an AI-enabled disease diagnoses centre. The experience of NIRAMAI demonstrates how investment, clinical alliances, visibility platforms, and strategic mentoring—all essential components of an enabling ecosystem—can help health-tech firms grow.

1.4.7 Regulatory Compliance and Governance

The need for tax, labor, and corporation law compliance by startups increases as they expand. Startups that aspire to attract institutional investors and expand must learn to adopt proper governance policies and ethics. Startups that attempt to disregard these requirements will end up struggling with investor confidence and reputation.

Founded: 2013

Founders: Sunil Thomas, Sidharth Malik, Anand Jain

Sector: Customer Lifecycle and Engagement Analytics (SaaS)

Headquarters: Ahmedabad, Gujarat

The CleverTap has been now established as SaaS solution. As CleverTap grew its presence, for them it became pertinent to have their governance and reporting into place. Through proper policies, reporting channels and frameworks they worked well. This helped them to attract venture capitalists and scale their business rapidly.

By being actively compliant with all the regulatory requirements and best practices in governance, CleverTap has managed to attract substantial venture capital investments from investors such as Sequoia, Tiger Global, and Accel, and has become one of the most successful SaaS stories to have emerged from India. The company's proper governance frameworks have not only helped to strengthen investor trust but have also helped the company to retain its

integrity across various markets and regulatory channels, which is a critical prerequisite for sustainable business growth at the enterprise level.

1.5 Summary and Way Forward

This chapter has given a conceptual and contextual background for understanding the concepts of entrepreneurship, startups, and enterprises, with examples on the process of transitioning startups into sustainable enterprises in the Indian and Gujarat. Entrepreneurship has been defined not just as the creation of firms but also an adaptive process of discovering or creating opportunities through identified gaps, mobilization of resources and growth.

The chapter has also established the economic importance of startups in the context of national development. The empirical evidence from DPIIT and macroeconomic digital statistics has reinforced the increasing importance of startups in the Indian economy, while Gujarat has been identified as a leading regional ecosystem with supportive policies, university-industry interactions, incubation facilities, and digital development. The description of government initiatives, academic institutions, incubators, and ecosystem integration has also made it clear that entrepreneurship in Gujarat is not a disconnected event but a systematically facilitated process. The discussion on government initiatives, academic institutions, incubators, and ecosystem synergy has made it clear that entrepreneurship in Gujarat is not a disconnected event but a process that is systematically facilitated.

One of the major takeaways from this chapter is that it has been able to identify and discuss the most important factors that facilitate the transition of startups to enterprises. The chapter has been able to discuss how vision and leadership, capital, product-market fit, team capability, innovation and technology integration, ecosystem, and government regulations are the most important factors that facilitate the transition of startups to enterprises. The chapter has also been able to make it clear that even though startups come from different sectors, the factors that facilitate their transition to enterprises remain the same. The chapter makes it clear that the transition from a startup to an enterprise is a complex process that is affected by both the internal capabilities of entrepreneurs and the external ecosystem that facilitates this process.

Based on this conceptual and contextual foundation, the following chapters of this research work progress from theory to empirical analysis. The next phase of this research work aims to

systematically analyze the determinants that shape the process of startups transitioning into enterprises in Gujarat, as conceptualized in the current chapter. Thus, the identified factors of growth, the current research aims to empirically validate the significance of entrepreneurial orientation, government facilitation, mentorship and incubation, innovation capacity, and governance practices in enterprise transition outcomes.

The findings of this chapter help to conceptualize the research framework, hypothesis development, and selection of variables for empirical analysis. By situating the empirical analysis within the theoretical frameworks and realities of the region, this research work aspires to add significant value to the existing literature on entrepreneurship while providing actionable insights for policymakers, ecosystem developers, and startup entrepreneurs in Gujarat and other emerging regions.

1.6 Statement of the Problem

Startups are said to be crucial for the economic growth of countries due to their ability to create jobs and bring innovative ideas to the table. There have been a lot more startups in India in the last few years. This is because of good government policies, good incubation and mentoring facilities, and more support from institutions. In this context, Gujarat has been named amongst the top states to start a business. This is due to their rich cultural entrepreneurial spirit and supportive ecosystem.

But in this startup-friendly environment, the issue that still needs to be addressed is how to sustain these startups and continue their journey to enterprise. There has been a huge rise in the number of registered and working startups, but most of them don't make it past the first growth stage, and a lot of them close within the first ten years of being in business. So, the success of startups can't just be measured by how many new ones open up. It also has to do with how well they can grow, make money, and stay in business as companies. Startups that successfully transition into enterprises contribute significantly to economic stability, employment sustainability, and industrial development.

The impact of a variety of factors on the functioning and succeeding of startups, such as market availability, readiness to lead, quality of mentorship, institutional support, and capital

availability, has been extensively explored in the literature. However, these factors have been explored mostly in isolation, focusing either on enterprise performance or startup creation. There has been a lack of exploration of the joint effect of internal entrepreneurial competencies and external ecosystem factors on the complex and multifaceted process of startup to enterprise transition.

Moreover, external factors such as demographics, social impact focus, and government support have been explored mostly in isolation as independent drivers or context factors. There has been a lack of empirical research with an integrative and holistic approach, especially when taking into consideration a geographical region like Gujarat. Because of the absence of empirical research, policymakers and people involved in the startup ecosystem are less equipped to develop effective and successful interventions, which ultimately leads to the underutilization of the existing support infrastructure. Keeping in consideration the research gap identified above, the objective is to understand and analyse factors as well as the determinants that impact the successful transition of Gujarati startups into enterprises.

1.7 Need for the Study

Recent developments in entrepreneurial culture and risk-taking mentality, along with the Startup India initiative, have positively impacted the growth of Indian startups, including in Gujarat, which, along with iCreate, GVFL, CIIE.CO, and the SSIP- Student Startup and Innovation Policy, has had the most significant growth. A critical issue remains, however, the rapid growth of startups without a significant proportion of them progressing to a fully developed and mature state. Most startups are able to raise funds, and some performed innovative activity at the beginning; however, some failed to get to the next stage of becoming profitable. These issues are not the most fundamental, such as the lack of innovative ecosystems, poor product market fit, and financial management. Even in the advanced startup ecosystem in India, there are still issues.

In addition, previous research in the academic literature has focused either on sustainable business in general or on the establishment and growth of a new business that is in the early stages of growth; however, little research exists between the journey aspect of startups to enterprise. In particular, when specifically targeting the enterprises in Gujarat, next to none exists.

Before conducting this study, the following reasons were verified: (a) it adds to the critical policy gap in India's new business ecosystem by focusing on the transition from being new businesses to becoming established enterprises; (b) by using Gujarat as an area of focus, this study would add to the literature; and (c) the study results will give information to number of stakeholders i.e. Startup founders, incubators, policy makers and so on involved with new businesses. This will help them identify ways to support new businesses grow.

1.8 Summary of the Chapter

The chapter has set up the theoretical and contextual framework required for understanding the transition of startups to sustainable enterprises with specific connotation to the startup ecosystem in Gujarat. Reviewing views on entrepreneurship, emergence of startups and growth, integrating ecosystem frameworks along with a few examples, this chapter focuses on the journey aspect of startups to enterprise. The problem statement discusses the rationale for the research through the identified a gap in literature. This will assist not only in the literature but also with policy outcomes, especially regarding a holistic and region-specific understanding of startup-to-enterprise transition.

Accordingly, the subsequent chapter presents review on literature on entrepreneurship, the startup lifecycle aspects, entrepreneurial orientation, institutional and ecosystem support mechanisms, innovation and strategic decision making and sustainability-oriented enterprise growth models. The target of this is to systematically survey prior empirical and conceptual studies to uncover dominant constructs, methodological approaches, and unexplored research gaps. Theoretical frameworks will be developed and refined in Chapter 2 using global, national and Gujarat-focused studies. This will help in establishing relationships among key variables. This systematic literature analysis will help to build the theoretical background for the establishment of research objectives, hypotheses, and the conceptual model. This facilitates systematic empirical research on the collective impact of entrepreneurial orientation, institutional support and strategic choices on growth and sustainability of startups in Gujarat.

CHAPTER 2:

REVIEW OF LITERATURE

CHAPTER 2 REVIEW OF LITERATURE

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CHAPTER 2: REVIEW OF LITERATURE

2.1 Introduction

Transformation of startups into enterprises is increasingly acknowledged as a multifaceted phenomenon influenced by internal entrepreneurial competencies and external ecosystem factors; this chapter examines how to formulate the conceptual underpinnings for study.

Based on foundations provided in the previous chapter, here it enhances the exploration of startup-enterprise transformation in Gujarat by comprehending the established theories of Entrepreneurial Orientation (EO), Resource Based View (RBV) and Dynamic Capabilities Theory (DCT). The transition of a startup is a compound process that is impacted by many factors. Changing a business model in order to sustain growth is the most difficult stages in the lifecycle of a business (Kazanjian & Drazin, 1990; Spender, 2014). Despite being recognized as engines of innovation, jobs creators, and instruments of inclusive growth, much less is known about the vital enablers who will help the start-ups evolve into strong, scalable and resilient firms, particularly in emerging economies like India.

Startups are essentially different from traditional businesses in terms of their organizational structure, capital structure, innovation process, and risk tolerance. For their success, it is not only important to focus on the development of the idea and its entry into the market but also on its sustained implementation. Authors such as Schumpeter (1934) have emphasized the importance of entrepreneurship in the process of creative destruction, where new firms disrupt the existing ones through innovation. However, sustaining this innovation in the long run, especially in conditions of resource scarcity, is a significantly more complex process than its initiation (Law, et al., 2018).

Because of the government initiatives such as Startup India, and the inclusion of investors, incubators, and universities, the past decade has witnessed a rise of startups. though, the transition of startups to enterprises have remained on the lower side. Although the number of startups supported by DPIIT are more than 1.5 lakh. The reasons behind this mismatch require a nuanced academic study. Furthermore, whereas numerous studies have examined the startup ecosystem, relatively few have focused on the expansion stage post-startup, particularly from a geographic point of view.

If we consider the scenario in Gujarat, which has a robust entrepreneurial tradition, an evolving industrial policy, and a strong presence of world-class universities such as iCreate, CIIE.CO, GVFL, and EDII, this is even more relevant. In the current time, there has been a drastic increase in startup numbers that have turned unicorns from Gujarat but the state of facing challenges in transitioning to sustainable businesses haven't been discussed. In the transition from startup to business, challenges like limited mentoring capacity, imbalanced funding for transition stages, are common sources of friction.

The integration of theoretical frameworks with practical insights assists in understanding the scenarios better. Researchers such as Venkataraman (1997) and Baron (2007) assist an individual in understanding entrepreneurial aspirations, the exploitation of opportunities, and the evolution of organizations. The elements of venture formation (Bhave, 1994), the scalability components of start-ups (Crocì, 2016), and the dynamics of start-up ecosystems (Biest & Wyss, 2019). Here it is examined from the institutional, behavioral, economic perspectives. The objectives are as follows:

- To examine the theoretical contributions that helps in analysis of the lifecycle of startups;
- To understand the factors that impact growth;
- To analyze the importance of the ecosystem supporters, such as incubators, angel investors, academia, and government initiatives;

Reviewing this, emphasizes the need of doing specific region research to analyze the governmental provision and ecosystem initiatives that can be strengthened further.

2.2 Theoretical foundations

The transition of startups to enterprise is a process that is influenced by traits and capabilities, strategic decision making, as well as ecosystem support. As startups mature to enterprises, the issues that they face are related to scalability, sustainability, and value creation. The research, therefore, employs a multi-theoretical framework to study the startup-to-enterprise transition. The theories described in this section form the conceptual basis for studying entrepreneurial activity, resource management, strategic adaptation, and institutional dynamics in the Gujarat startup ecosystem.

2.2.1 Theory of Innovation by Joseph Schumpeter

Schumpeter's Innovation Theory (1934) establish a relationship between entrepreneurship and economic development. Schumpeter's theory of innovation defined the entrepreneur as a catalyst for 'creative destruction,' where innovations are used to upset existing market structures and establish new economic equilibria. He listed five types of innovation: product innovation, innovation in production methods, innovation through entry into new markets, innovation through entry into sources of supply, and innovation through new organization. In this regard, start-ups, act as key innovation catalysts for economic growth. Building on this, Drucker and Maciariello (2014) suggested that innovation and entrepreneurship are systematic and disciplined processes that are integrated into organizational strategy.

Relevance to the Study: This theory forms the basis for understanding the role of innovation and disruption by Gujarat-based entrepreneurs in the fintech, agritech, and healthtech sectors. The importance of innovation and disruption in determining the success of early-stage ventures is well established by this theory.

2.2.2 Resource-Based View (RBV)

Resource-Based View (RBV) by Wernerfelt (1984) and later re-expanded by Barney (1991), discussed companies get a competitive advantage by leveraging resources that are utilized optimally. These resources include human capital, technological resources, and organizational culture. The RBV theory clearly states that the differences in long-term performance among companies are mainly driven by internal resource differences, rather than external market structures.

Relevance to the Study: The RBV is an important tool for analyzing the role of internal firm strengths, such as founder knowledge, talented and flexible employees, and distinctive technological resources, in the scalability and long-term performance of startups. In the Gujarat startup environment, incubated startups make use of such internal strengths to carve a niche for themselves in competitive markets and help them grow from early-stage startups to mature companies.

Entrepreneurial Orientation (EO), a term introduced by Lumpkin and Dess (1996), is a firm-level strategy that captures the organizational approach to entrepreneurial actions. EO includes key dimensions like

innovativeness, risk-taking, and proactiveness, which together define the organizational approach to opportunity discovery and competitive strategy to position themselves better. Subsequent theories on EO given by Wiklund & Shepherd (2003); Rauch et al. (2009) and Anderson et al. (2015) discuss relationship of the above-mentioned traits to EO. EO represents the strategic intensity of a startup in assessing and exploring new opportunities in uncertain environments. Organizations that score high on EO are likely to test new ideas, invest in uncertain projects, and proactively predict market trends rather than respond to them. Therefore, EO is more than a personal trait of an entrepreneur and is a firm-level construct that is ingrained in the decision-making processes and organizational culture of an organization.

Relevance to the Study: Entrepreneurial Orientation is important during the initial and development phases of a startup's life cycle. Startups with high EO are expected to enter opportunity-based markets, offer innovative solutions for existing problems, and make strategic changes whenever necessary. Such actions increase the scalability and feasibility of a startup. In the context of the Gujarat startup ecosystem, Entrepreneurial Orientation is a significant determinant that influences the transition of startups into sustainable businesses. The variable is relevant to this study that aims to examine the significance of innovativeness, proactiveness, risk-taking in facilitating enterprise-level growth.

2.2.4 Dynamic Capabilities Theory (DCT)

Dynamic Capabilities Theory (DCT), as proposed by Teece, Pisano, and Shuen (1997), states significance of firm to integrate both internal as well as external competencies to adjust to changes in the environment. DCT emphasizes processes that assists firms in adapting and innovating their resources to utilize them better. The theory emphasizes three points: assessing opportunities and threats, creating strategic action to exploit opportunities and change organizational resources and three key managerial capabilities: sensing opportunities and threats, exploiting opportunities through strategic actions, and transforming or reconfiguring organizational assets to stay relevant in the dynamic market. In this context, competitive advantage is not only obtained from resource ownership but from the ability of the firm to constantly realign its capabilities with environmental changes. To complement this view,

Bygrave and Hofer (1992) proposed the concept of entrepreneurship as a dynamic process that involves the search for opportunities without regard to resources currently controlled, thus further emphasizing the processual nature of entrepreneurship. To further extend the RBV theory, Helfat and Peteraf (2003) proposed the concept of capability lifecycles, suggesting that organizational capabilities develop, mature, and in some cases, deteriorate over time, requiring strategic transformation.

Relevance to the Study: Dynamic Capabilities Theory is suitable for the startup to enterprise process. As startups in Gujarat grow, they need to adapt their offerings, processes, and business models to stay ahead in an environment that is marked by technological evolution, government regulations, and consumer behavior. The evolution of dynamic capabilities helps startups overcome environmental uncertainty and stay on the path of growth. Therefore, this theory is a robust conceptual framework to study the impact of adaptability, learning orientation, and dynamic capabilities on the startup to enterprise process in the Gujarat entrepreneurial ecosystem.

2.2.5 Stage-Based Growth and Transition Models

Stage-based theories of growth offer a systematic way of understanding the development of ventures over time. Kazanjian and Drazin (1990) developed a stage-contingent model for growth for tech-based ventures, which described the various stages of development, including concept development, commercialization, growth, and stabilization. According to this model, every stage of development is characterized by unique organizational problems, which demand different skills and approaches from managers. The basic assumption of stage-based theories is that organizational growth is not linear but dependent on the changing internal and external requirements. As ventures mature from the initial stages of development to expansion and stabilization, there is a corresponding need for changes in leadership, management, processes, and strategic orientation. The basic assumption of stage-based theories is that success in one stage does not necessarily translate into success in subsequent stages unless the venture changes its structure and governance in accordance with its new requirements.

Relevance to the Study: Stage-based models of growth are highly relevant to the transition process from a startup to an enterprise because these models understand that challenges, constraints, and drivers of growth change from one stage of development to another. The factors that determine the survival of startups in the early stages of development, like

innovation and opportunity identification, may not be the same as those needed for scaling up, formalization, and sustainability. In the context of the Gujarat startup ecosystem, startups face numerous transition points, such as product-market validation, funding, team building, government regulation, and market scaling. This paradigm supports the relevance of the study to investigate various factors such as leadership orientation, innovation capacity, awareness of government support, mentorship, and resource strength during the transition process.

2.2.6 Entrepreneurial Cognition and Behavioral Models

Along with the structural and resource-based views, the transition from a startup to an enterprise is also affected by how entrepreneurs' cognitive skills are and how they act upon it. Baron (2007) states that entrepreneurial cognition is essential in influencing how entrepreneurs process information, identify opportunities, and respond to uncertainties in environment. Entrepreneurs utilise cognitive abilities, prior experience and knowledge in dynamic environments. 00

Krueger (2000) explained the disparity between entrepreneurial intention and actual entrepreneurial behaviour. A lot of entrepreneur's vision is to start a business but very few transition it to an enterprise. The self-belief along with cognitive thinking helps in achieving that. Entrepreneurial behaviour comprises of psychological orientation, cognitive framing, and how adaptable the entrepreneur is.

Table 2.1 Major contributors towards theories of entrepreneurship

Theory	Major contributors	References
Trait Theory	David McClelland (1961): "Need for Achievement" Julian Rotter (1966): Introduced the "Locus of Control"	McClelland, D. C. (1961); Rotter, J. B. (1966).
Opportunity recognition	Israel Kirzner (1973): He introduced "Entrepreneurial Alertness" Saras Sarasvathy (2001): Theory of Effectuation suggests entrepreneurs create opportunities through action rather than just finding them.	Kirzner, I. M. (1973); Sarasvathy, S. D. (2001); Gilad, B., & Levine, P. (1986).

	Gilad and Levine (1986): Categorized "Push" (necessity, unemployment) vs. "Pull" (independence, wealth) factors.	
Risk theory	Frank Knight (1921): distinguished between "insurable risk" (calculable) and "true uncertainty" (the entrepreneur's domain)] Richard Cantillon (1755): Entrepreneur=risk taker	Knight, F. H. (1921); Cantillon, R. (1755).
Dynamic theory	John Bates Clark (1899). He identified five dynamic changes (population, capital, methods, tastes, organization) that create profit opportunities. Joseph Schumpeter (1934). He introduced "Creative Destruction," where the "dynamic entrepreneur" disrupts the status quo to move the economy to a higher level.	Clark, J. B. (1899). Schumpeter, J. A. (1934).
Multidisciplinary	Peter Drucker	Drucker, P. F. (1985)

2.2.7 Literature-Objective Alignment

The table below showcases how key constructs fit with the research's objective:

Table 2.2: Theoretical Frameworks- Objectives of research

Conceptual Foundation	Variables	Objectives of research
Resource-Based View (RBV)	Internal core capabilities	Objective 1
Entrepreneurial Orientation (EO)	Risk-taking, innovativeness, proactiveness	Objectives 1 & 3
Dynamic Capabilities Theory	Adaptability, strategy orientation	Objectives 1 & 3:
Ecosystem Theory	Institutional support	Objective 2

Stage-Based Growth Models	Phased business development	Objective 3
Behavioral Models	Cognition, leadership traits	Objective 4

Source: created by author

After reviewing the theoretical foundations, the next section delves into the core ideas that are crucial to the journey from startup to enterprise. These constructs are contextualized to confirm their significance within the Gujarat startup ecosystem.

2.3 Conceptual and Construct Review

The above-mentioned conceptual theories' practical significance is evident when the application is seen in Gujarat's startup ecosystem with its dynamic nature. Schumpeter's (1934) emphasis on innovation strongly agrees with the state's increasing focus on technological advancement in sectors such as agricultural technology, healthcare technology, and sustainable energy. The RBV is evident in how university-based incubators such as CIIE.CO and GUSEC work. These incubators help startups by improving their internal skills through mentoring, access to proprietary knowledge, and skilled workers. Entrepreneurial Orientation (EO) manifests in the proactive and risk-taking behaviours historically ingrained in Gujarat's enterprise culture. Similarly, dynamic capabilities theory and stage-based growth models offer an organized perspective for comprehending the changing strategic, administrative, and financial difficulties that startups face as they grow.

These theories showcase distinctive dimensions of entrepreneurial growth—through innovation, utilization of internal resources, strategic plans, adaptability and stages of their lifecycle progression. But these theories collectively offer a multi-dimensional framework that helps in understanding the transition of startup to enterprise. In a place like Gujarat, where the government is actively helping, there are good institutions in place, and a lot of people have experience starting their own businesses, using all these theories together helps us get a deeper understanding of how ventures develop and grow. These models go beyond just ideas and actually help us understand how well startups line up with what they want to do, the support they get, and how they respond to the market.

This integrated perspective provides a deeper exploration of how these constructs from these theories operate. Accordingly, the subsequent sections explore the key concepts and

determinants that explore the transformation of startups into sustainable enterprises. By this, they provide a structural examination of entrepreneurship.

2.3.1 Entrepreneurship and Startups

So, what makes a startup a startup? According to DPIIT, a startup is an organization that has been into existence for less than 10 years. It can be structured as a Private Limited Company, a Limited Liability Partnership (LLP), or a registered Partnership Firm. In terms of aspects of finance, is that it shouldn't have crossed more than ₹100 crore in sales since its inception. The startup should be formed with the purpose of new or revamped products, processes or services. These set of rules help define what a startup is.

Entrepreneurship, defined by Shane & Venkataraman (2000), it is the strategic process of discovering and analysing opportunities to introduce innovative products or services. Startups, unlike the traditional small business that rely on stability, are known for their disruption attitude. This means that they are innovation-driven, efficient operation oriented and work on maximum utilization of resources in ever-growing environments (Blank, 2010; Spender et al., 2014).

The startup journey is typically progresses through the following key stages:

- Ideation stage, here opportunities are identified and conceptualization of solutions takes place;
- Validation stage, here early market testing takes place with the finalised solutions;
- Growth stage, here customer acquisition and revenue expansion, and scaling takes place; and
- Maturity or Exit stage, here there exists large-scale expansion, or an initial public offering (IPO).

Each stage demands responsiveness, effective resource management, and leadership at its best. Hence, the transition from startup to enterprise is a dynamic, multi-stage process. It requires not just internal capabilities but external assistance as well such as structured governance, and ecosystem alignment.

In Gujarat, there has been a rise in number of startups and entrepreneurship making it one of the top states in India to start a business. The cumulative increment in the number of DPIIT-approved startups in the state proves that there is some sort of ecosystem existing. It comprises

of environmental policies, infrastructure as well as some sort of assistance in the form of mentorship through incubators. This shows that the state has a startup ecosystem but some scope of making it healthier exists.

2.3.2 Startup to Enterprise Transition

The transition from startup to enterprise represents a developmental scenario. It represents a stage where ventures evolve from experimental stage of surviving to structure-driven stage which works towards process alignment and scalability. They also have their business models in place (Kazanjian & Drazin, 1990). This isn't just revenue expansion, but operational stability and sustainability and value enhancement for all the key stakeholders.

As ventures move towards maturity, the focus shifts from just exploration of opportunity to gradually moves from opportunity exploration to 3Gs- Governance, growth and grit.

The following are analysed as Principal Constructs in entrepreneurship:

- Growth: Growth emphasises on improvements along with size increments, improvements in internal process. It involves startup's ability to scale its operations, increase its human talents and synergize processes (Baron, 2007).
- Sustainability: This refers to organization's capacity to maintain long-term operations. This is possible through increase in financials by efficient revenue models, effective human capabilities, retention of these talents, adaptability in organization's nature.
- Enterprise Maturity: Enterprise maturity is marked by the establishment of governance frameworks, adherence to regulations, strategic planning, and organisational flexibility, allowing companies to maintain a competitive edge in ever-changing settings (Teece et al., 1997).

Despite potential growth, the transition phase is often filled with its own challenges. Leadership bottlenecks, poor product-market fit, ecosystem limitations, and problems getting timely financial resources exist. These challenges highlight how difficult it is to go from exploring new business ideas to transitioning to an enterprise level.

2.3.3 Startup Ecosystem Enablers

Startup India initiative defines organizations can get recognized as “Startups by DPIIT” if they meet these criteria:

- *Company Age*- The period of existence and operations should not exceed 10 years from the date of incorporation.
- *Company Type*- Incorporated as a Private Limited Company, a Registered Partnership Firm, or a Limited Liability Partnership
- *Annual Turnover*- Should have an annual turnover not exceeding Rs. 100 crores for any of the financial years since its incorporation.
- *Original Entity*-An entity should not have been formed by splitting up or reconstructing an already existing business.
- *Innovative & Scalable*- Should work towards development or improvement of a product, process, or service and/or have a scalable business model with high potential for the creation of wealth and employment (Startup India).

This program by the Indian Government, which started on January 16, 2016, has become an important policy medium for creating an ecosystem for entrepreneurs. One of the main sections of this policy is Section 80-IAC, which gives startups a three-year break from paying income tax. It also set up a ₹10,000 crores Fund of Funds, which is run through list o, to encourage venture capitalists to invest in startups through Alternative Investment Funds (AIFs).

Additionally, the program makes it easier to follow the rules by letting people self-certify under six labor laws and three environmental laws. The other programs in this scheme also include encouragement of entrepreneurship among SC/ST and women entrepreneurs. Other programs include the Startup India Seed Fund Scheme (SISFS) and the Credit Guarantee Scheme for Startups (CGSS) which work towards lower barriers, make it easier to get funding, and create innovation in all areas and sectors.

2.3.4 Gujarat-related Policies

Gujarat has made its business environment fit with the national Startup India vision. It has done this by making policy changes that fit the needs of the region, example, the Student Startup and Innovation Policy (SSIP). These policies give startups a lot of different kinds of financial and developmental help. Some important parts are an interest subsidy of up to 3 years up to ₹4

lakhs per year, which is roughly 8% per year, grants for developing and scaling up prototypes of up to ₹30 lakhs, and extra funding of up to ₹10 lakhs for projects that have a social impact. Startups that meet the requirements may also get monthly support payments of ₹20,000 to ₹25,000 to assist in the starting phase of business.

Gujarat's IT/ITeS Policy (2022–2027) aims to boost the state's digital economy by encouraging technology-driven entrepreneurship. This is in addition to the other initiatives. The policy's goals are to create more than 100k jobs and IT exports rose to 25,000 crores by putting money into digital infrastructure, supporting innovation which is AI-based, setting up office and building tech jobs.

Policy Adoption and Implementation

Gujarat has become one of the top states in India's startup ecosystem. The number of DPIIT-recognised startups as of 2025 are 13,053. This makes

This makes the state one of the top five startup hubs in the country. Even though institutional platforms like SSIP (Gujarat) and i-Hub have discussed about incubation and grant policies, there is still not enough information about how these grants, subsidies and funding are being distributed and used.

This implementation gap determines the significance of field validation. This along with stakeholder engagement emphasises the necessity for investigation as how these policy supports encourages outcomes in practice through the current study.

2.3.5 Incubation Ecosystem in Gujarat

Major Incubators and Innovation Centres

In the past literatures, it has been mentioned that seed accelerators and incubation programs play a huge role in facilitating entrepreneurial ecosystems. This is done through mentorship, early-stage funding and assistance in structural development that increases the chances of survival and scalability (Cohen and Hochberg, 2014). With this perspective in line, Gujarat is said to have developed an incubation ecosystem that is supported by academic institutions as well as government initiatives.

Among the incubators the widely recognized one in Gujarat is CIIE.CO at the Indian Institute of Management Ahmedabad. They have approximately assisted 1000 startups. The Gujarat

University Startup and Entrepreneurship Council (GUSEC) has incubated roughly over 300 startups.

The Atal Incubation Centre – Gujarat Industrial and Startup Collaboration (AIC-GISC) at Gujarat Technological University (GTU) functions with the help from the Atal Innovation Mission and they assist with entrepreneurs who have their startups in the sector of technology. i-Hub Gujarat, which is another initiative, provides incubation support to over 500 startups. They offer assistance with mentorship, intellectual property rights (IPR), networking and inventorships. Moreover, there are various other incubators in the state that strengthen the innovation infrastructure in the state by their diversity into various sectors and their outreach. These incubation centers play a critical role in nurturing startups. Their assistance for capacity building, financial support, and ecosystem building, contributes to the objective of transforming early-stage ventures into sustainable enterprises in the state of Gujarat.

2.3.6 University and Technology Business Incubators Linkages

Under SSIP, university-based incubators in Gujarat have changed into Specialised Institutes. These connections make it easy for academic research to become commercially viable.

Core University Incubator cells:

- Nirma University (AIC-Nirma): Industrial Automation and Sustainable Engineering.
- DA-IICT (CEP): Specializes in designing.
- Marwadi University (Rajkot) and Swarnim Startup University (Ahmedabad): These institutions provide "Degree with Startup" that allows students to earn academic score as well as supports them for seed funding.
- GLS University: Supports EdTech and Fintech ventures.

2.3.7 Networking, Events & Ecosystem Activities

The 2024–2025 was defined by a shift to major summits held in Gujarat. These events served the purpose of connecting research to venture capitalists, from idea generation to action.

The following are some noteworthy events that were held in the state:

1. Flagship Government and State Summits:

- Vibrant Gujarat Global Summit (January 2024):
 - Theme: "Gateway to the Future."
 - Impact: It was massively an investment event, but it also had a dedicated feature to "Startup Conclave." This focused-on technology driven key points such as Green Hydrogen, and Semiconductors.
- Startup Conclave & Exhibition (September 2025):
 - Venue: Gandhinagar.
 - Impact: It celebrated Gujarat's position as the "Best Performer" for four consecutive years. It also highlighted the growth of the state's 16,000+ startups in these four years.
- Bharat Startup Summit – Gujarat Edition (2025):
 - Focus: Bridging the gap between "India" and "Bharat" (focusing on tier-2 and 3 cities).

2. Specialized & Regional Networking Events:

- Vejalpur Startup Festival 2.0 (March 2025): It was community-driven that provided a platform for over 1,000 grassroots startups to pitch their ideas and startups to national investors.
- Surat Startup Summit (October, 2025): This event was organized by the Southern Gujarat Chamber of Commerce (SGCCI). It focused on Business Automation and Textile-Tech which reflected the industrial strength that reflects Surat's true state.

Table 2.3 Updated list of startup count in Gujarat as on 1st June 2024

Startup Sector	Startup Count
Analytics	13
Advertising	12
Architecture Interior Design	24
AR VR (Augmented + Virtual Reality)	11
Automotive	90
Art & Photography	13

Animation	2
Chemicals	108
Computer Vision	1
Telecommunication & Networking	19
Construction	244
Agriculture	249
Aeronautics Aerospace & Defense	22
AI	38
Green Technology	75
Events	13
Fashion	117
Finance Technology	94
Enterprise Software	37
Food & Beverages	184
Design	14
Dating Matrimonial	2
Education	95
Renewable Energy	153
Technology Hardware	194
Healthcare & Lifesciences	321
Internet of Things	19
IT Services	287
Human Resources	38
Marketing	47
Nanotechnology	6
Non- Renewable Energy	31
Pets & Animals	5
Media & Entertainment	23
Retail	55
House-Hold Services	26
Professional & Commercial Services	247
Sports	10

Social Impact	10
Social Network	2
Textiles & Apparel	135
Indic Language Startups	13
Transportation & Storage	62
Logistics	24
Travel & Tourism	52
Security Solutions	21
Real Estate	28
Other Specialty Retailers	52
Safety	16
Robotics	11
Biotechnology	15
Waste Management	48
Toys and Games	16

Source: SII. (n.d.).

An ecosystem consists varied people—including key stakeholders (entrepreneurs, investors, institutions, mentors) that drive growth of the company (Isenberg, 2011). These stakeholders play a crucial role in the transition from startup to business.

2.3.8 Key Ecosystem Components

As of December 2024, Gujarat’s startup ecosystem has evolved significantly. A shift has been noticed towards sector-specific focus and institutional support.

- **Incubators and Accelerators:** These entities assist with the foundational infrastructure required for product development. Along with the mentorship, focus now is pitching for investment. Key hubs like iCreate, IIMA Ventures (formerly CIIE.CO), and i-Hub continue to serve as the pillars of the ecosystem.
- **Government Policies:** The Gujarat IT/ITeS Policy (2022–27) is central but has undergone an updating which now focuses on Deep Tech (Artificial Intelligence, Blockchain and so on). The policy landscape has also become more sophisticated that aims at attracting global centres for incentives.

- **Academic and Institutional Support:** Institutions like GTU and Saurashtra University have deeply integrated SSIP 2.0, turning universities into primary assistance centres. Turning these universities has bridged the gap between academic research and viability through PoC (Proof of Concept). This also leads to students scoring grants as well as training opportunities.
- **Investor Networks:** Due to the building of this ecosystem, it has seen a consolidation of channels for funding. Along with state-level funding institutes such as the Gujarat Young Entrepreneurs Venture Fund (managed by GVFL), there is an increasing in number of private angel networks and venture capital firms.

Table 2.4 Year-on-year growth in startups:

Specialization area	Startups in 2024	% Increase since 2024
AI	38	1800
AR VR (Augmented + Virtual Reality)	11	267
Advertising	12	1100
Aeronautics Aerospace & Defense	22	2100
Agriculture	249	1815
Analytics	13	1200
Animation	2	100
Architecture Interior Design	24	1100
Art & Photography	13	1200
Automotive	90	2900
Biotechnology	15	150
Chemicals	108	2060
Computer Vision	1	0
Construction	244	2340
Dating Matrimonial	2	100
Design	14	600
Education	95	428

Enterprise Software	37	517
Events	13	1200
Fashion	117	3800
Finance Technology	94	1075
Food & Beverages	184	1944
Green Technology	75	733
Healthcare & Lifesciences	321	15950
House-Hold Services	26	1200
Human Resources	38	1167
IT Services	287	925
Indic Language Startups	13	550
Internet of Things	19	280
Logistics	24	167
Marketing	47	2250
Media & Entertainment	23	475
Nanotechnology	6	500
Non- Renewable Energy	31	3000
Other Specialty Retailers	52	2500
Pets & Animals	5	400
Professional & Commercial Services	247	2370
Real Estate	28	2700
Renewable Energy	153	15200
Retail	55	817
Robotics	11	120
Safety	16	700
Security Solutions	21	320
Social Impact	10	233
Social Network	2	0
Sports	10	233
Technology Hardware	194	1193

Telecommunication & Networking	19	1800
Textiles & Apparel	135	13400
Toys and Games	16	33
Transportation & Storage	62	786
Travel & Tourism	52	2500
Waste Management	48	4700

Source: Initial data: Startup India Initiative. (n.d.).

2.3.9 State and Sectoral Policies

Gujarat's policy landscape as of December 2024 has transitioned from generalist support to a highly specialized, "Vikas" oriented framework. The alignment between state incentives and national goals like Atmanirbhar Bharat has created a structured support system for innovators.

Core Policy Pillars (as of 2025):

- **Gujarat State Startup Policy:** This policy offers a three-year, 8% annual interest subsidy to qualified startups and a monthly sustenance allowance of ₹20,000 (upto ₹25,000 for startups led by women). It also provides seed support of up to ₹30 lakh for product development and marketing.
- **IT/ITeS Policy (2022–2027):** This policy specifically assists digital ventures providing CAPEX subsidies of 25% and OPEX support of 15%. A unique aspect is the co-working rental reimbursement for the first two years.
- **Student Startup & Innovation Policy (SSIP 2.0):** Active until 2027, this policy has scaled its outreach to 50 lakh students. It provides grants for Proof of Concept (PoC) for school level and university level projects.

Table 2.5 Startup benefits from Policy/Scheme

Policy / Scheme	Startup benefits
Gujarat State Startup Policy	Offers interest subsidy up to 8% for a period of three years on loans from banks.

Gujarat Industrial Policy 2020	Emphasizes Research and Development while giving money and help to new businesses during their early stages.
Scheme for Incubator & Startup Assistance (2016–21)	Gives targeted funding to startup incubators and companies, mainly in the biotechnology, IT, and electronics industries.
IT/ITeS Policy 2022–27	Includes capital and operational subsidies, access to co-working infrastructure, AI-focused skill development programs, and employment generation incentives.
i-Hub (SSIP initiative)	Facilitates large-scale incubation infrastructure, mentorship support, and connections to seed funding opportunities for startups.
SpaceTech Policy	Provides financial incentives such as subsidies for satellite manufacturing and reimbursement support for patent-related expenses.

Source: Startup India (<https://www.startupindia.gov.in/content/sih/en/state-startup-policies/Gujarat-state-policy.html>)

Despite the state receiving the "Best Performer" ranking from the DPIIT in 2025, there remains an implementation gap between the intent of policy and grassroots reality.

Gujarat's sectoral policies for 2022–2027 offer a diverse and high-impact range of fiscal incentives that provide significant advantages depending on the startup's core technology. The IT/ITeS Policy is particularly aggressive in its digital-first approach, offering 25% CAPEX support up to ₹50 crore (increasing to ₹200 crore for mega projects) and a unique 15% OPEX subsidy to manage ongoing operational costs. In comparison, the Biotechnology Policy focuses on long-gestation R&D by providing capital subsidies up to ₹35 lakh and specialized interest subsidies for service enterprises of up to 7% for seven years. Together, these policies create a support system where early-stage startups can benefit from various cost-cutting benefits and move to the path of suitability.

The current ecosystem is highly effective at the Ideation (PoC) stage via SSIP and i-Hub. To facilitate the transition from proof of concept or ideation to sustainability, Gujarat is moving toward an evidence-based strategy to ensure rural innovators do not go underserved.

Collectively, these pillars establish a transition of early-stage ventures into sustainable firms. Within Gujarat's entrepreneurial environment, this ecosystem created a synergy between institutional rigor and policy-driven capital serves as the primary catalyst for scaling localized innovation into long-term market viability.

While these state-led fiscal incentives provide the necessary capital for early-stage survival, the long-term sustainability of firms is increasingly being measured by standards beyond financial liquidity. The evolution of Gujarat's policy framework from general support to sector-specific missions—such as the SpaceTech and Semiconductor policies—parallels a global shift in venture assessment. As these startups transition into enterprises, the focus shifts from accessing state subsidies to aligning with financial and non-financial performance metrics. This transition also marks the entry of these newly turned enterprises into broader where Environmental, Social, and Governance (ESG) considerations act as the benchmarks for global market integration.

2.3.10 Critical Reflections (Sustainability and ESG/SDG Dimensions)

Post-pandemic research indicates that ventures are working towards green growth and social responsibility. This shift is connected to the Sustainable Development Goals (SDGs), that serve as a global benchmark for entrepreneurial ecosystems in their global contributions towards sustainability. In particular, this study connects with the following:

SDG 8 (Decent Work and Economic Growth): Emphasizes that policy frameworks encouraging entrepreneurship, innovation, and the growth of MSMEs. The Gujarat ecosystem reflects an excellent case that proves as to how regional policies support the transition of ventures from startups to enterprises. **SDG 9 (Industry, Innovation, and Infrastructure):** highlights the importance of financial access and technological development, which promotes the domestic innovation capacity in the state. Gujarat's varied ecosystem with 150+ incubators and institutional infrastructure reflect how regional innovation systems can contribute to building sustainable enterprises.

According to surveys from FICCI (2022) and NASSCOM (2023), sustainability-focused companies in India have an advantage when it comes to getting impact investors and long-term institutional finance. In Gujarat, this ESG imperative has evolved from advocacy to implementation through institutional specialisation, shown by iCreate's cleantech initiatives concentrating on EV infrastructure and GUSEC's endorsement of social entrepreneurs. These thoughts lead me to believe that an ESG focus is now an important part of the process of going from a startup to a business. In Gujarat's present economy, a business must mix traditional Entrepreneurial Orientation (EO) with resource capabilities that take into account the effects on the environment and society in order to be successful in the long run.

2.4 Analysis of Empirical Studies

Classical frameworks offer basic insights, but modern research emphasises the evolving dynamics of startup development, particularly within resource-limited contexts. For example, George et al. (2012) states that growth problems in developing countries are caused more by institutional gaps, like unclear regulatory compliance or fragmented funding networks, rather than by market demand. Rathi and Wilson (2025), state that Tier-2 and Tier-3 cities suggests that access to financial resources and mentor networks is still largely skewed toward metropolitan regions. This makes it hard for all regional ecosystems to flourish fairly. Ghosh et al. (2025) also look at the world after COVID-19 and find that businesses with flexible business models and a wide range of suppliers were more likely to survive or make a successful pivot. These new ideas make it clear how important it is to keep going on the transformation road with adaptive capability, dispersed mentorship, and improvements to the startup-government interaction. Adding these not only makes the review more up-to-date, but it also puts the argument in the context of India's post-pandemic startup conversation.

2.4.1 Global Studies

International scholarship offers an in-depth comprehension of the evolution from startup to established firm, especially within mature innovation ecosystems like Silicon Valley, European startup clusters, and East Asian countries. Kazanjian and Drazin's (1990) early study show that successful scaling needs both internal capabilities, such clear leadership, disciplined processes, and good team chemistry, and external enablers, including access to markets and venture funding. In the same way, Clarysse et al. (2011) show that organised incubation and strong ties between universities and businesses help academic spin-offs a lot by improving innovation results and speeding up growth trajectories.

Spender (2014) contends that sustained enterprise development necessitates a shift from the experimenting with business models to the creation of repeatable and scalable operational systems. OECD (2020) data shows that enterprises that receive incubation support have higher survival rates over a five- to seven-year period than those that do not receive such support.

Recent additions augment these core insights. The OECD SME Outlook (2023) says that small businesses have been hit harder by post-pandemic conditions such rising prices, lack of funding, and a lack of skilled workers. This makes it harder for them to grow than to enter the

market. Modern research underscores the essential function of incubation processes, specifically organised mentoring and resource-access, in enhancing long-term venture sustainability.

2.4.2 National-Level Research

Most national-level research on India's startup ecosystem looks at the big picture results such as economic growth or job creation, and the influence of major policies like Startup India, Atmanirbhar Bharat, and Digital India. The NASSCOM Startup Report (2023) talks about the results delivered such as more than 1,300 technology businesses started in 2022. This rise shows that policies are aimed at encouraging the establishment of new businesses.

But research shows that there is an increasing gap between starting a business and sustaining it. According to studies by KPMG (2020) and DPIIT (2024), policy changes help with early-stage growth, but if there are structural problems like lack of mentoring ecosystems, inconsistent funding cycles make it hard for businesses to grow. FICCI (2022) talks about the need for ongoing support for research and development, preparation for exports, and better innovation skills to make sure that businesses can stay competitive. The CII (2023) report adds to these findings by saying that entrepreneurs in Tier-2 and Tier-3 cities face issues regarding to awareness programs and fully benefiting from government programs. This makes spatial inequities in the national ecosystem even worse.

Even while there is a lot of national literature, there is still a big gap: most studies look at startup creation metrics and funding patterns instead of the processes that help businesses grow from early traction to enterprise-level maturity. Recent evidence somewhat mitigates this restriction. The NASSCOM Tech entrepreneurs Landscape (2023–24) shows that Indian entrepreneurs, especially in SaaS, fintech, and edtech, have been able to stay strong even when funding has slowed down. They have done this by focusing on operational efficiency and product-market fit. Quantitative research at the firm level further confirm that entrepreneurial orientation is a strong predictor of startup success, underscoring the relevance of internal strategic competences in conjunction with external policy assistance.

When looked at as a whole, research at the national level shows that India's policy ecosystem has been good at encouraging entrepreneurship, but not enough has been done to figure out how startups may turn into long-term businesses.

2.4.3 Regional Studies: The Gujarat Ecosystem

The Gujarat startup ecosystem has seen transformation in the current years. According to DPIIT National Startup Rankings, Gujarat has maintained its "Best Performer" status for four consecutive years. As of 2025, the number of recognized startups is 16,700+. This expansion is a result of culmination of 210 incubators and nodal institutes within various cities in Gujarat. Ahmedabad being the primary hubs then followed by growing base in Surat, Vadodara, and Rajkot.

The Student Startup and Innovation Policy (SSIP) have been a major driver for this growth. By 2025, the policy had given financial support of over ₹32 crore towards Proof of Concept (PoC) and prototype startups. This type of backing has resulted in the support innovations and patent filing in huge numbers. Moreover, the ecosystem has become increasingly inclusive in terms of gender reflecting a stronger emphasis on gender diversity. Financial infrastructure in the region has also matured to address the "Valley of Death" between early-stage ideation and Series A funding. i-Hub reported that its resident startups successfully leveraged state support to secure over ₹416 crore in private venture capital by December 2025. Additionally, the Startup Support Schemes have provided high-potential ventures transition working towards sustainability.

Although Gujarat excels in startup formation and initial survival rates, it is devoid of a native "Unicorn," highlighting a deficiency in the progression stage. Contemporary literature indicates that although familial business backgrounds offer a safeguard for continuity, there is an urgent want for more extensive research on Entrepreneurial Orientation (EO) and awareness of government schemes. These characteristics are crucial for comprehending why numerous Gujarat-based corporations continue to be regional leaders instead of achieving worldwide supremacy.

This section summarizes research studies from national and Gujarat-specific resources that you can compare. This table shows what they looked at, how they did it, what they found, and what other study they should have done, especially on how startups have changed in Gujarat.

Table 2.6 Comparative evaluation of empirical evidence

Source	Area of focus	Key Findings	Gaps identified
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NASSCOM	IT startups and trends in the industry	India is 2nd globally in GenAI startups; 2025 saw a shift from SaaS to AI-led industrial automation. Generalizes "Tier-2" growth; lacks specific breakdown of Gujarat's IT-Manufacturing synergy.	India is 2nd globally in GenAI startups; 2025 saw a shift from SaaS to AI-led industrial automation. Generalizes "Tier-2" growth; lacks specific breakdown of Gujarat's IT-Manufacturing synergy.
KPMG	Startup ecosystem structure	Focus on "Path to Profitability"; 2025 reports emphasize IPO readiness over "Unicorn" status. National perspective; ignores the "familial business culture" impact on scaling in Gujarat.	Focus on "Path to Profitability"; 2025 reports emphasize IPO readiness over "Unicorn" status. National perspective; ignores the "familial business culture" impact on scaling in Gujarat.
ICRIER	Tech adoption and regional disparity	Connectivity in Tier-2/3 cities has improved, but specialized DeepTech talent remains concentrated. Lacks longitudinal tracking of how Gujarat's SSIP beneficiaries fare 5 years post-funding.	Connectivity in Tier-2/3 cities has improved, but specialized DeepTech talent remains concentrated. Lacks longitudinal tracking of how Gujarat's SSIP beneficiaries fare 5 years post-funding.
i-Hub Gujarat Reports	Incubation outcomes in Gujarat	16,700+ startups; high success in PoC and Patent filings (₹32cr+ disbursed by 2025). High volume at entry/ideation; lacks data on "Growth-stage" conversion to global enterprises.	16,700+ startups; high success in PoC and Patent filings (₹32cr+ disbursed by 2025). High volume at entry/ideation; lacks data on "Growth-stage" conversion to global enterprises.
CED Gujarat	Regional sectoral strength	Dominance in Green Hydrogen, Semiconductors,	Dominance in Green Hydrogen, Semiconductors, and EV supply

		and EV supply chains (Dholera/GIFT City focus). Lacks a study on "Startup-to-Enterprise" conversion within these high-capex sectors.	chains (Dholera/GIFT City focus). Lacks a study on "Startup-to-Enterprise" conversion within these high-capex sectors.
GVFL Reports	Early-stage investment patterns	Surge in seed-stage deployment; private VC leveraged by Dec 2025. Limited "Series B" and "Series C" local funding; startups still migrate to Bengaluru for late-stage capital.	Surge in seed-stage deployment; private VC leveraged by Dec 2025. Limited "Series B" and "Series C" local funding; startups still migrate to Bengaluru for late-stage capital.

Source: Nasscom, KPMG, ICRIER, ihub, CRED

Contemporary research frequently regards startup ecosystems as merely mechanical entities, emphasising the quantity of incubators or the volume of allocated subsidies. Nevertheless, as demonstrated by the i-Hub and GVFL statistics until December 2025, a strange "progression gap" exists: despite unprecedented patent filings and seed-stage achievements, the shift to global-scale firms is languid. An examination of empirical studies across various national and regional contexts indicates a continual emphasis on external success factors such as financial accessibility and physical infrastructure. Yet, a significant literature gap exists regarding the internal psychological and strategic drivers within Gujarat's unique socio-economic fabric. Specifically, the interaction between Policy Awareness (knowing how to leverage state schemes beyond the ideation phase) and Entrepreneurial Orientation (the proactiveness and risk-taking required to move beyond a "regional leader" status) remains unaddressed. This study fills that void by providing a contextualized paradigm that examines how these internal capabilities allow a venture to survive the "Valley of Death" and achieve long-term enterprise maturity.

2.4.4 Gujarat v/s other states

Gujarat has been ranked as a "Best Performer" in the Nation-wide ranking of startup consistently. However, its ecosystem could take lessons from other states. For example, Karnataka and Maharashtra are known for having a lot of technology and IT-based startups. This is because they have a lot of venture capital networks and research and development institutions. Unlike Bengaluru or Hyderabad, Gujarat's startup community still has trouble on follow-ups on funding and capturing the right target market. This differentiation shows how Gujarat is different from other places due to its policy-led environment that supports startups and is working to improve ways.

2.5 Summary of Key Determinants Identified in Literature

There are numerous determinants that have evolved over the time that influence the transition from a startup to a sustainable enterprise. Enterprises need strategic planning, financial discipline, and managerial scalability. Early-stage startups, on the other hand, need a different set of enablers, such as the ability to innovate, the willingness to take risks, and support in the incubation process. The existing research and the results of original studies given at the doctoral progress seminars (DPCs), the factors that affect business growth have been mapped across different stages. The following table unifies these factors, emphasising those that are crucial for the sustainability and maturation of enterprises and those that are critical to startups during their formative phase. The research inquiry is guided by the development of an integrated framework, which is facilitated by this classification.

Table 2.7 Factors affecting startups and enterprises through literature

Determinants and factors	Relevance for startups	Relevance for Enterprises
Innovation Capability	High – essential for disruptive market entry	Medium – important for sustaining competitiveness
Risk Appetite	High – founders must take bold and calculative risks	Low – more conservative financial approach
Mentorship Availability	Critical – provides strategic guidance and direction	Moderate – for specialized or niche expertise

Government Scheme Availability	High – supports early funding and regulatory ease	Low – reduced reliance at mature stages
Incubation Support	High – essential during early-stage growth	Minimal – typically outgrown in later stages
Leadership Vision	Important – founder-driven agility	Critical – for long-term strategic goals
Product-Market Fit	Essential – to gain initial traction	Refined – expansion and diversification
Team & HR Capabilities	Medium – early hiring dynamics	High – structure, retention, governance
Financial Discipline & Capital	Medium – grant & VC-based funding	High – cost control, working capital
Technology Adoption	High – early differentiation tool	High – for scaling and efficiency
Ecosystem & Institutional Support	High – need for support infrastructure	Medium – for collaboration, expansion
Scalability Planning	Low – early focus is validation	Critical – for market expansion
Process Formalization	Low – agile methods preferred	High – for structure and compliance
Sustainability Practices	Emerging – among impact-led startups	High – ESG compliance and resilience

Source: author

The determinants recognized demonstrate the impact of distinct but occasionally overlapping enablers on the success of startups and the sustainability of enterprises. Additionally, they serve as the basis for the conceptual research framework that is elaborated upon in the subsequent chapter.

2.6 Research Gap

A comprehensive review of literature in the previous sections reveals several critical research gaps that leads to further investigation:

Regional Gap

Although there is vast variety of research on entrepreneurial orientation, innovation, and ecosystem, there is an identified gap of empirical studies that do not specifically examine Gujarat's startup ecosystem in depth. This regional gap results in knowledge deficit regarding the differentiating factors that impact the transition of startups to sustainable enterprises.

Policy Implementation Gap

Although government initiatives such as Startup India, SSIP Gujarat, various incubation centres such as iCreate and iHub are well-documented in policy literature, there still exists a disconnect towards policy implementation. Only a few studies analyse the entrepreneurs' awareness levels and effectiveness of the schemes. This leaves the question about awareness leading to sustainability.

Theory Integration Gap

Existing literature examines entrepreneurial orientation (EO), innovation capabilities, mentoring support, and resource availability as independent factors in various studies conducted for literature contribution. No comprehensive study includes all these factors together impacting the journey of startups to enterprises.

Demographic Gap

While factors like gender, educational background, family business background, startup age are widely recognised as influential variables, limited quantitative research has systematically tested their effects on startup transition. This gap particularly exists in the Gujarat context.

Research Justification

The present investigation is collectively justified by the absence of Gujarat-specific research, limited evaluation of policy efficacy, insufficient demographic analysis, and the necessity of holistic theoretical frameworks. The following research objectives have been established in response to these gaps: 1. to study the determinants that impact the journey of startups, 2. to study various government schemes that impact the journey of startups, 3. to study the effect of demographic variables that impact the journey of startups, and 4. to study the factors for the journey of startups to enterprises.

2.7 Summary and Research Framework

This chapter has examined the theoretical foundations essential for understanding the startup-to-enterprise journey. While past literature provides theoretical frameworks, there is still a need deeper investigation that addresses ecosystem dynamics in the state of Gujarat.

Conceptual Foundation: The comprehensive literature review discusses that successful startup transitions are influenced by variety of factors operating at different levels. These factors have been studied individually but in a structured framework systematically. This captures the complexity of transitioning from startups to enterprises.

Input Variables:

- Entrepreneurial Orientation: Risk-taking, innovativeness, creative problem-solving, and proactiveness
- Financial Access: Capital and resource availability
- Funding awareness: Schemes and policies

Enabling Factors:

- Institutional Support: Government policies, regulatory frameworks, and administrative facilitation
- Incubator Engagement: Mentorship programs, networking opportunities, and developmental support
- Policy Incentives: Tax benefits, subsidies, and structural support mechanisms

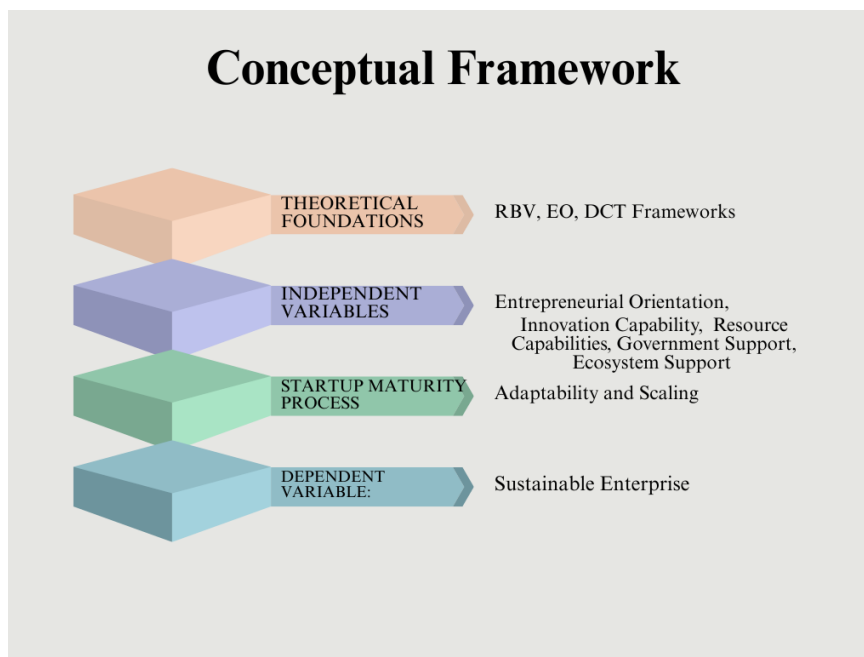
Output Measures:

- Scaling Operations: Operational efficiency, and capacity expansion
- Market Penetration: Customer acquisition, market expansion, and positioning
- Enterprise Sustainability: Long-term viability, adaptive capacity, and resilience
- Societal Impact: Employment creation, community development, and economic contribution

Theoretical Contribution: The suggested picture model will show how the characteristics of an early-stage startup change over time and how well the business does in the long run, taking

into account the role that regional ecosystem factors play as a bridge. This method fills in the gaps in existing research by giving an integrated, testable framework that takes into account both internal organisational processes and external environmental factors that affect Gujarat's unique business environment. This thorough framework gives a theoretical base for future empirical research and an organised way to understand the complicated factors that lead to successful startup-to-enterprise transitions.

Figure 2.1: A Theoretical Framework for Startup-to-Enterprise Transition (Based on RBV, EO, and DCT; Author's Own)



The concepts articulated herein not only reinforce the research issue delineated in Chapter 1, but also inform the methodologies and analytical frameworks to be discussed in subsequent chapters.

2.8 Integration with Research Objectives

The following is the research objectives of the study:

Objective 1: To study the determinants that influence journey of Startups to Enterprises

To understand the important determinants that affect the transition of startups to enterprises. Internal factors include being willing to take risks, having access to resources, being innovative, and being able to adapt. External factors include mentorship, incubation, funds, and

ecosystem support. In the Gujarat, this supports a multidimensional look at the growth of startups.

Objective 2: To study impact of government schemes awareness on journey of Startups to Enterprises

To understand how government programs, incubators, and institutional support help startups sustain, especially in Gujarat. There is a lot of literature that discusses that policy frameworks and institutional mechanisms play a big role in making things possible by raising knowledge, making resources easily accessible, and getting ecosystems in place. But their direct effect on business transition hasn't been fully studied yet, which means that is a need for research in the area.

Objective 3: To study the effect of demographic variables that impact journey of Startups to Enterprises

To look at the ways that organisations are impacted due to the demographics with which they operate. Demographics such as gender, age, past experience, their family background, their exposure in the similar industry plays an important role in shaping internal and external factors.

Objective 4: To study the factors for the journey of Startups to Enterprises

To understand the factors that affect the transition from a startup to an enterprise. Since there isn't a single theory that completely explains the gap, the study combines ideas from EO, RBV, Dynamic Capabilities, and ecosystem views to create a unified framework that can be used to look at Gujarat's startup ecosystem. Overall, the reviewed literature provides a conceptual foundation that guides the operationalization of research objectives into measurable constructs and hypotheses presented in Chapter 3.

CHAPTER 3:

RESEARCH METHODOLOGY

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CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

While earlier it is established in the theoretical landscape of the startup-to-enterprise journey, this chapter discusses more on the operational framework. The literature identified the model that defines the interplay between internal behaviors and external ecosystem enablers. Subsequently, this chapter attempts to translate these theoretical constructs into a methodology that is designed in a way to measure determinants of this journey. The identified determinants that have been measured in this chapter are Entrepreneurial Orientation, Social Impact, Mentorship, and Government Scheme Awareness. This technique transitions the study from the overarching 'why' of the trip outlined in the literature to the 'how' of empirical measurement, ensuring that each tested hypothesis is solidly grounded in the prior theoretical synthesis.

In light of this shift from theory to empirical investigation, it is imperative to build a methodological framework to guarantee accurate, reliable, and significant research results. This chapter delineates the methodological framework employed to investigate the research issues concerning the determinants of financial performance in startups within the Gujarat area of India. The study is to examine and determine the principal factors that enable the evolution of startups into sustainable enterprises. Prior study (Autio et al., 2014) indicates that the transition from a pre-growth startup to a growth-oriented, structured organization is neither linear nor uniform; it is contingent upon the interplay of internal capabilities, external support systems, founder dynamics, and sectoral impacts. This chapter employs a structured research framework to carefully analyse these interrelated elements through a multi-layered methodological design.

This design is based on a positivist research philosophy, emphasising objectivity. A quantitative approach seemed suitable to establish the cause-and-effect relationships. For this, the chapter describes the underlying research philosophy and then the discussion moves towards the sampling strategy. Data collection involved a blend of two approaches—both online via Google Forms and offline through incubators—to obtain a representative sample. The robustness of the instrument was ensured through a pre-test with two groups of experienced entrepreneurs, followed by a pilot study of 65 respondents. The feedback received through entrepreneurs, academic experts, incubators as well as members of doctoral committee

was implemented in refining the questionnaire. This process indicates the concepts such as resource capabilities, mentoring, incubation to measurable Likert-scale indicators. The chapter further outlines the analytical tools used for measuring the descriptive statistics, correlation analysis and ANOVA. These tests evaluate the validity of data and establish the framework.

Finally, this chapter marks the ethical considerations of this study, the participation that was noted was voluntary in nature and has maintained the confidentiality as asked. This was done to maintain the academic integrity for the study. It also acknowledges limitations of the study like geographical target on Gujarat and the non-random sampling nature. Ultimately, this chapter serves as the map for the research journey, matching the technique with the objectives to provide practical insights for startup development and policy-making. The following section depicts the specific philosophical orientation that serves as the study's base, guiding the selection of all subsequent research methods.

3.2 Research Philosophy

The research philosophy serves as the fundamental basis of any scientific investigation. It delineates the process of knowledge construction and the most suitable methodological tools for study. This research attempts to examine the determinants and factors impacting the transition of startups into sustainable firms in Gujarat. This adopts a positivist mindset. This paradigm uses quantitative data and hypothesis testing to establish correlative links. This study employs data gathered by a structured questionnaire and analysed using statistical methods, including reliability test, descriptive analysis, correlation and ANOVA.

The choice of positivism is especially important considering the nature factors and determinants involved in this research such as Entrepreneurial Orientation, Innovation Capability, Mentorship, Government Scheme Awareness, and Resource Capacity. These factors cannot be connected directly to the success of startups but into measurable variables, thereby enabling hypothesis testing and correlation establishment. Moreover, the positivist perspective is well grounded in historical research within entrepreneurship. Significant study concerning the RBV (Barney, 1991), EO (Lumpkin & Dess, 1996), and DC (Teece, 2007) have employed quantitative methodologies to substantiate their theories. This study adheres to this established rationale for Gujarat's startup environment.

In conclusion, the positivist philosophical framework offers an objective and reliable basis for this research necessitating a logical structure. This congruence between concept and methodology guarantees the internal validity of the results, facilitating significant generalisations about the specified population of startups in Gujarat. Expanding on this positivist perspective, the subsequent part delineates the Research Design, which operationalises these philosophical principles into a systematic framework for data collection and hypothesis evaluation.

3.3 Research Design

It is a process for systematic investigation of research data to research analysis. This study's objectives are to understand the determinants and factors assisting in the transition of startups into enterprises in Gujarat. Quantitative approach is adopted and cross-sectional and causal-comparative research design is used. The justification for choosing this approach is based on the study's ontological and epistemological framework. Consistent with the positivist philosophical paradigm, the research posits that reality can be objectively observed and quantified. A structured survey instrument was created to get quantifiable indicators of essential latent variables. The constructs encompass Entrepreneurial Orientation, Innovation Capability, Government Scheme Awareness, Resource Capabilities, and Mentoring, all of which are posited to affect the outcome variable, specifically enterprise development.

The study employs a cross-sectional methodology, offering a significant overview of the entrepreneurial environment and the elements that may affect the evolution of startups into enterprises. The research is non-experimental, as it does not manipulate variables but rather analyses naturally occurring relationships among them through statistical modelling approaches. The study was executed in two stages:

1. Pre-study Phase: This phase encompassed a comprehensive literature research and the formulation of the questionnaire derived from detailed interviews with two cohorts of entrepreneurs. The measurement scales for each construct were derived from verified instruments in the literature. The questionnaire items were modified for the contextual relevance to the startup ecosystem in Gujarat.
2. Pilot Study Phase: A preliminary version of the defined questionnaire was asked to be filled by 65 entrepreneurs from various sectors. The data was gathered via participating in startup

events and engaging with entrepreneurs via multiple channels, including social media. The aim of this step was to evaluate the consistency of internal constructs, refine measurement items, and detect any ambiguities in the questionnaire. Input from participants, ecosystem facilitators, academic authorities, and initial reliability assessments enhanced the clarity and validity of the instrument prior to the final data collection.

3.3.1 Pre-Study: Exploratory Interviews

Before the pilot survey was implemented, a qualitative pre-study was employed to inform the instrument development based on the real experience of entrepreneurs. The qualitative pre-study had the goal of recognizing themes that are specific to the context, of confirming the conceptual constructs that were earlier discussed in the literature, and of increasing the practical significance of the survey items. With two semi-structured focus group discussions, six entrepreneurs (totaling 12 respondents) were included in the four generic contexts of agri-tech, software solutions, D2C brands, manufacturing, and digital platforms. Each of these focus group discussions took approximately 60-75 minutes and revolved around the following five overarching themes:

- Initial dilemmas encountered when developing startup ideation and early growth,
- Access and quality of mentoring effectively received,
- Availability and usefulness of government schemes,
- Internal capabilities relevant to team strength, financial management, etc.,
- External ecosystem elements relevant to networking platforms and investor access.

Thematic analysis of such interactions provided four primary takeaways:

- **Mentorship Gaps** - A number of the startups admitted to feeling the above-mentioned shortcomings of post-incubation mentoring and have specifically pointed out areas like compliance, customer acquisition and talent acquisition/management as the gaps.
- **Unutilized Government Schemes** - Almost all the startups cited Startup India or similar schemes at the state level but they found themselves having difficulties either in the application process or in understanding the government schemes eligibility, most notably in Gujarat.
- **The Strength of Internal Factors Over External** - One of the most frequently raised issues was that internal factors such as the mindset of the founders, the capability of

self-learning and even the coordination among the teams were considered more contributing to the success than the external support.

- **Networking and Peer Learning** - The entrepreneurs put a lot of emphasis on the need for organized spaces or forums where they could learn from their peers, alumni, and successful founders in their sector or region.

Analysis that was obtained critically, informing revisions to the questionnaire. We added additional items under constructs such as Mentoring, Government schemes awareness, and Resource Capabilities, and removed overlapping and ambiguous questions. The pre-study stage significantly enhanced the content validity of the questionnaire. It confirmed that the constructs were theoretically valid.

3.4 Scope of the Study

Here the aim is to evaluate the most important factors and determinants that affect the change of startups into sustainable companies in Gujarat. The scope of the study includes the dimensions of both the entrepreneur and the ecosystem that together determine this growth path. The startups operating for a period of less than ten years are considered in the study. The companies have been selected from different sectors such as technology, manufacturing, services, and so. The area of research is based in Gujarat, namely Ahmedabad, Vadodara, Surat, Rajkot, Gandhinagar, Gandhidham, and Bhuj which are known for their incubation centers and government policies.

In the research, the quantitative data collection method is applied. The quantitative phase tests these factors empirically by means of structured questionnaires and statistical methods while the qualitative phase seeks to pinpoint the driving forces behind startup growth. The study period of the research is from 2016-2025, which also covers the post-Startup India policy implications. The conceptual scope comprises of how internal capabilities, strategic decisions, financial assistance assist in the growth of startups and help them in their transition to enterprises.

The study finds that the transition of startups into enterprises in Gujarat is influenced not by a single factor but is the interplay of entrepreneurial competencies and a conducive ecosystem. Strengthening incubation facilities such as easier financial assistance, mentorship, skill development courses and so on that can all help firms grow better and faster. This research

offers significant insights by emphasising the essential factors necessary for fostering startup sustainability in Gujarat.

3.5 Research Objectives

3.5.1 Research Objectives and sub objectives

Objective 1: To study the determinants that influence journey of Startups to Enterprises

- To identify key internal factors such as Entrepreneurial Orientation, social impact and mentorship.
- To examine the statistical relationship between these factors and startup growth.

Objective 2: To study impact of government schemes awareness on journey of Startups to Enterprises

- To assess awareness of central and state-level startup schemes.
- To analyze the effect of government schemes awareness on enterprise-level transitions (relationship).

Objective 3: To study the effect of demographic variables that impact journey of Startups to Enterprises

- To examine the influence of age, gender, education, experience and family business background on entrepreneurial behavior.
- To compare factor impacts across different demographic groups using t-test and ANOVA.

Objective 4: To study the factors for the journey of Startups to Enterprises

- To identify the key factors that influence determinants such as resource capabilities, mentorship, incubation on EO and mentorship and resource capabilities has on government schemes awareness.

3.6 Research Objectives and Questions

Table 3.1 Objectives of the research- corresponding research questions

Objectives of the research	Corresponding Research Questions
To study the determinants that influence journey of Startups to Enterprises	RQ1: What internal and external factors impact the transition of startups to enterprises in Gujarat? RQ2: How do determinants such as Entrepreneurial Orientation, Resource Capabilities, and Social Impact contribute to the startup-to-enterprise journey?
To study impact of government schemes awareness on journey of Startups to Enterprises	RQ3: To what extent have government initiatives and policies (such as Startup India, SSIP, i-Hub Gujarat, and GUSEC) awareness supported the growth of startups in Gujarat? RQ4: How do entrepreneurs in Gujarat perceive the awareness of government schemes awareness programs?
To study the effect of demographic variables on the factors that impact journey of Startups to Enterprises	RQ5: In what ways do the demographic factors influence the relationship of entrepreneurial characteristics and the business sustainability?
To study the factors for the journey of Startups to Enterprises	RQ6: Which factors are the most powerful predictors of the startups getting successfully transformed into established enterprises? RQ7: What is the combined effect of the factors in the sustainability and growth outcomes of the enterprises?

Source: Author

3.7 Research Hypotheses

These are the following hypotheses proposed for empirical testing in the study:

Linked to Objective 1: To study the factors that impact journey of startups to enterprises

- H1: Entrepreneurial Orientation has a significant influence on the Journey of Startups to Enterprises.
- H2: Social Impact has a significant influence on the Journey of Startups to Enterprises.
- H3: Mentorship has a significant influence on Journey of Enterprise.

Linked to Objective 2: To study various government schemes that impact journey of startups to enterprises

- H4: Government schemes awareness has a significant influence on Journey of Startups to Enterprise.

Linked to Objective 3: To study the effect of demographic variables that impact journey of startups to enterprises

- H5a Gender has a significant difference on journey of startups to enterprises
- H5b Age has a significant difference on journey of startups to enterprises
- H5c Education has a significant difference on journey of startups to enterprises
- H5d Experience has a significant difference on journey of startups to enterprises
- H5e Family business background has a significant difference on journey of startups to enterprises

Linked to Objective 4: To study the determinants for the journey of Startups to Enterprises to enterprises

- H6: Resource Capabilities has a significant influence on Entrepreneurial Orientation
- H7: Incubation has a significant influence on Entrepreneurial Orientation
- H8: Mentorship has a significant influence on Entrepreneurial Orientation
- H9: Mentorship has a significant influence on Government schemes awareness

- H10: Resource Capabilities have a significant influence on Government schemes awareness

3.8 Operational Definitions and Construct Measurement

Table 3.2 Construct, operational definition, measurement items and sources

Sr. No.	Construct	Measurement Items / Dimensions
1	Entrepreneurial Orientation (EO)	Innovativeness, Risk-taking, Proactiveness
2	Mentoring and incubation Support	Mentor quality, Networking access, Support relevance
3	Resource Capabilities (RC)	Funds, Team Size/Skills, Founder Knowledge
4	Government schemes awareness (GS)	Scheme awareness, Scheme usage, Scheme effectiveness
5	Demographic Variables	Gender, Education, Sector, Founder Experience, Family Business Involvement
6	Startup-to-Enterprise Transition (Outcome Variable)	Growth in size, market share, revenue consistency, formalization, strategic maturity

Source: Compiled by author

3.9 Study Population and Sampling Framework

3.9.1 Population of Study

The population for the research is entrepreneurs and startup founders located in Gujarat, who have been in operation for less than ten years. This is with respect to the Department for Promotion of Industry and Internal Trade (DPIIT, 2023) definition of startup. These come from different fields like technology, manufacturing, services, food processing, education, healthcare, travel, fashion and consulting. The study also includes entrepreneurs who started as startups but have since grown into well-established businesses, giving a look at both the change they went through and how they kept going.

3.9.2 Sampling Frame

The registered startups came from trustworthy sources, such as the ones below, which are part of the sampling frame: Startup India Portal (DPIIT), i-Hub Gujarat, GUSEC (Gujarat University Startup and Entrepreneurship Council), Entrepreneurship Development Institute of India (EDII), Swarnim University, and other state development centres, some of which haven't been in the database before.

3.9.3 Sampling Technique

Because Gujarat's startup environment is so diverse, a non-probability purposive sampling method was implemented. This methodology is well suited because the respondents (entrepreneurs/founders) are chosen based on their expertise, eligibility (≤ 10 years of operation), and relevance to the study's goals. In other circumstances, snowball sampling was also used. This meant that the first responses referred other qualified startup founders in their professional network. This made sure that there was enough participation from all industries and areas (Ahmedabad, Vadodara, Surat, Rajkot, and Gandhinagar).

3.9.4 Sample Size

There were 201 valid replies collected for the final data analysis. The sample size's appropriateness was assessed based on accepted methodological criteria for Exploratory Factor Analysis (EFA). Hair et al. (2022) say that a widely acknowledged rule of thumb is that you should have at least 5 to 10 responders for each observed variable to make sure that factor solutions are stable and reliable. A sufficient sample size is crucial in Exploratory Factor Analysis (EFA) as it increases the accuracy of factor loadings and the applicability of the findings.

The final survey tool utilized in this study has about 30 quantifiable items to measure the constructs. The sample size of 201 respondents meets the criteria required for analysis of the data. This sample size is also considered statistically sufficient for conducting EFA and other statistical analysis. Thus, the sample size ensures the reliability and validity of the data.

3.9.5 Inclusion Criteria

- Startups incorporated and operational in Gujarat.
- Operating period less than 10 years.
- Founders or top-management respondents directly involved in strategic decision-making.
- Willingness to participate and provide accurate responses.

3.9.6 Exclusion Criteria

- Startups functioning outside Gujarat.
- Firms not meeting the DPIIT definition.
- Respondents not involved in strategic or operational leadership roles.

3.9.7 Justification of the Sampling Method

The purposive selection method guarantees the selective inclusion of information-dense examples that might yield significant insights into the transition from startup to company. It achieves a balance between sectoral diversity and regional coverage, while also ensuring feasibility for field data collecting within the Gujarat ecosystem. This methodology guarantees sufficient sectoral and geographic representation throughout Gujarat's startup ecosystem, consistent with the study's goals of inclusion and ecological validity.

3.10 Data Collection Methods

To secure full coverage of the ever-changing startup ecosystem in Gujarat, the data collection process used a multi-modal technique that combined both online and offline modes. A structured questionnaire was utilized as the main tool of collection of data, which was created to get quantitative insights from startup founders and entrepreneurs in different sectors and regions. Online mode was during that time Google Forms along with email distribution, which not only reached out to the active but also the digitally active entrepreneurs; the in-person mode consisted of engaging with people at incubators, and interacting with startups and participating in festivals through various cities namely, Ahmedabad, Vadodara, Surat, Rajkot, Gandhinagar,

Gandhidham, and Bhuj. This allowed for the participation of both formally registered and early-stage ventures.

A target sample size of 200 was established based on power considerations (Cohen, 1988) with adequate statistical power. In order to reduce the effect of CMB (Common Method Bias), various procedural measures were taken while data collection process was in place such as: guaranteeing the anonymity of the respondents, using different question formats, and separating the independent from the dependent variable sections. The collection lasted for a period of five months, allowing various individuals to participate and thus improving the validity of the responses. This thorough method guaranteed not only systematic and ethical data collection but also compliance with the positivist research paradigm and the quantitative design of the study. The dataset obtained was not only representative but also based on the context, thus it included the diversity of Gujarat's startup scene. The study also considered effect size benchmarks to interpret the magnitude of relationships beyond statistical significance.

3.11 Questionnaire Design and Pilot Study

3.11.1 Questionnaire Design

The collection of data employed here was a well-structured questionnaire for obtaining quantitative data from startups and entrepreneurs in Gujarat. After doing a thorough analysis of the literature, looking at validated scales, and talking to professionals from both academia and the industry, the questionnaire was put together. The instrument was divided into five primary parts:

1. Segment A – Demographic Profile: Information like age, gender, education, years in business, type of business (sector), startup phase, and if family-owned business or not.
2. Segment B – Entrepreneurial Orientation (EO): Traits such as risk-taking, innovativeness, proactiveness, and innovative capabilities [Covin and Slevin (1989) and Lumpkin and Dess (1996)].
3. Segment C – Resource Capabilities (RC), Innovation Capability (IC), Mentoring and Networking Support (MN), and Government schemes awareness (GS): It had the constructs

which measured the amount of the organic and non-organic resources, innovative attitude, outside support, and government policy knowledge that is nurturing the startups.

4. Segment D – Startup-to-Enterprise Transition (SET) / Sustainable Enterprise Growth (SEG): It was concerned with the major events of business expansion, the coming of age of the market, and the financial and ecological growth of the company.

5. Segment E – Open-ended Questions (Optional): Gave the opportunity for respondents to express their views qualitatively about the hurdles and incentives in the move from startups to enterprises.

All the measurement items were evaluated through a Likert scale (five-point), with the exception of the demographic section, which contained categorical questions.

3.11.2 Questionnaire Validation

The questionnaire was subjected to content and face validity through consultation with:

- Three academic experts specializing in management research (other than DPC members), and
- Startup ecosystem managers (incubator managers) and startup founders who were a part of pre-test too.

Feedback from the academic experts and practitioners helped refine the questionnaire. Constructs were checked against existing theories from literature such as EO Theory (Lumpkin & Dess, 1996), DCT (Teece et al., 1997) and RBV (Barney, 1991).

3.11.3 Pilot Study

A preliminary survey i.e. pilot study was performed involving 65 startup entrepreneurs from the Ahmedabad and Vadodara areas to test the reliability. The startups of respondents were from various sectors such as technology, food processing, and education, among others.

Pilot data was analyzed using SPSS, and the following were assessed:

- Reliability through Cronbach's Alpha ($\alpha \geq 0.70$),
- Consistency and clarity of items, and

- Preliminary correlations among variables to check theoretical alignment.

Some minor changes were done after the pilot stage, such as:

- Rephrasing the items that were not clear,
- Deleting the points that were similar or repetitive,
- Revising the response options to make them clearer
- Adding statements in the constructs that showed no relationship

The reliability, construct validity, and context appropriateness of the final questionnaire for the main study were therefore established.

3.11.4 Instrument Development and Validation Protocol

The final structured questionnaire was developed through a rigorous process comprising of three phases in a sequential mixed method design as a result to ensure the highest content and construct validity. The first stage consisted of two semi-structured Focus Group Discussions (FGDs) with veteran entrepreneurs where the preliminary item pool created from literature synthesis was refined resulting in the establishment of the initial face validity and the use of the local language being made relevant for the Gujarat ecosystem.

The second stage saw the application of the refined instrument to a formal content validation procedure. This consisted of a theoretical coverage verification by academic experts' review to which industry experts' review, specifically Incubation Managers, was added to confirm the practical relevance and readability of the scale items for the target population. The third stage comprised a pilot study that took place on a different sample of 65 entrepreneurs. It was during this phase that the initial internal consistency and reliability of the scales were statistically confirmed. Reliability analysis, which made use of Cronbach's Alpha (α), was conducted on the pilot data and items that did not attain the minimum acceptable threshold of $\alpha > 0.70$ were systematically revised or deleted thus leading to the final, purified instrument that was used for the main study.

Table 3.3 Operational Definitions of Variables

Construct Type	Variable Name	Operational Definition	Measurement Items (from Questionnaire)	Dimension Captured
Dependent Variable	Startup-to-Enterprise Transition (SET)	Degree to which a startup evolves into a stable, scalable, and sustainable enterprise demonstrating consistent growth, market maturity, and long-term viability.	Q19 – Consistent revenue growth since inception (Financial Growth)Q20 – Current market position (Market Competitiveness)Q21 – Current scale of operations (Organizational Size)Q22 – Increase in workforce (Employment Growth)Q23 – Geographic expansion (Market Reach)Q24 – Scalability readiness (Operational Scalability)Q25 – Adoption of new technologies (Technological Capability)Q26 – Challenges faced in transition (Growth Barriers)Q27 – Growth expectations (Future Outlook)Q28 – Existence of exit strategy (Strategic Maturity)Q35 – Operational systems for growth (Process Maturity)Q46 – Incubation / mentorship impact (Sustainability via Support	Financial Growth Market Competitiveness • Organizational Scale • Human Capital Growth • Operational Efficiency • Sustainability

			)Q48 – CSR / social impact (Socio-Economic Sustainability)	
Independent Variable 1	Entrepreneurial Orientation (EO)	Strategic posture of a startup such as innovativeness, proactiveness and risk-taking that drives competitive advantage and growth.	Q1 – Willingness to take calculated risks (Risk Taking) Q2 – Proactively seeking new opportunities (Proactiveness) Q3 – Encouraging innovation (Innovativeness) Q4 – Challenging existing methods (Competitive Aggressiveness)	- Innovativeness • - Proactiveness • - Risk Taking • - Competitive Aggressiveness
Independent Variable 2	Resource Capabilities (RC)	Tangible and intangible assets, knowledge, and managerial abilities that enable startups to effectively deploy resources for sustained advantage.	Q5 – Efficient use of financial resources (Financial Capital) Q6 – Skilled human capital (Human Resources) Q7 – Leveraging unique resources (Core Competence) Q8 – Continuous capability development (Dynamic Capability)	- Financial Capital • - Human Capital • - Organizational Capability

Independent Variable 3	Innovation Capability (IC)	Ability of a startup to develop new ideas, technologies, and processes that improve performance and competitiveness.	Q9 – New product/service development (Product Innovation) Q10 – Technology adoption (Process Innovation) Q11 – R&D activities contributing to growth (Knowledge Creation) Q12 – Culture of experimentation (Innovation Culture)	• Product Innovation • Process Innovation • Technology Adoption • Knowledge Culture
Independent Variable 4	Mentoring & Networking Support (MN)	Extent of external guidance and collaborative relationships that enhance entrepreneurial learning, market access, and resource mobilization.	Q13 – Guidance from mentors/incubators (Mentorship Support) Q14 – Benefit from professional/investor networks (Network Linkages) Q15 – Participation in startup events (Community Engagement) Q16 – Networking improved resource access (Social Capital)	• Mentorship Support • Network Linkages • Social Capital • Ecosystem Connectivity
Independent Variable 5	Government schemes awareness (GS)	Extent to which startups utilize and benefit from government initiatives, funding, and	Q17 – Access to government funding/incentives (Financial Assistance) Q18 – Awareness of schemes like Startup India / SSIP / i-Hub (Policy Awareness) Q32	• Financial Assistance • Policy Support • Ecosystem Enablement

		policy schemes facilitating enterprise growth.	– Positive policy impact (Ease of Doing Business) Q33 – Government initiatives support operations (Ecosystem Support)	
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Source: Created by author

Table 3.4 Measurement Scale, Reliability, Validity, and Analytical Criteria

Aspect	Description / Criteria
Scale Type	Likert scale
Reliability Checks	Cronbach's Alpha ≥ 0.70 ; Composite Reliability ≥ 0.70
Validity Assessment	Convergent Validity (AVE ≥ 0.50); Discriminant Validity (Fornell-Larcker Criterion)
Analytical Tools	SPSS

3.12 Data Analysis Techniques

The data was analyzed with a pre-analysis screening that aimed at making data ready for the advanced modeling. Among the steps carried out were the treating of missing data, the identification and removal of outliers (for example, with Mahalanobis distance), and the conducting of diagnostic tests for the assumptions that the statistical methods would make such as Normality (through Skewness and Kurtosis values) and Multicollinearity (measured by Variance Inflation Factor, VIF). The main analysis was done with Measurement Model Assessment (Confirmatory Factor Analysis - CFA): In this step, the quality of the scale items and their constructs was confirmed.

3.13 Ethical Considerations

Ethical issues are the main pillars on which a reliable and responsible research study is based. The highest ethical standards were maintained during the entire research process for honesty of the research. The participation was voluntary, and consent was obtained from them before the data collection. All of them were informed about the objectives of the research study prior to the data collection. The anonymity of the participants had been strictly maintained. The researcher ensured that no participant was subjected to coercion, deception, and mental stress during the entire research process. All the data was stored in a digital format with restricted access in accordance with data protection and privacy. This study followed the ethical guidelines laid down by GTU. Plagiarism was avoided and all sources used in the research were cited properly.

3.14 Limitations of the study

Even though the study was well thought out and carried out, it still has some limitations. However, these limitations are not a reason for not relying on the results of the study. Instead, these offer new areas of research:

- The study only looked at startups in Gujarat, which means that the data may not be as useful for other Indian states.
- The study used both purposive and choice sampling because it was hard to get to some of the people who were needed for the study. Even though a wide range of people were asked to participate, the group may not truly reflect all startup people in Gujarat considering the data collection required much wider transportation scope as well as time and money.
- Cross-sectional data collection can only show how people felt at one point in time. Over time, studies could show more about how businesses are changing.
- Some people may have given answers they thought were socially accepted or kept information that they thought was private, which could have made the answers somewhat wrong.
- The study used a quantitative method to find the factors statistically, but case studies or qualitative conversations of the actual data collected could have given a better picture of the situation. Even so, the researcher did everything- carefully designing the

instruments, trying them on a small group of people, and consulting other sources, she could to lessen the effects of the limitations.

3.15 Summary of the Chapter

The research methodological framework was extensively described in this chapter. It presented the whole process of the study which was concerned with the emergence of startups as green companies in Gujarat, by showing the research design, population, sample framework, method of data collection, questionnaire design, pilot testing and ethical standards followed during the research. The use of primary and secondary data, led to an investigation of Gujarat's startup ecosystem entrepreneurship factors. The use of SPSS for statistical analysis was made to assess reliability, validity, and test structural model. Data's credibility was ensured by ethical safeguards, while study's limitations pointed to its contextual boundaries. This chapter, in general, grants a transparent and replicable methodological base that data analysis and interpretation of the next chapter are built on.

CHAPTER 4:

DATA ANALYSIS AND FINDINGS

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CHAPTER 4: DATA ANALYSIS AND FINDINGS

4.1 Introduction

This chapter, data analysis and data interpretation collected through a structured questionnaire to startup founders and entrepreneurs across Gujarat is presented. The aim of this analysis is to understand the journey of startups to enterprises through the examination of entrepreneurial characteristics and ecosystem-related factors influencing the transition.

This chapter looks at how the identified factors and determinants—Entrepreneurial Orientation (EO), Resource Capabilities (RC), Mentorship and Incubation Support, Educational Impact, and Social Impact—are connected to each other. The theories talked about in Chapter 2 were operationalized using validated measurement scales refined during the pilot study.

Here, SPSS software was implemented to analyse the data collected. After measuring reliability of data, then descriptive statistics was analysed. The first section of the chapter gives information about demographic data such as the respondents' age, gender, level of schooling, industry background, age at startup, and number of years in business. This contextual overview establishes the background necessary for meaningful interpretation of the empirical findings. Subsequently, Exploratory Factor Analysis (EFA) is used to find the hidden dimensions of each construct and make sure that the item groups are correct. Factor loadings are checked against known statistical limits to make sure the construct is true and get rid of items that load more than once or cross-load, which improves the accuracy of the measurements. Before proceeding to hypothesis testing, it is essential to establish the consistency of the measurement scales. Accordingly, the next section presents the reliability analysis of the constructs.

4.2 Reliability test

Table 4.1 describes the results of each construct's reliability test through Cronbach alpha and the Kaiser-Meyer-Olkin (KMO). A value of >0.9 in Cronbach is considered excellent where $.0.8$ is considered very good.

Table 4.1 Cronbach Alpha for each construct

Cronbach's Alpha	No. of units	Correlated to
0.917	26	Entrepreneurial Orientation

0.858	11	Mentorship support and Incubation support
0.850	8	Resource Capabilities
0.810	5	Social impact
0.850	6	Education impact

[Source: SPSS analysis]

Table 4.1 states the reliability of the questionnaire used for data collection. Reliability of the scale was measured through Cronbach's Alpha, values over 0.7 is acceptable. With a value of greater than 0.8, demonstrates excellent internal consistency. The higher values indicate that the items within the instrument are strongly correlated.

4.3 Demographic Characteristics of the Respondents

Demographic profile helps to understanding entrepreneurial landscape from which data were drawn. The present study surveyed 201 entrepreneurs and startup founders across Gujarat representing various age groups, educational qualifications, and sectors of operation. This section summarizes their demographic distribution through descriptive statistics (frequency and percentage).

Table 4.2 Gender Distribution of Respondents

Gender	Frequency	Percentage
Male	147	73.1
Female	54	26.9
Total	201	100.0

[Source: SPSS Analysis]

Interpretation: Table 4.2 reflects the sample reflects substantial participation from both male and female entrepreneurs. While males constitute a larger share (73.1 %), the 26.9 % representation of women highlights a progressive shift in Gujarat's entrepreneurial ecosystem, showing growing inclusion of women in startup leadership.

Table 4.3 Age Group of Respondents

Age Group (Years)	Frequency	Percentage
Below 20 Years	11	5.5
21-30 Years	59	29.4
31-40 Years	100	49.8
41-50 Years	25	12.4
51 years and above	6	3.0
Total	201	100.0

[Source: SPSS Analysis]

Interpretation: Table 4.3 reflects that nearly two-thirds (84.7 %) of respondents are below 45 years, emphasizing that Gujarat’s startup scene is primarily driven by young and mid-career entrepreneurs. The largest cohort (49.8 %) lies between 31-40 years—an age band associated with high-risk appetite and innovation.

Table 4.4 Respondents’ Educational Qualification

Qualification	Frequency	Percentage
HSC	4	2.0
Bachelors	67	33.3
Masters	91	45.3
Professional Degree	31	15.4
Doctorate	8	4.0
Total	201	100.0

[Source: SPSS Analysis]

Interpretation: Table 4.4 reflects that most respondents possess postgraduate or professional qualifications (60.7 %), revealing that formal higher education continues to play a crucial part for shaping entrepreneurial capability and managerial competence among founders.

Table 4.5 Sector of Operation of Respondents

Sector	Frequency	Percentage
Agriculture	6	3.0

E-commerce	12	6.0
Education	18	9.0
Finance and banking	14	7.0
Food and beverage	21	10.4
Healthcare and pharmaceutical	11	5.5
IT	23	11.4
Logistics and supply chain	4	2.0
Manufacturing	26	12.9
Media and entertainment	21	10.4
Real estate and construction	13	6.5
Textile, fashion and apparel	14	7.0
Tourism and hospitality	7	3.5
Energy and sustainability	7	3.5
Consultancy	4	2.0
Total	201	100.0

[Source: SPSS Analysis]

Interpretation: Table 4.5 reflects that the biggest parts are manufacturing (12.9%) and IT (11.4%). This shows that the industry is strong in both old and new ways. Food & Beverage and Media & Entertainment are two examples of consumer-focused industries where entrepreneurs are doing well in the market. The distribution shows that there are a lot of different types of startups, which makes the study's conclusions more reliable in context.

Table 4.6 Startup Age (Years of Operation)

Startup Age	Frequency	Percentage
<1 year	31	15.4
1-3 years	63	31.3
4-6 years	43	21.4
7-10 years	24	11.9
>10 years	40	19.9
Total	201	100.0

[Source: SPSS Analysis]

Interpretation: Table 4.6 reflects 31.3% have been around for 1–3 years, while 15.4% have been there for less than a year. Another 21.4% are in the 4 to 6-year range, which shows that there are a lot of early-growth businesses. The sample include both early-stage and established startups, which helps with the analysis of how things change over time.

4.4 Subjective analysis

Here, a subjective analysis of the respondents' background characteristics is done, providing a general understanding of the entrepreneurial exposure and preparedness, highlighting key factors that may influence their decision to start and manage their startups to enterprises.

Table 4.7 Family Business Background

Background	Frequency	Percentage (%)
Yes – From Business Family	125	62.2
No – First-Generation Entrepreneur	76	37.8
Total	201	100.0

[Source: SPSS Analysis]

Interpretation: Table 4.7 reflects that a majority (62.2 %) hail from business families, indicating inherited exposure to entrepreneurial practices. However, the sizable 37.8 % first-generation entrepreneurs underline Gujarat's evolving culture that encourages new entrants to build independent ventures.

Table 4.8 Experience before starting your own venture

Experience	Frequency	Percentage (%)
No	73	36.3
Yes	128	63.7
Total	201	100.0

[Source: SPSS Analysis]

Interpretation: Table 4.8 indicates that 63.7% of respondents had prior experience before starting their venture, while 36.3% entered entrepreneurship without any experience. This suggests that although prior experience supports entrepreneurial entry, a significant proportion

of entrepreneurs begin their ventures without formal experience, reflecting the openness of the startup ecosystem.

Table 4.9 Type of experience prior to startup

Type of experience	Frequency	Percentage (%)
Family business	3	1.5
Freelancing	7	3.5
Full time	95	47.3
Part time	8	4.0
Internship	26	12.9
NA	62	30.8
Total	201	100.0

[Source: SPSS Analysis]

Interpretation: Table 4.9: The table shows that full-time work experience (47.3%) is the most common form of prior experience among respondents, followed by internship experience (12.9%). A notable proportion of respondents (30.8%) reported no prior experience, indicating that while structured employment is a key pathway to entrepreneurship, many individuals also enter ventures without formal experience.

4.5 Objective wise analysis

H1: Entrepreneurial Orientation has a significant influence on the Journey of Startups to Enterprises:

Null Hypothesis (H0₁): There is no statistically significant relationship between Entrepreneurial Orientation and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1₁): There is a statistically significant relationship between Entrepreneurial Orientation and the Journey of Startups to Enterprises.

Table 4.10 Model Summary Table (Entrepreneurial Orientation and Journey of Startups)

Statistic	Value	Meaning
R	0.214	Weak correlation between EO and JE
R ²	0.046	EO explains 4.6% variance in JE
Adjusted R ²	0.041	Slightly corrected explanatory power

[Source: SPSS Analysis]

Interpretation: Table 4.10 reflects the findings suggest a tenuous positive correlation between Entrepreneurial Orientation (EO) and the Journey to Enterprise (R = 0.214). EO only accounts for 4.6% of the variation in enterprise transition (R² = 0.046), with a slightly lower adjusted value of 0.041. This means that EO has some effect on how startups change, but it doesn't explain everything, which means that other things are equally important.

Table 4.11 ANOVA (Entrepreneurial Orientation and Journey of Startups)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2.406	1	2.406	9.534	0.002
Residual	50.211	199	0.252		
Total	52.616	200			

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Independent Variable: Entrepreneurial Orientation (EO_Total)

Interpretation: Table 4.11 shows that the regression model is statistically significant (F = 9.534, p = 0.002), indicating that Entrepreneurial Orientation significantly affects the journey from startups to enterprises.

Table 4.12 Coefficient (Entrepreneurial Orientation and Journey of Startups)

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	T	Sig.
(Constant)	3.090	0.220	—	14.040	0.000
EO_Total	-0.183	0.059	-0.214	-3.088	0.002

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Interpretation: Entrepreneurial Orientation (EO_Total) has a negative and statistically significant effect on the dependent variable ($\beta = -0.214$, $p = 0.002$). This means that higher Entrepreneurial Orientation is associated with a decrease in the outcome when considered on its own. Although the effect is moderate, it suggests that Entrepreneurial Orientation alone may not always support the transition without additional factors.

Interpretation of the hypothesis: Entrepreneurial Orientation has a statistically significant but negative influence on the Journey from Startups to Enterprises ($\beta = -0.214$, $t = -3.088$, $p = 0.002$). The regression model is significant ($F = 9.534$, $p = 0.002$) and explains 4.6% of the variance ($R^2 = 0.046$). The negative relationship suggests that higher Entrepreneurial Orientation, when considered independently, may not necessarily facilitate a smooth transition to enterprise level. This indicates that while Entrepreneurial Orientation is important, its effectiveness depends on supporting factors such as resources, mentorship, and ecosystem support. Therefore, Hypothesis H1 is supported.

Hypothesis Decision – H1: The regression results support Hypothesis H1, indicating that Entrepreneurial Orientation has a statistically significant influence on the Journey of Startups to Enterprises when examined independently.

Hypothesis H2: Social Impact has a significant influence on the Journey of Startups to Enterprises:

Null Hypothesis (H0₂): There is no statistically significant relationship between Social Impact and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1₂): There is a statistically significant relationship between Social Impact and the Journey of Startups to Enterprises.

Table 4.13 Model Summary (Social impact and journey of startups to enterprises)

Statistic	Value	Interpretation
R	0.123	Very weak association

R ²	0.015	Social Impact explains 1.5% of variance in JE
Adjusted R ²	0.010	Minimal explanatory power

Interpretation: The results indicate a very weak relationship between Social Impact and the Journey from Startups to Enterprises ($R = 0.123$). Social Impact explains only 1.5% of the variance ($R^2 = 0.015$), and the adjusted R^2 (0.010) further confirms the model's minimal explanatory power. This suggests Social Impact has a negligible role in explaining the transition.

Table 4.14 ANOVA (Social impact and journey of startups to enterprises)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	0.791	1	0.791	3.036	0.083
Residual	51.826	199	0.260		
Total	52.616	200			

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Independent Variable: Social Impact (SS_Total)

Interpretation: The ANOVA results state the regression model is not statistically significant ($F = 3.036$, $p = 0.083$), suggesting that Social Impact does not significantly influence the Journey of Startups to Enterprises.

Table 4.15 Coefficients (Social impact and journey of startups to enterprises)

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	2.694	0.162	—	16.666	0.000
SS_Total	-0.078	0.044	-0.123	-1.742	0.083

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Interpretation: Social Impact has a weak negative and statistically insignificant effect on the transition ($\beta = -0.123$, $p = 0.083$), indicating it does not meaningfully influence the outcome.

Interpretation of the hypothesis: Social Impact has a negative but statistically insignificant influence on the Journey from Startups to Enterprises ($\beta = -0.123$, $t = -1.742$, $p = 0.083$). The regression model is not significant ($F = 3.036$, $p = 0.083$) and explains only 1.5% of the variance ($R^2 = 0.015$). This indicates that Social Impact does not meaningfully contribute to the transition when considered independently. Therefore, Hypothesis H2 is rejected.

Hypothesis Decision- H2: The regression results reject Hypothesis H2, indicating that Social Impact does not have a statistically significant influence on the Journey of Startups to Enterprises when examined independently.

H3: Mentorship has a significant influence on Journey of Startups to Enterprises:

Null Hypothesis (H0₃): There is no statistically significant relationship between Mentorship and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1₃): There is a statistically significant relationship between Mentorship and the Journey of Startups to Enterprises.

Table 4.16 Model Summary (Mentorship and Journey of Startups to Enterprises)

Statistic	Value	Interpretation
R	0.100	Very weak association between Mentorship and JE
R ²	0.010	Mentorship explains 1.0% variance in JE
Adjusted R ²	0.005	Negligible explanatory power after adjustment

Interpretation: Table 4.16 reflects the model summary indicating that Mentorship explains only 1.0% of the variance in the Journey of Startups to Enterprises. The very low adjusted R² value suggests that Mentorship, when examined independently, has minimal explanatory power in predicting the startup-to-enterprise transition. Such low R² values are not uncommon in entrepreneurship and behavioural research when constructs are tested in isolation.

Table 4.17 ANOVA (Mentorship and Journey of Startups to Enterprises)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	0.526	1	0.526	2.010	0.158
Residual	52.090	199	0.262		
Total	52.616	200			

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Independent Variable: Mentorship (MNT_Total)

Interpretation: Table 4.17 states the ANOVA results pointing that the regression model is not statistically significant ($F = 2.010$, $p = 0.158$), analysing that Mentorship does not significantly influence the Journey of Startups to Enterprises.

Table 4.18 Coefficients (Mentorship and Journey of Startups to Enterprises)

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	2.669	0.180	—	14.845	0.000
MNT_Total	-0.070	0.049	-0.100	-1.418	0.158

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Interpretation: Mentorship (MNT_Total) has a negative but statistically insignificant influence on the dependent variable ($\beta = -0.100$, $t = -1.418$, $p = 0.158$). The relationship is weak, and since the p-value is greater than 0.05, it is not statistically significant. This indicates that Mentorship does not have a meaningful impact on the outcome when considered independently.

Interpretation of the hypothesis: Mentorship has a negative but statistically insignificant influence on the Journey from Startups to Enterprises ($\beta = -0.100$, $t = -1.418$, $p = 0.158$). The regression model is not significant ($F = 2.010$, $p = 0.158$) and explains only 1.0% of the variance ($R^2 = 0.010$). Therefore, Hypothesis H2 is not supported.

Hypothesis Decision- H3: The regression results reject Hypothesis H3, indicating that Mentorship does not have a statistically significant influence on the Journey of Startups to Enterprises when examined independently.

4.5.1 Interpretation for H1 to H3 (Objective 1):

The results from H1 to H3 show that the path from startups to businesses is not caused by a single factor related to entrepreneurship or support on its own, but by the relationship and balance of several factors. It was found that entrepreneurial orientation (H1) was a statistically significant factor in determining the journey. However, the fact that the relationship went in the opposite direction shows that high levels of risk-taking, experimentation, and initiative may cause instability during the scaling phase if they are not backed up by good structure and strategic control. This means that having a creative mindset is important when starting a business, but it starts to have less of an effect on how the business grows as the startup gets older. Social Impact direction (H2) and Mentorship support (H3), on the other hand, does not have a statistically significant direct impact on the path of startups to businesses. The results indicate that value-driven goals and advisory support methods may not immediately yield demonstrable effects in enterprise transition when considered independently. Rather than prioritising rapid organisational expansion, social impact initiatives often seek enduring legitimacy and stakeholder engagement. Mentorship mostly facilitates assistance, education, and exposure rather than immediate operational results. When looked at as a whole, the results show that being an entrepreneur is what starts the startup process moving forward. On the other hand, a focus on social effect and mentoring seem to be more of enabling or complementary factors than direct growth drivers. Within the framework of Gujarat's startup ecosystem, our findings reinforce the notion that transforming a business necessitates not only entrepreneurial zeal but also an appropriate combination of support mechanisms and strategic planning. The evidence from H1 to H3 collectively endorses an ecosystem-based perspective on startup growth, wherein the transition from a startup to an enterprise occurs when an entrepreneurial attitude aligns with indirect support systems, rather than through the actions of a single influencer.

H4: Government schemes awareness has a significant influence on Journey of Startups to Enterprise:

Null Hypothesis (H0₄): There is no statistically significant relationship between Government Support and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1₄): There is a statistically significant relationship between Government schemes awareness and the Journey of Startups to Enterprises.

Table 4.19 Model summary (Government schemes awareness and Journey of startups to enterprise)

Statistic	Value	Interpretation
R	0.035	Very weak association between Government schemes awareness and JE
R ²	0.001	Government schemes awareness explains 0.1% variance in JE
Adjusted R ²	-0.004	Negligible explanatory power after adjustment

Interpretation: Table 4.19 explains the model summary indicates that Government schemes awareness explains only 0.1% of the variance in the Journey of Startups to Enterprises. The negative adjusted R² value suggests that Government schemes awareness, when examined independently, has negligible explanatory power in predicting the startup-to-enterprise transition. Such low explanatory values are not uncommon in entrepreneurship research when institutional variables are assessed in isolation.

Table 4.20 ANOVA (Government schemes awareness and Journey of startups to enterprise)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	0.066	1	0.066	0.249	0.618
Residual	52.551	199	0.264		
Total	52.616	200			

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Independent Variable: Government schemes awareness (GSaware_Total)

Interpretation: Table 4.20 explains ANOVA results as the regression model is not statistically significant ($F = 0.249$, $p = 0.618$), suggesting Government schemes awareness does not significantly influence the Journey of Startups to Enterprises.

Table 4.21 Coefficients (Government schemes awareness and Journey of startups to enterprise)

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	2.528	0.219	—	11.518	0.000
GSaware_Total	-0.033	0.067	-0.035	-0.499	0.618

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Interpretation: Table 4.21 indicates that Government Schemes Awareness (GSaware_Total) does not have a significant impact on the Journey from Startups to Enterprises. Although the coefficient is negative ($B = -0.033$), the relationship is extremely weak ($\beta = -0.035$) and statistically insignificant ($p = 0.618 > 0.05$). This suggests that awareness of government schemes alone is not a meaningful predictor of the transition, and other factors may play a more influential role.

Interpretation of the hypothesis: A simple linear regression analysis was performed using SPSS to assess the impact of awareness of government schemes on the progression of startups to enterprises. The dependent variable was the Journey of Startups to Enterprises (JE_Total), whilst knowledge of government schemes (GSaware_Total) served as the independent variable. Composite mean scores were utilised following the reliability evaluation. The model summary indicates a R^2 value of 0.001, signifying that awareness of government schemes accounts for merely 0.1% of the variance in the transition from startups to enterprises. The corrected R^2 value of -0.004 further substantiates the model's restricted explanatory power. The ANOVA results indicate that the regression model lacks statistical significance ($F = 0.249$, $p = 0.618$), suggesting that awareness of government initiatives does not significantly predict the transition of startups to enterprises. The coefficients table demonstrates that awareness of government initiatives has a negative but statistically negligible effect on the transition from startups to enterprises ($\beta = -0.035$, $t = -0.499$, $p = 0.618$). This indicates that understanding of

government initiatives, when evaluated in isolation, does not directly influence the shift from startup to firm.

Hypothesis Decision- H4: The regression results reject Hypothesis H4, indicating that Government schemes awareness does not have a statistically significant influence on the Journey of Startups to Enterprises.

4.5.2 Interpretation for H4 (Objective 2):

The results for Objective 2 show that government funding does not have a statistically significant direct effect on the path from startup to business. This states that having government programs and policy initiatives alone is not enough to make sure that businesses can successfully change. Gujarat has put in place a number of laws and initiatives to help startups, but it seems that their effectiveness depends more on entrepreneurs' knowledge, access, and ability to make good use of the support than on the rules themselves.

This result shows that there is a structural gap between making policies and putting them into action in the startup environment. In many instances, startups may not possess the procedural understanding, direction, or institutional mediation necessary to convert government assistance into concrete growth results. Therefore, the support of the government is more of a circumstance that makes it simpler for firms to change than it is a direct cause of such change. The findings demonstrate the tremendous significance of intermediaries like as mentors, incubators, and ecosystem organisations in the process of bridging this gap. This lends credence to the notion that the backing of the government plays a role that is both indirect and beneficial in the transition from startup to company.

Hypothesis H5: Demographic variables significantly influence the Journey of Startups to Enterprises:

H5a: Gender

Null Hypothesis (H0a): There is no significant difference between an entrepreneur's gender and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1a): There is significant difference between an entrepreneur's gender and the Journey of Startups to Enterprises.

Table 4.22 Gender-wise Descriptive Statistics of the Journey of Startups to Enterprises

Gender	N	Mean	Std. Deviation	Std. Error Mean
Female	54	2.5494	0.57154	0.07778
Male	147	2.3719	0.48299	0.03984

Interpretation: Table 4.22 explains the group statistics indicate that female entrepreneurs (Mean = 2.5494) have a higher mean score on the Journey of Startups to Enterprises compared to male entrepreneurs (Mean = 2.3719). This suggests observable differences in the startup-to-enterprise journey across gender groups.

Table 4.23 Independent Samples t-Test for Gender Differences in the Journey of Startups to Enterprises

Test	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
Equal variances assumed	1.779	0.184	2.195	199	0.029	0.17750
Equal variances not assumed	—	—	2.031	82.397	0.045	0.17750

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Interpretation: Table 4.23 reflects Levene's Test for Equality of Variances is not statistically significant ($F = 1.779, p = 0.184$), indicating that the assumption of equal variances is satisfied. Therefore, results from the equal variances assumed row were considered for interpretation. The t-test results reveal a statistically significant difference between male and female entrepreneurs with respect to the Journey of Startups to Enterprises ($t = 2.195, df = 199, p = 0.029$). The mean difference of 0.17750 indicates that gender significantly influences the journey from startup to enterprise.

Interpretation of the hypothesis: An Independent Samples t-test was performed using SPSS to investigate the impact of gender on the transition of startups to enterprises. The dependent variable was the Journey of Startups to Enterprises (JE_Total), with Gender serving as the grouping variable (Male and Female). Composite mean scores were utilised following the reliability evaluation. Group statistics indicate that female entrepreneurs exhibited superior journey ratings relative to their male counterparts. Levene's test verified that the assumption of homogeneity of variances was satisfied, facilitating a valid comparison between the two groups. The t-test results reveal a statistically significant disparity in the Journey of Startups to Enterprises between gender groups ($t = 2.195$, $p = 0.029$). This affirms that gender significantly influences the shift from startup to company.

Hypothesis Decision- H5a: The statistical results support Hypothesis H5a, indicating that Gender has a statistically significant influence on the Journey of Startups to Enterprises.

H5b: Age

Null Hypothesis (H0b): There is no significant difference between an entrepreneur's age group and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1b): There is significant difference between an entrepreneur's age group and the Journey of Startups to Enterprises.

Table 4.24 ANOVA (Age and Journey of Startups to Enterprises)

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.890	4	0.472	1.825	0.125
Within Groups	50.727	196	0.259		
Total	52.616	200			

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Independent Variable: Age Group

Interpretation: Table 4.24 reflects that the ANOVA results indicate that there is no statistically significant difference in the Journey of Startups to Enterprises across different age groups ($F = 1.825, p = 0.125$). Since the significance value exceeds the acceptable threshold of 0.05, the null hypothesis cannot be rejected. This suggests that variations in age do not lead to statistically meaningful differences in the startup-to-enterprise journey among the respondents.

Interpretation of the hypothesis: To examine the influence of Age on the Journey of Startups to Enterprises, a One-Way ANOVA was conducted using SPSS. The dependent variable was Journey of Startups to Enterprises (JE_Total), while Age Group was treated as the categorical independent variable. Composite mean scores were used after reliability assessment. The ANOVA results reveal that differences in age groups do not significantly affect the Journey of Startups to Enterprises ($F = 1.825, p = 0.125$). Since the result is not statistically significant, post-hoc analysis was not required. These findings indicate that age, when examined independently, does not play a decisive role in influencing the transition of startups into enterprises.

Hypothesis Decision – H5b: The statistical results reject Hypothesis H5b, indicating that Age does not have a statistically significant influence on the Journey of Startups to Enterprises.

H5c: Education

Null Hypothesis (H0c): There is no significant difference between an entrepreneur's educational qualification and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1c): There is significant difference between an entrepreneur's educational qualification and the Journey of Startups to Enterprises.

Table 4.25 ANOVA (Education and Journey of Startups to Enterprises)

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.780	4	0.695	2.734	0.030
Within Groups	49.836	196	0.254		
Total	52.616	200			

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Independent Variable: Educational Qualification

Interpretation: Table 4.25 reflects that the ANOVA results indicate a statistically significant difference in the Journey of Startups to Enterprises across different educational qualification groups ($F = 2.734, p = 0.030$). Since the significance value is less than the threshold of 0.05, the null hypothesis is rejected. This suggests that educational background plays a meaningful role in influencing the startup-to-enterprise journey among entrepreneurs.

Interpretation of the hypothesis: To examine the influence of Educational Qualification on the Journey of Startups to Enterprises, a One-Way ANOVA was conducted using SPSS. The dependent variable was Journey of Startups to Enterprises (JE_Total), while Educational Qualification was treated as the categorical independent variable. Composite mean scores were used after reliability assessment. The ANOVA results reveal that differences in educational qualification significantly affect the Journey of Startups to Enterprises ($F = 2.734, p = 0.030$). Since the result is statistically significant, it indicates that entrepreneurs with varying educational backgrounds experience different levels of progression in their journey from startup to enterprise. Given the statistical significance, post-hoc analysis is recommended to identify specific educational groups that differ significantly from one another.

Hypothesis Decision – H5c: The statistical results support Hypothesis H5c, indicating that Educational Qualification has a statistically significant influence on the Journey of Startups to Enterprises.

H5d: Experience

Null Hypothesis (H0d): There is no significant difference between an entrepreneur's prior work or entrepreneurial experience and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1d): There is a statistically significant relationship between an entrepreneur's prior work or entrepreneurial experience and the Journey of Startups to Enterprises.

Table 4.26 ANOVA (Experience and Journey of Startups to Enterprises)

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0.075	1	0.075	0.285	0.594
Within Groups	52.541	199	0.264		
Total	52.616	200			

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Independent Variable: Experience

Interpretation: Table 4.26 reflects that the ANOVA results indicate that there is no statistically significant difference in the Journey of Startups to Enterprises across different experience groups ($F = 0.285$, $p = 0.594$). Since the significance value is greater than the acceptable threshold of 0.05, the null hypothesis cannot be rejected. This suggests that differences in prior experience do not result in statistically meaningful variations in the startup-to-enterprise journey.

Interpretation of the hypothesis: To examine the influence of Experience on the Journey of Startups to Enterprises, a One-Way ANOVA was conducted using SPSS. The dependent variable was Journey of Startups to Enterprises (JE_Total), while Experience was treated as the categorical independent variable. Composite mean scores were used after reliability assessment. The ANOVA results reveal that experience does not significantly affect the Journey of Startups to Enterprises ($F = 0.285$, $p = 0.594$). As the result is not statistically significant, post-hoc analysis was not required. These findings indicate that prior experience, when assessed independently, does not play a decisive role in influencing the transition of startups into enterprises.

Hypothesis Decision – H5d: The statistical results reject Hypothesis H5d, indicating that Experience does not have a statistically significant influence on the Journey of Startups to Enterprises.

H5e: Family Business Background

Null Hypothesis (H0e): There is no significant difference between an entrepreneur's family business background and the Journey of Startups to Enterprises.

Alternative Hypothesis (H1e): There is significant difference between an entrepreneur's family business background and the Journey of Startups to Enterprises.

Table 4.27 Group Statistics of the Journey of Startups to Enterprises Based on Family Business Background

Family Business Background	N	Mean	Std. Deviation	Std. Error Mean
Yes	125	2.3493	0.50019	0.04474
No	76	2.5351	0.51591	0.05918

Interpretation: Table 4.27 reflects that the group statistics indicate that entrepreneurs without a family business background (Mean = 2.5351) reported a higher mean score on the Journey of Startups to Enterprises compared to those with a family business background (Mean = 2.3493), suggesting observable differences in their entrepreneurial journey outcomes.

Table 4.28 Independent Samples t-Test for Differences in the Journey of Startups to Enterprises Based on Family Business Background

Test	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
Equal variances assumed	0.779	0.379	-2.523	199	0.012	-0.18575
Equal variances not assumed	—	—	-2.504	154.669	0.013	-0.18575

Dependent Variable: Journey of Startups to Enterprises (JE_Total)

Interpretation: Table 4.28 explains that the Levene's Test for Equality of Variances is not statistically significant ($F = 0.779$, $p = 0.379$), indicating that the assumption of equal variances

is satisfied. Therefore, results from the equal variances assumed row were considered for interpretation. The t-test results reveal a statistically significant difference between entrepreneurs with and without a family business background in relation to the Journey of Startups to Enterprises ($t = -2.523$, $df = 199$, $p = 0.012$). The negative mean difference indicates that entrepreneurs without a family business background exhibit higher journey scores compared to those with such a background.

Interpretation of the hypothesis: To examine the influence of Family Business Background on the Journey of Startups to Enterprises, an Independent Samples t-test was conducted using SPSS. The dependent variable was Journey of Startups to Enterprises (JE_Total), while Family Business Background (Yes/No) was treated as the grouping variable. Composite mean scores were used after reliability assessment. The group statistics reveal notable differences between the two groups, with entrepreneurs without a family business background reporting higher journey score. The t-test results confirm that this difference is statistically significant ($t = -2.523$, $p = 0.012$), indicating that family business background influences the startup-to-enterprise transition.

Hypothesis Decision – H5e: The statistical results support Hypothesis H5e, indicating that Family Business Background has a statistically significant influence on the Journey of Startups to Enterprises.

Interpretation from H5a to H5e (Objective 3):

The interpretation of the results of hypothesis from H5a to H5e states that demographic characteristics do not state that the transition of startups to enterprise occurs due to these factors. Instead, they exert an influence which states that they are critical factors. The above analysis indicates factors such as age, experience, education, and background influence entrepreneurs' perception towards opportunities, risk-taking attitude, and optimum utilization of support systems. However, the impact created is not consistent over all phases of startup lifecycle. Demographic traits function as contextual modifiers, influencing the effectiveness of determinants such as entrepreneurial orientation, mentorship, and social impact orientation. Entrepreneurial orientation is fundamental, highlighting that mindset and strategic objectives

are more crucial than individual characteristics. Demographic diversity may affect the intensity, direction, and efficacy of entrepreneurial endeavors. For instance, experienced professionals may exhibit more systematic decision-making, whereas younger entrepreneurs may demonstrate increased creativity and an inclination for risk-taking. Furthermore, the findings suggest that support mechanisms such as mentorship and ecosystem networks are likely to mitigate demographic disparities, providing equitable opportunities for startups to transition into enterprises. The analysis highlight that the transition from startup to enterprise is mostly determined not by the entrepreneur's identity, but also by their capacity to align their skills with available resources and ecosystem support including mentorship. Thus, demographic characteristics fulfil a supportive and modifying role. In Gujarat's startup ecosystem, this suggests that policies and support frameworks should focus on improving access to mentorship and strategic allowing entrepreneurs from diverse backgrounds to equally participate in and benefit from the growth process.

H6: Resource Capabilities have a significant influence on Entrepreneurial Orientation

Null Hypothesis (H0₆): There is no significant influence of Resource Capabilities on Entrepreneurial Orientation.

Alternative Hypothesis (H1₆): Resource Capabilities have a significant influence on Entrepreneurial Orientation.

Table 4.29 Model summary (Resource capabilities and Entrepreneurial Orientation)

Statistic	Value	Interpretation
R	0.033	Very weak association between Resource Capabilities and EO
R ²	0.001	Resource Capabilities explain 0.1% variance in EO
Adjusted R ²	-0.004	Negligible explanatory power after adjustment

Interpretation: Table 4.29 model summary indicates that Resource Capabilities explain only 0.1% of the variance in Entrepreneurial Orientation. The negative adjusted R² value suggests that Resource Capabilities, when examined independently, have negligible explanatory power

in predicting Entrepreneurial Orientation. Such low explanatory values are common in entrepreneurship research when internal capabilities are assessed in isolation.

Table 4.30 ANOVA (Resource capabilities and Entrepreneurial Orientation)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	0.076	1	0.076	0.210	0.647
Residual	71.956	199	0.362		
Total	72.032	200			

Dependent Variable: Entrepreneurial Orientation (EO_Total)

Independent Variable: Resource Capabilities (RC_Total)

Interpretation: Table 4.30 indicates that the ANOVA results is not statistically significant ($F = 0.210$, $p = 0.647$), suggesting that Resource Capabilities do not significantly influence Entrepreneurial Orientation.

Table 4.31 Coefficients (Resource capabilities and Entrepreneurial Orientation)

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	3.575	0.212	—	16.857	0.000
RC_Total	0.028	0.062	0.033	0.459	0.647

Dependent Variable: Entrepreneurial Orientation (EO_Total)

Interpretation: Table 4.31 regression results indicate that Resource Capabilities (RC_Total) do not have a significant impact on Entrepreneurial Orientation (EO_Total). Although the coefficient is positive ($B = 0.028$), the relationship is very weak ($Beta = 0.033$) and statistically insignificant ($p = 0.647 > 0.05$). This suggests that resource capabilities alone are not a strong predictor of entrepreneurial orientation, and other factors may play a more important role in influencing entrepreneurial behavior.

Interpretation of the hypothesis: To examine the influence of Resource Capabilities on Entrepreneurial Orientation, a simple linear regression analysis was conducted using SPSS.

The dependent variable was Entrepreneurial Orientation (EO_Total), while Resource Capabilities (RC_Total) were treated as the independent variable. Composite mean scores were used after reliability assessment. The model summary reveals an R^2 value of 0.001, indicating that Resource Capabilities explain only 0.1% of the variance in Entrepreneurial Orientation. The adjusted R^2 value of -0.004 further confirms the limited explanatory capacity of the model. The ANOVA results show that the regression model is not statistically significant ($F = 0.210$, $p = 0.647$), indicating that Resource Capabilities do not significantly predict Entrepreneurial Orientation. The coefficients table further indicates that Resource Capabilities have a positive but statistically insignificant influence on Entrepreneurial Orientation ($\beta = 0.033$, $t = 0.459$, $p = 0.647$). This suggests that Resource Capabilities, when assessed independently, do not have a direct influence on Entrepreneurial Orientation.

Hypothesis Decision- H6: The regression results reject Hypothesis H6, indicating that Resource Capabilities have a statistically significant influence on Entrepreneurial Orientation when examined independently.

H7: Incubation has a significant influence on Entrepreneurial Orientation (EO).

Null Hypothesis (H0): There is no significant influence of Incubation on Entrepreneurial Orientation.

Alternative Hypothesis (H1): Incubation has a significant influence on Entrepreneurial Orientation.

Table 4.32 Model Summary (Incubation and Entrepreneurial Orientation)

Statistic	Value	Interpretation
R	0.191	Weak association between Incubation and EO
R^2	0.036	Incubation explains 3.6% variance in EO
Adjusted R^2	0.032	Slightly corrected explanatory power

Interpretation: Table 4.32 indicates that Incubation explains 3.6% of the variance in Entrepreneurial Orientation. Although the explanatory power is modest, such R^2 values are

considered acceptable in entrepreneurship and behavioral research, particularly when individual predictors are examined independently.

Table 4.33 ANOVA (Incubation and Entrepreneurial Orientation)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2.624	1	2.624	7.524	0.007
Residual	69.407	199	0.349		
Total	72.032	200			

Dependent Variable: Entrepreneurial Orientation (EO_Total)

Independent Variable: Incubation (Incub_Total)

Interpretation: Table 4.33 explains the ANOVA results indicate that the regression model is statistically significant ($F = 7.524$, $p = 0.007$), confirming that Incubation significantly influences Entrepreneurial Orientation.

Table 4.34 Coefficients (Incubation and Entrepreneurial Orientation)

	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	4.027	0.136	—	29.520	0.000
Incub_Total	-0.115	0.042	-0.191	-2.743	0.007

Dependent Variable: Entrepreneurial Orientation (EO_Total)

Interpretation: Incubation Support (Incub_Total) has a negative and statistically significant influence on the dependent variable ($\beta = -0.191$, $t = -2.743$, $p = 0.007$). Although the coefficient is negative ($B = -0.115$), the relationship is moderate and statistically significant ($p < 0.05$). This suggests that higher incubation support, when considered independently, is associated with a decrease in the outcome, indicating that its impact may depend on other supporting factors.

Interpretation of the hypothesis: To examine the influence of Incubation on Entrepreneurial Orientation, a simple linear regression analysis was conducted using SPSS. The dependent variable was Entrepreneurial Orientation (EO_Total), while Incubation (Incub_Total) was treated as the independent variable. Composite mean scores were used after reliability assessment. The model summary reveals an R^2 value of 0.036, indicating that Incubation explains 3.6% of the variance in Entrepreneurial Orientation. The adjusted R^2 value of 0.032 confirms a modest but meaningful level of explanatory power. The ANOVA results show that the regression model is statistically significant ($F = 7.524, p = 0.007$), indicating that Incubation significantly predicts Entrepreneurial Orientation. The coefficients table further indicates that Incubation has a negative and statistically significant influence on Entrepreneurial Orientation ($\beta = -0.191, t = -2.743, p = 0.007$). This suggests that, when assessed independently, higher levels of incubation support are associated with lower levels of Entrepreneurial Orientation.

Hypothesis Decision- H7: The regression results support Hypothesis H7, indicating that Incubation has a statistically significant influence on Entrepreneurial Orientation.

H8: Mentorship has a significant influence on Entrepreneurial Orientation

Null Hypothesis (H0s): There is no statistically significant influence of Mentorship on entrepreneurial orientation.

Alternative Hypothesis (H1s): Mentorship has a statistically significant influence on entrepreneurial orientation.

Table 4.35 Model Summary (Mentorship and Entrepreneurial Orientation)

Statistic	Value
R	0.032
R^2	0.001

Adjusted R ²	-0.04
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Interpretation: Table 4.35 reflects the model summary shows that mentorship has a negligible relationship with entrepreneurial orientation. The R value (0.032) indicates a very weak correlation, while the R² value (0.001) suggests that mentorship explains only 0.1% of the variation in entrepreneurial orientation. The negative adjusted R² (-0.04) further confirms that the model has no explanatory power, indicating that mentorship does not significantly influence entrepreneurial orientation in this context.

Table 4.36 ANOVA (Mentorship and Entrepreneurial Orientation)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	0.075	1	0.075	0.208	0.649b
Residual	71.957	199	0.362		
Total	72.032	200			

Dependent Variable: Entrepreneurial Orientation (EO_Total)

Independent Variable: Incubation (MNT_Total)

Interpretation: Table 4.36 shows that the regression model is not statistically significant (F = 0.208, p = 0.649). This means that mentorship (MNT_Total) does not significantly affect entrepreneurial orientation (EO_Total). In simple terms, mentorship alone is not a strong predictor of entrepreneurial orientation in this model.

Table 4.37 Coefficients (Mentorship and Entrepreneurial Orientation)

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.

(Constant)	3.576	0.211		16.922	0.000
MNT_Total	0.026	0.058	0.032	0.456	0.649

Dependent Variable: Entrepreneurial Orientation (EO_Total)

Interpretation: Table 4.37 reflects the coefficient results that mentorship (MNT_Total) has a very weak and statistically insignificant effect on entrepreneurial orientation (EO_Total). Although the relationship is positive ($B = 0.026$), the standardized coefficient is very low ($\text{Beta} = 0.032$) and the p-value ($0.649 > 0.05$) indicates no statistical significance. This implies that mentorship does not meaningfully influence entrepreneurial orientation in this model.

Interpretation of the hypothesis: There is no statistically significant effect of mentorship on entrepreneurial orientation, according to the findings. As you can see, the model summary shows that mentorship only explains 0.1% of the variation in entrepreneurial attitude ($R = 0.032$). As expected, the model can't predict anything and doesn't fit the data well because the modified R^2 is negative (-0.04). This finding is supported by the ANOVA results, which show that mentorship does not significantly explain changes in entrepreneurial attitude ($p\text{-value} = 0.649, > 0.05$). Furthermore, the coefficient results show a very weakly positive relationship ($\text{Beta} = 0.032$), which is not statistically significant ($p = 0.649 > 0.05$). By itself, this shows that mentoring doesn't have a big effect on being entrepreneurial. Ultimately, the research shows that mentorship by itself is not a strong indicator of an entrepreneurial mindset. There isn't much of a direct effect that mentoring has on forming entrepreneurial behaviour. However, mentorship can be helpful and developmental by giving advice, knowledge, and opportunities. Based on this, entrepreneurial orientation is more heavily influenced by things like a person's mindset, their ability to come up with new ideas, and their overall strategic goals. Thus, guidance should be seen as an additional or helpful factor rather than the main cause of an entrepreneurial mindset.

Hypothesis Decision- H8: The regression results reject Hypothesis H8, indicating that mentorship has no statistically significant influence on Entrepreneurial Orientation.

H9: Mentorship has a significant influence on Government schemes awareness

Null Hypothesis (H0₉): There is no statistically significant influence of Mentorship on Government Schemes Awareness.

Alternative Hypothesis (H1₉): Mentorship has a statistically significant influence on Government Schemes Awareness.

Table 4.38 Model Summary (Mentorship and Government Schemes Awareness)

Statistic	Value
R	0.426
R ²	0.182
Adjusted R ²	0.178

Interpretation: The model summary indicates that Mentorship explains 18.2% of the variance in Government Schemes Awareness. The adjusted R² value of 0.178 suggests a substantial explanatory power, which is considered strong in entrepreneurship and social science research when individual predictors are examined independently.

Table 4.39 ANOVA (Mentorship and Government Schemes Awareness)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	10.723	1	10.723	44.241	0.000
Residual	48.232	199	0.242		
Total	58.954	200			

Dependent Variable: Government Schemes Awareness (GSaware_Total)

Independent Variable: Mentorship (MNT_Total)

Interpretation: The ANOVA results indicate that the regression model is statistically significant ($F = 44.241$, $p < 0.001$), confirming that Mentorship significantly influences Government Schemes Awareness.

Table 4.40 Coefficients (Mentorship and Government Schemes Awareness)

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	2.106	0.173	—	12.173	0.000
MNT_Total	0.315	0.047	0.426	6.651	0.000

Dependent Variable: Government Schemes Awareness (GSaware_Total)

Interpretation: The coefficient results indicate that mentorship has a positive and statistically significant influence on Government Schemes Awareness. The unstandardized coefficient ($B = 0.315$) shows that an increase in mentorship leads to a corresponding increase in awareness levels. The standardized coefficient ($Beta = 0.426$) reflects a moderate and meaningful effect size, suggesting that mentorship plays an important role in influencing awareness. The p-value ($0.000 < 0.05$) confirms that the relationship is statistically significant, indicating that mentorship is a strong predictor of Government Schemes Awareness when considered independently.

Interpretation of the hypothesis: SPSS was used to do a simple linear regression analysis to look at how mentoring affects people's knowledge of government programs. The variable that was being studied was Government Schemes Awareness (GSaware_Total), and the variable that was being studied was Mentorship (MNT_Total). After checking for dependability, the composite mean scores were used. An R^2 value of 0.182 in the model report shows that mentoring accounts for 18.2% of the variation in people's knowledge of government schemes. The adjusted R^2 number of 0.178 is more proof that the model is very good at explaining things. The ANOVA results show that the regression model is very statistically significant ($F = 44.241$, $p < 0.001$), which means that mentoring is a good way to predict awareness of government schemes. To add to that, the coefficients table shows that mentoring has a positive and statistically significant effect on people's knowledge of government schemes ($\beta = 0.426$, $t = 6.651$, $p < 0.001$). The results show that entrepreneurs who have more mentors are more likely to know about government programs.

Hypothesis Decision- H9: The regression results support Hypothesis H9, indicating that Mentorship has a statistically significant influence on Government Schemes Awareness.

H10: Resource capabilities have a significant influence on Government Support

Null Hypothesis (H0₉): There is no statistically significant influence of Resource capabilities on Government Support.

Alternative Hypothesis (H1₉): There is significant influence of Resource capabilities on Government Support.

Table 4.41 Model Summary (RC and Government Schemes Awareness)

Statistic	Value
R	0.155
R ²	0.024
Adjusted R ²	0.019

Interpretation: The model summary indicates that RC explains 2.4% of the variance in Government Schemes Awareness. The adjusted R² value of 0.019 suggests a very low explanatory power, indicating that RC contributes minimally to explaining variations in awareness.

Table 4.42 ANOVA (Resource Capabilities and Government Schemes Awareness)

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	1.416	1	1.416	4.899	0.028
Residual	57.538	199	0.289		
Total	58.954	200			

Dependent Variable: Government Schemes Awareness (GSaware_Total)

Independent Variable: Mentorship (RC_Total)

Interpretation: The ANOVA results show that the regression model is statistically significant ($F = 4.899$, $p = 0.028$). This means the model fits the data well and the independent variable has a significant effect on Government Schemes Awareness. In simple terms, the predictor helps explain changes in awareness levels.

Table 4.43 Coefficients (RC and Government Schemes Awareness)

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	T	Sig.
(Constant)	2.823	0.190		14.882	0.000
RC_Total	0.122	0.055	0.155	2.213	0.028

Dependent Variable: Government Schemes Awareness (GSaware_Total)

Interpretation: The coefficient results indicate that RC (RC_Total) has a positive and statistically significant influence on Government Schemes Awareness. The standardized coefficient (Beta = 0.155) reflects a weak but positive effect size, indicating that while the influence exists, it is relatively small. The t-value (2.213) supports the presence of this relationship, and the p-value ($0.028 < 0.05$) confirms that the effect is statistically significant. Overall, this suggests that RC contributes to improving Government Schemes Awareness, but its impact is limited in strength when considered independently.

Interpretation of the hypothesis: SPSS was used to conduct a simple linear regression analysis to examine the influence of Resource Capabilities on Government Schemes Awareness. The dependent variable was Government Schemes Awareness (GSaware_Total), while the independent variable was Resource Capabilities (RC_Total). Composite mean scores were used after ensuring reliability. The model summary indicates that Resource Capabilities explain 2.4% of the variance ($R^2 = 0.024$) in Government Schemes Awareness, with an adjusted R^2 of 0.019, suggesting low explanatory power. However, the ANOVA results reveal that the model is statistically significant ($F = 4.899$, $p = 0.028 < 0.05$), leading that Resource Capabilities are a meaningful predictor of awareness. Furthermore, the coefficients table shows that Resource Capabilities have a positive and statistically significant effect on Government Schemes Awareness ($\beta = 0.155$, $t = 2.213$, $p = 0.028$). These findings suggest that higher

Resource Capabilities are associated with increased awareness of government schemes among entrepreneurs, although the strength of this relationship is relatively weak.

Hypothesis Decision- H10: The regression results support Hypothesis H10, indicating that there is significant influence of Resource capabilities on Government Support.

4.5.4 Interpretation from H6 to H10 (Objective 4):

The analysis for Objective 4 shows a varied trend when it comes to how Resource Capabilities, Incubation, and Mentorship affect the orientation of an entrepreneur. The findings indicate that Resource Capabilities and Mentorship do not have a statistically significant direct effect on Entrepreneurial Orientation. This shows that having internal resources or having a mentor alone is not enough to directly change how entrepreneurs act or reacts. Instead, being entrepreneurial seems to be rooted in individual traits, strategic purpose, and innovation capacity. Incubation, on the other hand, has a statistically significant but negative effect on Entrepreneurial Orientation. This result suggests that more incubation support may be linked to less of an entrepreneurial spirit. This could be because entrepreneurs become too dependent on organised support systems or don't take as many risks. This highlights the complexity of incubation programs and suggests that while they provide guidance and resources, they may also inadvertently limit entrepreneurial autonomy. Also, the results make it clear that mentoring is a powerful and important way to raise awareness of government programs. The above information shows that mentors play a key role as information brokers, making it easier for businesses to understand and get government assistance. Similarly, Resource Capabilities also show a statistically significant but weak influence on awareness, suggesting that firms with better internal capabilities are slightly more able to identify and utilize government schemes. Overall, the results a structural distinction between awareness and behavior. Support from outside sources, like mentorship and tools, makes people much more aware of government programs, but it doesn't directly lead to an entrepreneurial mindset. This shows that there is a gap in implementation, since knowledge does not always lead to action as an entrepreneur. So, support systems like guidance, incubation, and access to resources are more of a way to make people more likely to be entrepreneurs than they are to actually do so.

4.6 Summary of Key Analytical Insights

Table 4.44: Summary of Results of the Hypothesis Testing

Hypothesis	Relationship Tested	Test Used	Key Result	Decision
H1	EO → JE	Regression	$p = 0.002$; $\beta = -0.214$	Rejected
H2	Social Impact → JE	Regression	$p = 0.083$	Accepted
H3	Mentorship/Incubation support → JE	Regression	$p = 0.158$	Accepted
H4	Government schemes awareness/Awareness → JE	Regression	$p = 0.618$	Accepted
H5a	Gender → JE	t-test	$p = 0.029$	Rejected
H5b	Age → JE	ANOVA	$p = 0.125$	Accepted
H5c	Education → JE	ANOVA	$p = 0.030$	Rejected
H5d	Prior Experience → JE	ANOVA	$p = 0.594$	Accepted
H5e	Family Business Background → JE	t-test	$p = 0.012$	Rejected
H6	Resource Capabilities → EO	Regression	$p = 0.647$	Accepted
H7	Incubation Support → EO	Regression	$p = 0.007$; $\beta = -0.191$	Rejected
H8	Mentorship → Govt Schemes Awareness	Regression	$p < 0.001$; $R^2 = 0.182$	Rejected

Interpretation: The results of the hypothesis testing show that the startup-to-enterprise journey (JE) is not caused by just one thing. EO has a statistically significant link to JE, however the negative direction reveals that EO is complicated in how it works in real life. Mentorship and government assistance are to be considered as important parts of the ecosystem. Mentorship, in particular, helps people through specific guidance and assistance for way ahead, provides information about policies and schemes and bridges the gap between the

need of a startup and the want for the startup to scale, which suggests that it has an indirect effect on JE rather than a direct one.

Table 4.45 Objective-wise Summary of Key Findings

Research Objective	Testing	Findings	Inference
Objective 1	EO → JE	Significant (negative)	Entrepreneurial intensity alone may not ensure stable enterprise transition
Objective 2	Social Impact → JE	Not significant	Social impact orientation may be value-driven but not a direct transition driver
Objective 3	Mentorship/Incubation support → JE	Not significant (directly)	Support may help indirectly via learning, discipline, or access pathways
Objective 4	Govt support → JE	Not significant (directly)	Policy support may matter through awareness and utilization, not standalone availability
Objective 5	Demographics → JE	Gender, education, family background significant	Transition outcomes vary by founder background and context

Source: Author

Interpretation: The results, when interpreted objectively, provide more evidence that the transition of a company is dependent on the ecosystem and sensitive to the background. They also demonstrate that various variables operate through indirect processes rather than directly through linear impacts.

Table 4.46 Mapping of Direct vs Indirect Influences in the Gujarat Startup Ecosystem

Variable	Direct effect on JE	Evidence in Chapter 4	Likely role in the ecosystem
Entrepreneurial Orientation (EO)	Yes	Significant; negative β	Strong behavioural driver but may create volatility without stabilizing supports
Social Impact	No	Non-significant	Reputation/values may help long-term sustainability, not immediate transition
Mentorship	No (direct), Yes (via awareness)	Mentorship $\rightarrow$ scheme awareness significant	Acts as an institutional navigation mechanism
Government schemes awareness	No (direct)	Non-significant	Works when converted into awareness + access + application
Incubation support	Not tested direct to JE; impacts EO	Significant negative relationship with EO	Structures behaviour, reduces unstructured risk-taking, increases discipline
Resource capabilities	No (to EO)	Non-significant	Resources alone don't shape EO; conversion into capability may matter

Interpretation: It is possible to interpret the findings as indicating that a number of ecosystem characteristics, such as mentoring, incubation, and government backing, serve as enabling mechanisms that shape awareness, discipline, and navigation, rather than functioning as direct predictors of enterprise change.

Table 4.47 Demographic Differences in Journey to Enterprise (JE)

Demographic Variable	Test Used	Significant?	Direction/Pattern Observed	Interpretation
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Gender	t-test	Yes (p = 0.029)	Female higher mean JE than male	Transition experience differs by gender
Age group	ANOVA	No (p = 0.125)	No meaningful difference	Transition is not age-dependent in this sample
Education	ANOVA	Yes (p = 0.030)	JE differs across education levels	Human capital influences enterprise transition
Prior Experience	ANOVA	No (p = 0.594)	No meaningful difference	Startup transition depends more on ecosystem engagement than prior job experience
Family Business Background	t-test	Yes (p = 0.012)	No-family-business higher mean JE	First-generation founders may display higher adaptability/drive

Interpretation: The presence of variability in enterprise transition is indicated by demographic effects; gender, education, and family-business background serve as differentiators, although age and past experience do not exhibit a decisive influence.

4.7 Summary of the Chapter

The results of Chapter 4 show that there are many factors at play in the transformation of startups into companies in Gujarat, and that these factors are driven by the ecosystem as a whole. The reliability analysis proved that the study's measurement instrument was strong and credible, with strong internal consistency across all significant constructs. According to the results, EO was found to have a statistically significant impact on startups' paths to enterprise-level sustainability. However, the negative direction of this relationship implies that being very entrepreneurial, innovative, and proactive when working alone might only lead to your entrepreneurial level but to transition from startup to enterprise you need other factors as well to guide you. On the other hand, when examined separately, social impact orientation,

mentorship, and government schemes awareness did not show a direct statistically significant effect on the journey. This suggests that these factors might be more useful as indirect facilitators than as drivers of enterprise transition. According to the demographic research, there is a clear difference in the transition experience of entrepreneurs based on gender, education level, and family business background. On the other hand, age and previous work experience do not seem to really matter. The changing dynamics of entrepreneurship in Gujarat are most evident in the stronger journey results reported by female entrepreneurs and those who did not come from a family business background.

Additional evidence indicating that ecosystem mechanisms indirectly influence entrepreneurial behaviour and preparedness is derived from the inter-construct analysis, which revealed that mentorship is essential for enhancing knowledge of government initiatives and that incubation support significantly impacts entrepreneurial orientation. The results indicate a non-linear correlation among entrepreneurial orientation, ecosystem support structures, and individual background characteristics in the transition from startup to company, rather than the influence of any single factor in isolation.

CHAPTER 5

FINDINGS AND DISCUSSIONS

CHAPTER 5: FINDINGS AND DISCUSSIONS

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CHAPTER 5: FINDINGS AND DISCUSSIONS

5.1 Introduction

This chapter is a complete review of the findings from the research project named "A Study on Identifying Factors and Determinants for the Journey of Startups to Enterprises in Gujarat." The research was conducted in Gujarat. The study goals that were established are linked to well-known theoretical models in the fields of strategic management and entrepreneurship via this method, which connects data from the real world with the research aims. Over the course of the past decade, the startup ecosystem in Gujarat has experienced significant growth. This growth can be due to implementation of government initiatives, the establishment of incubation facilities, and the increased participation of individuals in the business world.

Nevertheless, the path from beginnings to organizations that have the potential to endure is frequently paved with obstacles and twists. The research investigates a wide range of factors that have an impact on this transition. These factors include an entrepreneurial orientation, resource capabilities, mentorship, incubator support, awareness of government schemes, social impact, and specific demographic variables. Through the examination of these characteristics and the identification of elements that either help or impede the evolution of startups into fully functioning enterprises, the research provides insights to the advancement of startups beyond their first phases. The first part of the chapter is an overview of the findings, which is structured according to the objectives, and then it carries on to discuss significant empirical insights. The article also discusses both -theoretical and practical effects of study, identifies the shortcomings, and offers scope of the study.

5.2 Objective-wise Summary of Findings

5.2.1 Entrepreneurial Orientation and the Startup-to-Enterprise Journey

EO, was found to have a statistically significant impact on the path that startups take to become enterprises. The relationship, on the other hand, was found to be negative, which suggests that although an entrepreneurial orientation, which is characterized by proactiveness, innovativeness, and risk-taking, is essential during the early stages of venture creation, an excessive reliance on these characteristics without strategic consolidation may hinder stable enterprise transition. Previous research has suggested that an entrepreneurial orientation must develop across the various stages of an organization's evolution (Lumpkin & Dess, 1996). This

conclusion is consistent with that study. During the scaling process, startups that continue to operate with a high level of experimentation and risk orientation may confront issues relating to operational inefficiencies, governance gaps, and resource misalignment.

5.2.2 Social Impact and Enterprise Transition

The findings of the investigation determined that Social Impact does not have a substantial impact on the path from startup to firm when it is analyzed individually. The findings imply that social impact acts more as a long-term sustainability pillar rather than a direct development driver. This is despite the fact that modern entrepreneurship literature is increasingly emphasizing the production of social value.

The fact that this is the case suggests that new businesses in Gujarat have a tendency to place a higher priority on economic viability and operational stability than they do on incorporating structured social impact programs. It is therefore possible that social effect will arise as a result of the maturity of the firm rather than as a result of the shift.

5.2.3 Mentorship and Startup-to-Enterprise Transition

Based on the findings, it appears that mentoring does not have a substantial impact on the transition from startup to enterprise when it is evaluated in isolation. The success of mentorship appears to be contingent on the startup's internal absorptive capacity, willingness to adopt advise, and alignment with broader ecosystem resources. Mentorship offers strategic counsel, possibilities for experiential learning, and networking opportunities. The fact that this conclusion was made lends credence to the idea that mentoring is more of a facilitator than a factor that determines the growth of an organisation on its own.

5.2.4 Government schemes awareness and Institutional Influence

When considered on its own, the study came to the conclusion that government schemes awareness, which was evaluated based on scheme awareness and perceived facilitation, does not have a substantial impact on the transition from startup to firm. This further demonstrates that there is a continuing gap between the availability of policies and their efficient utilisation. Despite the fact that Gujarat has enacted a number of policies that are helpful to new businesses,

the complexity of the procedures, the lack of understanding, and the difficulties in implementing these laws may limit their direct impact on the outcomes of enterprises. Because of this, there is an increased requirement for institutional mediation and ecosystem integration being strengthened.

5.2.5 Influence of Demographic Variables

The demographic analysis yielded inconclusive outcomes: Gender exhibited a statistically significant impact on the transition from startup to company, highlighting distinct entrepreneurial experiences and institutional obstacles. Education and prior experience had minimal impact on enterprise changeover, indicating that entrepreneurship in Gujarat is predominantly driven by practice rather than qualifications. The backdrop of a family business seems to profoundly impact the journey, emphasizing the importance of business experience inherited from close family members and early socialization that increases the entrepreneurial orientation richness. These findings highlight that demographic considerations differentially influence entrepreneurial trajectories and interact with ecosystem conditions.

5.3 Ecosystem Linkages

This study went on to investigate ecosystem-level relationships: The resource capabilities did not have a major influence on the EO, which suggests that the entrepreneurial mindset is more behavioral and cognitive in nature than to be dependent on the resources available. It was found that Incubation Support had a significant influence on Entrepreneurial Orientation, but that this relationship was in a negative direction. This finding suggests that a prolonged dependence on structured incubation may hinder autonomy and entrepreneurial independence. The significance of mentors as institutional interpreters and information bridges was brought to light by the fact that mentoring was shown to have a significant and favourable impact on government scheme awareness. As a result of these discoveries, the concept that elements of an ecosystem function through interconnected and non-linear mechanisms rather than through direct linear linkages with one another is strengthened.

5.4 Summary of Findings

After the statistical analysis in Chapter 4, which included reliability testing, descriptive statistics, regression analysis, ANOVA, and t-tests, the results are used to figure out how different entrepreneurial, institutional, and demographic factors affect the path of startups to businesses in Gujarat.

The results interpret that EO has a statistically significant influence on the journey of startups to enterprises. However, the relationship was found to be negative in nature, suggesting that higher levels of entrepreneurial orientation—characterized by risk-taking, innovativeness, and proactiveness—do not necessarily ensure a smoother or more stable transition to enterprise-level maturity when considered independently. This finding implies that while EO is essential in the early phases of startup creation, excessive or unmoderated entrepreneurial behavior without adequate structural support, strategic alignment, and institutional backing may hinder sustainable enterprise transition.

The analysis revealed that social impact orientation does not have a statistically significant influence on the journey of startups to enterprises. This suggests that although social impact may be an important value-driven objective for startups, it does not directly contribute to enterprise transition outcomes when assessed in isolation. The finding indicates that social impact orientation may operate as a complementary or long-term dimension rather than a primary determinant of enterprise growth and consolidation within the Gujarat startup ecosystem.

The results show that mentorship does not have a statistically significant direct influence on the journey of startups to enterprises. This finding suggests that mentorship alone may not directly accelerate enterprise transition but instead plays a supportive or facilitative role. Mentorship may contribute indirectly by enhancing entrepreneurial awareness, decision-making quality, and access to networks, rather than functioning as a standalone predictor of enterprise-level success.

The regression analysis indicates that government schemes awareness does not have a statistically significant direct influence on the journey of startups to enterprises. This finding implies that mere availability of government schemes or policy frameworks does not automatically translate into enterprise transition unless entrepreneurs are adequately aware of, capable of accessing, and effectively utilizing such support. It highlights a potential gap that

needs to be bridged between policy awareness and practical implementation within the startup ecosystem.

The independent samples t-test analysis disclosed a statistically significant difference in the journey of startups to enterprises based on gender. Female entrepreneurs reported comparatively higher journey scores than their male counterparts, indicating a meaningful variation in transition experiences. This finding suggests that gender-specific factors such as resilience, decision-making styles, support systems, or adaptive strategies may influence enterprise transition outcomes within the Gujarat startup ecosystem. The results indicate that age does not significantly differentiate the journey of startups to enterprises. This suggests that enterprise transition is not age-dependent and that entrepreneurs across different age groups experience similar transition challenges and outcomes. The finding reinforces the idea that startup success and enterprise maturity are driven more by ecosystem factors and strategic capabilities than by chronological age.

The one-way ANOVA results demonstrate a statistically significant difference in the journey of startups to enterprises based on educational qualification. This states educational background has a meaningful role in shaping enterprise transition outcomes. Higher or specialized educational qualifications may contribute to improved strategic thinking, managerial competence, and resource utilization, thereby influencing the progression from startup to enterprise. The analysis shows that prior work experience does not significantly influence the journey of startups to enterprises. This finding suggests that previous professional experience alone does not guarantee smoother enterprise transition. It implies that startup-specific learning, adaptability, and ecosystem engagement may be more critical than general work experience in determining transition success. The results indicate a statistically significant difference in the journey of startups to enterprises based on family business background. Interestingly, entrepreneurs without a family business background reported higher journey scores compared to those with such backgrounds. This finding suggests that first-generation entrepreneurs may demonstrate higher adaptability, innovation, and independence, which could positively influence their enterprise transition journey. The regression analysis revealed that resource capabilities do not have a statistically significant influence on entrepreneurial orientation. This suggests that access to resources alone does not necessarily shape entrepreneurial behavior such as risk-taking or innovativeness. Instead, entrepreneurial orientation may be more strongly influenced by personal traits, institutional exposure, or ecosystem-driven learning mechanisms. The results indicate that incubation support has an

influence on entrepreneurial orientation. However, the relationship was found to be negative, implying that structured incubation environments may moderate or channel entrepreneurial behavior rather than amplify it. This suggests that incubation support introduces discipline, governance, and systematic decision-making, which may reduce unstructured entrepreneurial intensity while promoting sustainability-oriented behavior.

The findings strongly support the hypothesis that mentorship has a statistically significant influence on awareness of government schemes. It has been indicated that mentorship plays an important role in create a bridge between entrepreneurs and policy frameworks. This result highlights mentorship as a key indirect enabler in the startup ecosystem, facilitating access to institutional support and improving entrepreneurs' ability to leverage government initiatives effectively.

CHAPTER 6

CONCLUSION

CHAPTER 6: CONCLUSION

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CHAPTER 6: CONCLUSION

6.1 Contribution to Research

The present study makes several significant contributions to entrepreneurship and startup ecosystem literature, particularly in the context of emerging economies and regional startup ecosystems such as Gujarat.

6.1.1 Extension of Entrepreneurial Orientation Theory Across Venture Stages

In contrast to previous research (Lumpkin & Dess, 1996; Covin & Slevin, 1989), which primarily investigates Entrepreneurial Orientation (EO) as a driver of venture performance, this study extends the notion of EO by establishing that its influence is stage-dependent. According to the findings, although while EO is significant, it has a negative effect on the trip from startup to business. This shows that excessive risk-taking and experimentation may hinder the transition from startup to enterprise if it is not supported by governance and strategic discipline.

Research contribution: EO is reconceptualized as a *dynamic construct whose optimal intensity varies across startup and enterprise stages*.

6.1.2 Integration of Resource-Based View and Ecosystem Perspective

The study integrates the Resource-Based View (Barney, 1991) with an ecosystem lens by empirically testing resource capabilities, mentorship, incubation, and government schemes awareness together rather than in isolation. It was discovered that resource capacities did not have a substantial influence on entrepreneurial orientation on their own, which is contrary to the classic RBV assumptions.

Contribution to research: The study contradicts the deterministic assumptions of RBV and underscores the fact that resources alone do not drive entrepreneurial behaviour without ecosystem mediation.

6.1.3. Conceptualization of Incubation Dependency Effect

An important theoretical contribution is the identification of a negative relationship between incubation support and Entrepreneurial Orientation. While incubation is traditionally positioned as a growth enabler, this study introduces the notion of incubation dependency, where prolonged or excessive reliance on structured support may reduce autonomy, proactiveness, and risk-taking.

Research contribution: Introduces *incubation dependency* as a novel concept in startup lifecycle literature.

6.1.4 Repositioning Mentorship as an Institutional Navigation Mechanism

The study provides empirical evidence that mentorship does not directly influence startup-to-enterprise transition but has a strong and significant influence on government schemes awareness. This shifts the conceptual role of mentorship from growth acceleration to institutional interpretation and policy navigation.

Research contribution: Mentorship is theoretically reframed as an *information bridge* between entrepreneurs and institutional support systems.

6.1.5. Incorporation of Social Impact as an Indirect Ecosystem Variable

Although Social Impact did not show a direct influence on enterprise transition, its role as a sustainability-oriented variable contributes to literature by positioning social value creation as a long-term outcome rather than an early-stage determinant.

Research contribution: Clarifies the temporal role of social impact within the enterprise lifecycle.

6.1.6. Regional Contribution to Entrepreneurship Literature

In the majority of cases, studies of entrepreneurship are conducted in Western or metropolitan circumstances. This study presents empirical information that is specific to the region where it was conducted by concentrating on Gujarat, which is a fast developing but under-researched entrepreneurial ecosystem.

Research contribution: A contextual research vacuum is addressed, and the literature on indigenous entrepreneurship in India is strengthened as a result of this study contribution.

6.2 Contribution to Practice

In addition to theoretical advancements, the study provides important practical contributions for entrepreneurs by emphasizing the need for a strategic balance between entrepreneurial orientation and organizational stability. As ventures scale, high levels of innovativeness and risk-taking should be complemented with process formalization, governance structures, and strategic focus. This highlights the importance of transitioning from a startup mindset to an enterprise mindset. Furthermore, while incubation support is valuable during the early stages, prolonged dependence may hinder independent decision-making. Entrepreneurs are therefore encouraged to utilize incubation as a launchpad rather than a permanent operational framework. The findings also stress the significance of actively engaging with mentorship networks, as mentors play a crucial role in enhancing awareness of government schemes. Thus, mentorship should be leveraged not only for business advice but also for understanding institutional and policy environments.

From the perspective of incubators and support institutions, the study suggests a shift in focus from onboarding startups to preparing them for autonomy and exit readiness. Instead of prolonged handholding, incubators should design structured programs that build independence and long-term sustainability. Their effectiveness should be evaluated based on enterprise graduation rates rather than the number of startups enrolled. Additionally, incubators and accelerators should function as key ecosystem intermediaries by facilitating communication between startups and government agencies. This role is critical in ensuring that entrepreneurs receive accurate information and are able to effectively utilize available policy support mechanisms.

In terms of policy implications, the findings highlight a significant need to bridge the policy–practice gap. The lack of a direct effect of government schemes awareness on entrepreneurial outcomes indicates that policy initiatives alone are insufficient without effective communication, mediation, and simplification mechanisms. Therefore, the success of government policies should not be measured merely by the number of startup registrations but by the extent to which they enable enterprise conversion and long-term sustainability. This calls for a more outcome-oriented approach in evaluating policy effectiveness.

Moreover, the study underscores the importance of targeted entrepreneurial capacity building. Government initiatives should extend beyond financial assistance to focus on developing capabilities, strengthening strategic governance, and providing post-incubation support. Policies should be aligned with different stages of the venture lifecycle to ensure continuous support as startups evolve into established enterprises. Overall, the study gives a comprehensive understanding of how ecosystem mechanisms function, providing a practical roadmap for strengthening the startup-to-enterprise transition in emerging economies.

6.3 Scope of the Study

This study delineates its scope through conceptual, geographical, methodological, and analytical parameters. The research examines the principal variables and determinants affecting the transition of startups to enterprises within the Gujarat startup ecosystem. The study conceptually investigates entrepreneurial transition using an integrated framework that includes Entrepreneurial Orientation, Resource Capabilities, Mentorship, Incubation Support, Government Scheme Awareness, Social Impact, and specific demographic characteristics. These constructs were selected based on a comprehensive literature evaluation and their pertinence to emerging economy environments.

The research is geographically confined to enterprises located in the state of Gujarat, acknowledged as one of India's leading entrepreneurial hubs. Gujarat provides a dynamic context for examining startup development; however, the findings are specific to this region and may not be generalizable to other states or countries.

The study uses quantitative research method utilizing structured questionnaires. Data were collected from founders and key decision-makers of startups. The analysis encompasses descriptive statistics, reliability testing, correlation analysis, and regression-based hypothesis testing utilizing SPSS. Specifically, the study explores the direct links and particular ecosystem linkages that exist between the variables through an analytical approach. The scope is restricted, and it does not include any longitudinal analysis, experimental designs, or an exhaustive qualitative investigation of experiences related to entrepreneurship.

6.4 Limitations of the research

The study has these limitations that need to be taken into consideration. To begin, the scope of the research is restricted to the state of Gujarat, which makes it not possible to generalize the findings to other regions or to the setting of other countries. When it comes to institutional support, cultural norms, and market dynamics, entrepreneurial ecosystems are greatly different from one state or country to another. The study methodology is cross-sectional, which means that it captures the perspectives and experiences of business owners. Longitudinal studies have the potential to provide more in-depth insights into the ways in which factors change during the various stages of venture growth. This is because the transition from startup to operation is fundamentally dynamic. However, the study does not take into consideration sector-specific variations or industry-level effects, which may have a distinct impact on the growth of startups in different industries, such as manufacturing, technology, or services. This is the fourth limitation of the study. Last but not least, the research predominantly makes use of quantitative approaches, which may restrict the extent to which complexity of entrepreneurial behaviors, motivations, and contextual nuances may be comprehended.

6.5 Conclusion

Within the context of the Gujarat startup ecosystem, this research aimed to analyze the key determinants and factors influencing the transition of startups into sustainable enterprises. Drawing on established theoretical frameworks such as EO Theory, the RBV, and DCT, the research adopted an ecosystem-oriented perspective. Rather than focusing on isolated determinants, the study explored how multiple interconnected factors shape the entrepreneurial journey from startup to enterprise.

The findings reveal that the transition from startup to enterprise is neither linear nor driven by a single dominant factor. Entrepreneurial Orientation emerged as a significant yet complex construct, emphasizing the need for entrepreneurs to balance innovativeness and risk-taking with strategic discipline as ventures grow. Ecosystem mechanisms such as mentorship and incubation were found to play enabling and intermediary roles rather than acting as direct drivers of enterprise transformation. Similarly, government support, although available, demonstrated limited direct impact, highlighting a persistent gap between policy formulation and its effective utilization in practice.

Furthermore, the study indicates that demographic factors exert a varied influence on entrepreneurial journeys, while social support and institutional awareness significantly enhance engagement within the ecosystem. Collectively, these findings suggest that enterprise transition is fundamentally an ecosystem-driven process shaped by the interaction of behavioral orientation, institutional navigation, and contextual preparedness. This highlights the importance of aligning internal capabilities with external support structures.

The study also contributes to the refinement of the conceptual framework by repositioning Entrepreneurial Orientation as a stage-sensitive construct whose effectiveness varies across different phases of venture growth. Incubation support, while beneficial in early stages, may have adverse effects if dependency persists, underscoring the need for a gradual transition toward autonomy. Mentorship is better understood as a mechanism for institutional navigation, significantly enhancing awareness and interpretation of government schemes rather than directly influencing enterprise growth.

From a managerial perspective, the findings highlight the importance of entrepreneurial strategies as ventures evolve. Early-stage startups benefit from experimentation and external support, but long-term success requires capability consolidation, strategic discipline, and reduced dependency on ecosystem mechanisms. Mentorship should be leveraged not only for operational guidance but also for navigating policy frameworks and accessing institutional knowledge, thereby supporting informed decision-making.

The study also highlights important implications for policy and ecosystem design. Government initiatives, while well-intentioned, often face challenges related to awareness, accessibility, and effective absorption. This calls for a shift from measuring policy availability to evaluating policy impact through indicators such as enterprise sustainability, graduation rates, and governance maturity. Strengthening the role of intermediaries such as incubators and mentors can significantly enhance policy utilization and bridge the gap between policy design and entrepreneurial practice.

In addition to its empirical contributions, the study opens scope for further research. Longitudinal studies could help us to understand how entrepreneurial orientation and ecosystem interactions evolve over time. Mixed-method approaches may capture richer contextual dynamics, while comparative studies across regions and sectors could improve the generalizability of findings. Advanced analytical models incorporating mediation and

moderation effects may further strengthen theoretical understanding of ecosystem-driven entrepreneurship.

In conclusion, the study demonstrates that the transformation of startups into enterprises extends beyond passion, innovation, or access to support systems. Successful enterprise transition requires a combination of strategic discipline, capability development, and effective ecosystem integration. By empirically examining these dynamics within the Gujarat startup ecosystem, the study offers a comprehensive and realistic understanding of entrepreneurship in emerging economies, along with a strategic roadmap for strengthening the startup-to-enterprise pipeline.

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List Of Publications

- Vachhani Talati, K., & Vaghela, K. (2024, May 23). Entrepreneurial skills and entrepreneurial education: A systematic literature review and agenda for progress and growth. In *Proceedings of the International Conference on Technology Integration in Management: Enhancing Efficiency and Innovation (ICTIM-2024)* (pp. 259–280). Institute of Innovation in Technology & Management (IINTM). ISBN: 978-93-6389-345-0.
- Vachhani Talati, K., & Vaghela, K. (2024). Systematic literature review on factors impacting the journey of startups to enterprises. *Journal of Philanthropy and Marketing*, 4(2), 99–110.
<https://journalofphilanthropyandmarketing.org/index.php/JPM/article/view/93>
- Vachhani Talati, K., & Vaghela, K. (2023). Decoding the skillsets of Indian unicorn startup entrepreneurs: A theoretical study. *Madhya Pradesh Journal of Social Science*, 28(2vii), December. ISSN: 0973-855X.

QUESTIONNAIRE

Directions: Please answer all of the below mentioned information. To indicate your answer in each of these questions, please tick in front of the answer or fill the space given next to it.

This questionnaire is divided into three parts:

- A. Introductory questions
 - B. Entrepreneurial traits and characteristics
 - C. Understanding the startup ecosystem
-

- 1) Email: _____
- 2) Name: _____
- 3) Contact details (e-mail): _____

Part A: Introductory questions This section aims to gather insights about your professional background and the venture you are currently working on. Please provide accurate details to help us understand your journey.

4) Please indicate your age in years:

- Below 20 years
- 21-30 years
- 31-40 years
- 41-50 years
- 51 and above years

5) Gender:

- Male: _____
- Female: _____

6) Provide details about your educational background:

- Bachelor's
- Master's
- Professional degree(s)
- Doctorate
- Other: _____

7) Specialization in your Master's (if applicable)

- Science (General Engineering & Technology, Natural Sciences, Health Sciences, Data Science, etc.)
- Commerce & Business (Finance, Marketing, Human Resource Management, Operations, International Business, etc.)
- Arts, Humanities & Design (Literature, History, Philosophy, Psychology, Fashion Design, Fine Arts, etc.)
- Law & Political Science (Corporate Law, International Relations, Public Administration, etc.)
- Education (Teaching, Curriculum Development, Educational Leadership, etc.)
- Social Sciences (Economics, Sociology, Anthropology, Development Studies, etc.)
- Other: _____

8) Does any of your family member has entrepreneurial experience?

- Yes
- No

9) If yes, which family member?

- Father
- Mother
- Sibling
- Spouse
- Other _____

10) Do you have industry experience before starting your own venture?

- Yes
- No

11) If yes, what type of industry experience?

- Internship
- Full-time job
- Part-time job
- Freelancing
- Other: _____

12) Was your experience in the same industry as your current venture?

- Yes
- No

13) Which industry sector and stage best describes your startup?

- IT and Software Development
- E-commerce and Retail
- Manufacturing and Industrial Production
- Healthcare & Pharmaceuticals
- Finance, Banking & Insurance
- Education & EdTech
- Food & Beverage (FMCG, Restaurants, Food Processing, etc.)
- Real Estate & Construction
- Media, Entertainment & Creative Arts
- Textile, Fashion & Apparel
- Tourism & Hospitality
- Logistics & Supply Chain Management
- Agriculture & AgriTech
- Energy & Sustainability (Renewable Energy, Oil & Gas, etc.)

14) Which stage is your venture currently operating in?

- Pre-startup (Idea phase)
- Startup (Incorporated, early-stage development)
- Growth (Expanding operations, revenue generation)
- Established (Well-defined market position)
- Enterprise (Large-scale operations, diversified)

15) How many years has your startup or enterprise been in operation?

- Less than 1 year
- 1 – 3 years
- 4 – 6 years
- 7 – 10 years
- More than 10 years

16) Have you taken any assistance for setting up your venture?

- Yes
- No

17) Do you have startup recognition number issued by the Department for Promotion of Industry and Internal Trade (DPIIT), is a unique identifier for startups that are recognized under the Startup India initiative?

- Yes
- No

18) What type of assistance did you receive? (Select all that apply)

- Financial Assistance (Loans, Grants, Investments, etc.)
- Government Subsidies & Incentives
- Mentorship & Business Guidance
- Incubation & Accelerator Support
- Technical or Infrastructure Support
- Legal & Compliance Assistance
- Other:

19) Has your business experienced consistent revenue growth since its inception?

- Yes, consistently
- Yes, with some fluctuations
- No, revenue has stagnated
- No, revenue has decreased
- Other:

20) How would you describe your market position today?

- Leader in the industry
- Gaining market share
- Niche player in the market
- Emerging, still building recognition
- Unknown, struggling to establish brand

21) What is your startup's current scale?

- Micro (1-10 employees)
- Small (11-50)
- Medium (51-200)
- Large (200+)

22) Has your company's workforce increased since its founding?

- Yes, significantly
- Yes, moderately
- No, it has remained the same
- No, it has decreased

23) Have you expanded your operations to multiple locations or regions?

- Yes, nationally
- Yes, internationally
- No, still operating in one location
- No, planning to expand in the near future

24) How would you rate your company's ability to scale operations?

1= lowest 5= highest

1 2 3 4 5

25) Has your business adopted new technologies to enhance growth?

- Yes, regularly innovate with new technologies
- Yes, but on a limited scale
- No, but considering technology adoption
- No, we have not adopted new technologies

26) What has been the biggest challenge for your business in transitioning from startup to enterprise?

- Access to capital
- Scaling operations
- Building a customer base
- Hiring and managing talent
- Navigating regulatory issues
- Other: _____

27) What is your expectation for the next 3-5 years?

- Significant growth, becoming a large enterprise
- Steady growth, maintaining a strong market position
- Stagnation or slight decline in business performance
- Uncertain, depends on market conditions

28) Do you have an exit strategy for your business?

- Yes, planning for acquisition or IPO
- Yes, planning to sell to investors or other companies
- No, I plan to continue running the business long-term
- No, not sure at this point

Part B: Entrepreneurial Traits and Characteristics This section aims to understand your personality traits, mindset, and skills as an entrepreneur. Please answer the following questions based on your entrepreneurial journey.

29) Please indicate the extent to which you agree with the following statements.

Your responses will help assess key entrepreneurial traits.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I'm aware of my abilities and limitations					
I am realistic about myself					
I see my work life as something I have power to affect					
I can handle business challenges without external assistance. I can handle business challenges without external assistance.					

30) Please indicate the extent to which you agree with the following statements. Your responses will help assess entrepreneurial traits

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I believe I am self-reliant					
I believe I have leadership abilities					
I believe I can make decisions easily					
I believe I am resilient					

I am confident in making high-risk business decisions that impact my startup's growth. I am confident in making high-risk business decisions that impact my startup's growth.					
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31) Please indicate the extent to which you agree with the following statements. Your responses will help assess entrepreneurial traits.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I seldom follow instructions unless the task I am working on is too complex					
I feel very energetic working with innovative colleagues in a dynamic business climate					
I get excited when I am able to approach tasks in unusual ways					
I feel terribly restricted being tied down to tightly organized business activities, even when I am in control					
I believe that organizations which don't experience radical changes now and then tend to get stuck in a rut					

32) Please indicate the extent to which you agree with the following statements. Your responses will help assess entrepreneurial mindset

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I choose the safest option, although the rewards are more limited					
I'm looking for new experiences even if their results are risky					
I always try to take calculated risks					
To obtain greater rewards, I am willing to take greater risks					
I believe fear of failure leads to risk aversion					

33) Please indicate the extent to which you agree with the following statements. Your responses will help assess your entrepreneurial mindset.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
I believe I can defend my own beliefs					
I believe I am Conscientious					
I usually take control in unstructured situations					
I have always worked hard in order to be among the best in my field					
I see challenges as opportunities to grow rather than obstacles to avoid.					

34) Which of the following best describes your strongest entrepreneurial trait?

- a) Confidence & Assertiveness
- b) Leadership & Decision-Making
- c) Creativity & Innovation
- d) Risk-Taking Ability
- e) Resilience & Adaptability

35) Have you participated in any entrepreneurship training programs? *

- Yes, as part of my formal education.
- Yes, through workshops and boot camps.
- Yes, through an incubation or accelerator program.
- No, I have not received any formal training

36) Which areas would you like to develop further as an entrepreneur?

- Risk-taking ability
- Leadership and decision-making
- Creative problem-solving
- Resilience and adaptability
- Strategic thinking and goal setting

Part C: Understanding the Startup Ecosystem This section focuses on your views and experiences within the startup ecosystem, including challenges, support systems, and key factors affecting entrepreneurial success. Please answer based on your personal and business experiences.

37) Have you applied for a government startup scheme? * Mark only one oval.

- Yes, I have applied and received benefits.
- Yes, I applied but was rejected.
- No, but I am aware of them.
- No, I was not aware of them

38) What types of government support have you accessed?

- Financial assistance (Loans, Grants, Subsidies)
- Tax exemptions or incentives
- Business advisory & mentorship programs
- Infrastructure & workspace support
- None

39) Please indicate the extent to which you agree with the following statements regarding government policies and startup support.	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I am aware of government schemes and policies related to startups.					
I have applied for or benefited from any government startup scheme or policy.					
I believe family businesses also require government support for sustainable growth.					
Awareness about government schemes for startups should be promoted more effectively.					
The financial assistance I received from assistance I received from government schemes government					

schemes significantly contributed to my startup's scalability					
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40) What type of entrepreneurship education have you received?

- University courses on entrepreneurship
- Incubation or accelerator programs
- Industry workshops and boot camps
- Self-learning through online courses
- None

41) How would you rate the quality of entrepreneurship education and training in your region?

- 1 Excellent
- 2
- 3
- 4
- 5 Poor

42) Please indicate the extent to which you agree with the following statements regarding educational support for entrepreneurship.	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I have attended entrepreneurship-focused courses or workshops as part of my education.					
My educational background has played a role in shaping my					

entrepreneurial journey.					
My education provided me with exposure to real-world entrepreneurial challenges.					
My institution offers incubation or accelerator programs to support startup development.					
My institution collaborates with industries and startups to provide hands-on experience to students.					

43) Are you currently associated with an incubation center?

- Yes, I am actively part of an incubation center.
- No, but I have previously been associated with one.
- No, I have never been part of an incubation center.

44) What was the most valuable support you received from an incubation center or mentor?

- Funding
- Business Model
- Refinement
- Networking
- Legal Guidance
- Scaling
- Other: _____

45) Please indicate the extent to which you agree with the following statements regarding incubation centers' role in startup growth	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I am currently associated with an incubation center.					
I have received mentorship, funding, mentoring or infrastructure support from an incubation center.					
I believe incubation centers provide the necessary knowledge and resources for startups.					
University-based incubation centers primarily support their own students rather than external entrepreneurs.					
The incubation center I am associated with has helped me connect with experienced entrepreneurs.					

46) What kind of societal contributions does your business make?

- Job creation
- Skill development & training programs
- Environmental sustainability efforts
- Supporting underserved communities
- None

47) Please indicate the extent to which you agree with the following statements regarding your business's societal impact.	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
My business decisions are influenced by their potential impact on people and the environment.					
My enterprise contributes positively to society by generating employment opportunities.					
My startup contributes to skill development and/or education in underserved communities.					
My business engages in corporate social responsibility (CSR) activities to create a positive societal impact.					
I actively seek to collaborate with NGOs or government initiatives for social impact.					
48) Please indicate the extent to which you agree with the following statements regarding the impact of mentorship on business development	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Mentorship has helped in improving my decision-					

making skills.					
My mentor has provided me with strategic insights that have shaped my business decisions.					
I have received mentorship that has helped me develop innovative solutions in my business.					
My mentor has provided me with actionable feedback that has led to measurable improvements in my business.					

49) What type of skill development programs have you attended?

- Boot camps
- Online certification courses
- Government-sponsored training programs
- None

50) Please indicate the extent to which you agree with the following statements regarding the impact of education on business development.	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Difficulty in obtaining external funding discourages entrepreneurs from seeking mentorship.					
I believe a practical approach is					

more effective than a theoretical approach in entrepreneurship education.					
My lack of prior business experience has affected my ability to grow my venture.					
I have attended entrepreneurship training, boot camps, or skill development programs.					
Educational institutions in my region provide high-quality training for new venture creation.					

Sources of variables for the questionnaire:

Scale	Source
Trait-identification	Bem, S. L. (1974). The measurement of psychological androgyny. <i>Journal of consulting and clinical psychology</i> , 42(2), 155.
Self-awareness	Sutton, A. (2016). Measuring the effects of self-awareness: Construction of the self-awareness outcomes questionnaire. <i>Europe's journal of psychology</i> , 12(4), 645.
Self-efficacy	Akkuş, A. (2020). Development and validation study of a general self-efficacy scale. <i>Journal of Anatolian Education Research</i> , 4, 1-20.
Creativity and innovation	Kumar, V. K., Kemmler, D., & Holman, E. R. (1997). The Creativity Styles Questionnaire--Revised. <i>Creativity Research Journal</i> , 10(1), 51-58. Denzler, P., & Tsakos, G. (2015). Investigating the innovation process as influencing factor on creativity: A case study in the manufacturing industry. Robinson, P. B., Stimpson, D. V., Huefner, J. C., & Hunt, H. K. (1991). An attitude approach to the prediction of entrepreneurship. <i>Entrepreneurship theory and practice</i> , 15(4), 13-32.
Risk taking	Liñán, F., & Fernández-Serrano, J. (2018). ELITE's Initial Questionnaire for Nascent Entrepreneurs. <i>Longitudinal Study on the Process of Emergence of High-Impact Entrepreneurs</i> .

Consent form

Participant Information Sheet & Consent Form

Title of Study:

A Study on Identifying Factors and Determinants for the Journey of Startups to Enterprises in Gujarat

Researcher:

Khushboo Vachhani Talati, Ph.D. Scholar, Gujarat Technological University

Purpose of the Study:

The aim of this research is to explore the key factors that influence the transition of startups into sustainable enterprises in Gujarat.

Confidentiality:

- Your name and personal details will be kept strictly confidential.
- Data will be stored securely and only used for academic purposes.
- In publications, your responses may be anonymized (e.g., 'Incubation Manager/ Entrepreneur A').

Participant Consent Form

Consent Statement

Please tick (✓) the boxes that apply:

- ☐ I have had the opportunity to ask questions and they have been answered satisfactorily.
- ☐ I understand that my participation is voluntary and I may withdraw at any time.
- ☐ I consent to my anonymized responses being used for academic publication and presentations.

Participant's Name: _____

Signature: _____

Date: _____

Entrepreneurship Events Attended

