

Impact of Entrepreneurial Ideas and Imagination on Employee Performance in Microenterprises

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Abstract. In microenterprises, entrepreneurial ideas play a pivotal role in propelling business development. Within the intensely competitive business landscape, small enterprises necessitate heightened creativity in crafting each product to attain success in the market. A critical factor in fostering creativity is the quality of resources, with a particular emphasis on human resources. This study utilizes Fuzzy Set Qualitative Comparative Analysis (fsQCA) as a research method to dissect asymmetries in the data and uncover the impact of entrepreneurial imagination and idea configurations on the dynamic process of employee performance. The findings shed light on the intricate relationship between entrepreneurial ideas, entrepreneurial imagination, and employee performance, offering valuable insights for both business management and human resources management.

Keywords: Microenterprises; Entrepreneurial Ideas; Entrepreneurial Imagination; Employee Performance.

1. Introduction

In the evolving landscape of the contemporary business environment, the rise of the big data economy has presented unprecedented opportunities for microenterprises. Through in-depth data analysis, microenterprises can better understand market demands and consumer behaviors, thus more effectively shaping their products and services. This data-driven innovation not only enhances the competitiveness of businesses but also provides employees with richer development opportunities.

In the dynamic economic dynamics, microenterprises have become crucial participants in the contemporary business environment. The entrepreneurial activities of microenterprises also bring challenges and opportunities to the big data economy and market finance. The innovative concepts and spirit of these enterprises drive the transformation of the entire economic system, prompting financial institutions to continuously adjust their service models to meet the needs of these new types of businesses. This study aims to meticulously examine the influence of entrepreneurial ideas and entrepreneurial spirit on employee performance within microenterprises. The entrepreneurial ideas within microenterprises, encompassing not only entrepreneurial spirit but also entrepreneurial concepts and entrepreneurial drive, are recognized as fundamental drivers of business development. Faced with the complex challenges of the era of free trade and disruption, microenterprises navigating the intensifying currents of industrial competition require heightened creativity in crafting each product to secure success in the market. A critical determinant in fostering such creativity is the quality of resources, with particular emphasis on the caliber of employees [1].

The conceptualization of creativity as a propelling force behind entrepreneurial spirit can be traced back to Schumpeter's seminal proposition of "creative destruction" as a descriptor for periods of economic growth fueled by innovation [2]. Despite the apparent ubiquity of creative ideas, truly successful entrepreneurial concepts remain scarce yet invaluable assets [3]. This study pivots towards an exploration of how these innovative elements galvanize employee performance in microenterprises, seeking a nuanced understanding of their intricate interplay. Within this research, we will unravel the nuanced role of entrepreneurial spirit in microenterprises and its dynamic interaction with entrepreneurial ideas, thereby casting a far-reaching impact on the job performance of employees. By furnishing empirical evidence, this study significantly contributes to a more profound comprehension of the relationship between innovation and performance within the

microenterprise landscape. The outcomes of this research are poised to empower microenterprises with insights to better grasp and implement innovative strategies, fostering both organizational sustainability and the enduring success of their workforce. Overall, microenterprises, the big data economy, and market finance interact, forming a dynamic and synergistic system. This interaction provides more opportunities for businesses and employees, while also challenging traditional business models and propelling the continuous evolution of the economy.

2. Literature Review

2.1 Entrepreneurial Ideas and Employee Performance

The sense of involvement and responsibility among employees is intricately linked to a company's entrepreneurial philosophy, underscoring the importance of active participation and accountability. When employees perceive the pivotal role of their ideas and efforts in shaping the organization's trajectory, they are motivated to contribute proactively to their work. Saraç et al. [4] expounded that employee creativity involves a nuanced interplay of social and intellectual capabilities aimed at generating novel ideas [5]. Employees assume a strategic role in bolstering the formation of the organizational core competency in the era of knowledge management. Core competency is nurtured through sustained support for innovative activities, creating a competitive edge, and endorsing employee creativity to propel organizational innovation [6]. Pan et al. [7] underscored the myriad factors influencing creativity, with particular emphasis on the pivotal role of leaders in enhancing it. Therefore, fostering employee creativity becomes paramount as a solution to addressing challenges within the workplace. Creativity involves generating innovative ideas concerning new practices, processes, and services beneficial to the organization. As a result, Entrepreneurial Ideation holds the potential to stimulate employee creativity, positivity, and influence overall team collaboration and work motivation, thereby cultivating an environment conducive to entrepreneurship.

2.2 Entrepreneurial Imagination and Employee Performance

Entrepreneurial imagination plays a significant role in fostering innovative thinking among employees. When employees possess a sense of imagination, they are more likely to explore new ideas and problem-solving approaches, contributing to the creation of fresh value and enhancing job efficiency. Komporozos-Athanasίου and Fotaki [8] specifically highlight the importance of entrepreneurial imagination as the catalyst and driving force behind continuous advancements in enterprises. Entrepreneurship represents a dynamic process where progress is continuous, applicable not only to startups initiated by entrepreneurs but also to existing enterprises [9]. The convergence of entrepreneurship and organizational studies calls for an interdisciplinary perspective, recognizing entrepreneurship not solely as a manifestation of rational and economic outcomes but as a complex "entrepreneurial process encompassing economic and non-economic activities." Therefore, comprehending the impact of imagination on entrepreneurs is crucial [10]. Entrepreneurial imagination serves not only as a driving force for inspiring innovation but also as a crucial element in shaping organizational culture and promoting employee performance. Enterprises can further stimulate entrepreneurial imagination by providing creative spaces, encouraging the expression of imagination, and supporting employee participation in innovative projects, thereby fostering long-term performance among employees.

3. Research Methodology

For a comprehensive understanding of the intricate relationships among events, conditions, and outcomes, this study employs Fuzzy Set Qualitative Comparative Analysis (fsQCA) as the research methodology. Situated within the realm of qualitative research tools, this method aims to offer profound insights into complex correlations. In collecting data relevant to micro-entrepreneurs, a

questionnaire survey was conducted, utilizing a Likert scale with six levels ranging from strongly disagree to strongly agree for assessment. The survey took place from November to December 2022, with a total of 84 respondents participating. During the measurement and calibration stages of fsQCA, direct method calibration data were utilized to convert the data into fuzzy sets. To ensure the stability and reliability of the model, the Proportional Reduction in Inconsistency (PRI) value was set at 0.75.

4. Analysis and Results

4.1 Necessity Analysis

Commencing with the analysis, the calibration of data and the establishment of membership thresholds were executed. The study utilized the direct method for calibrating data, categorizing values into 0.95, 0.5, and 0.05 to assess the degree of sample membership in sets. A value of 0.95 signifies complete membership in a specific set, where values surpassing 0.5 and approaching 0.95 indicate a high correlation. Conversely, 0.05 indicates complete non-membership, with values falling below 0.5 and approaching 0.05 signifying a low correlation. Subsequently, the study employed QCA necessity analysis to scrutinize the indispensable conditions for each outcome variable. Table 1 illustrates that the consistency of individual conditions is all below 0.9, indicating the absence of a singular condition that can unequivocally lead to the outcome variable.

Table 1: Necessity Analysis of Employee Performance

Causal Conditions		High Employee Performance	Low Employee Performance
Entrepreneurial Ideas	Entrepreneurial Mindset (EM)	0.762	0.569
	- Entrepreneurial Mindset	0.514	0.762
	Entrepreneurial Concept (EC)	0.72	0.586
	- Entrepreneurial Concept	0.525	0.707
Entrepreneurial Imagination	Creative Imagination (CI)	0.702	0.553
	- Creative Imagination	0.567	0.769
	Social Imagination (SI)	0.714	0.552
	- Social Imagination	0.525	0.734
	Practical Imagination (PI)	0.647	0.543
	- Practical Imagination	0.625	0.783

4.2 Configuration Analysis

Through the application of fsQCA computations, complex solutions, parsimonious solutions, and intermediate solutions were derived. This study predominantly focuses on intermediate solutions, complemented by parsimonious solutions, to scrutinize core conditions within diverse and intricate causal pathways in the entrepreneurial context. The intersection conditions of intermediate and parsimonious solutions are considered as core conditions, indicating a stronger causal relationship with the outcome. Conditions appearing solely in the intermediate solution are regarded as marginal conditions, signifying a weaker causal relationship with the outcome [11]. The combinations of causal relationships influencing high and low employee performance are systematically organized in Table 2.

As depicted in Table 2, there are five combinations influencing high employee performance, with condition variables highly correlated with employee performance, including high

entrepreneurial mindset, high entrepreneurial concepts, high creative imagination, and high social imagination.

H1: The combination of high entrepreneurial mindset and high entrepreneurial concepts is deemed a core condition for achieving high employee performance (EM* EC*PI), with a consistency of 0.848.

H2: The combination of high entrepreneurial mindset, high entrepreneurial concepts, and high creative imagination results in high employee performance (EM*EC*CI), with a consistency of 0.848.

H3: The core condition combination leading to high employee performance includes high entrepreneurial mindset, high entrepreneurial concepts, and high social imagination (EM*EC*SI), with a consistency of 0.857.

H4: High social imagination is identified as the sole core condition causing high employee performance (EM*-CI*-SI*-PI), with a consistency of 0.876.

H5: Creative imagination is recognized as a core condition combination for achieving high employee performance (EC*CI*PI), with a consistency of 0.862.

Table 2 reveals that the core conditions impacting low employee performance are characterized by the lack of a high entrepreneurial mindset and the absence of high creative imagination. NH1 underscores that a combination of low entrepreneurial mindset and low creative imagination contributes to reduced employee performance, with a consistency of 0.900.

NH1: The combination of low entrepreneurial mindset and low creative imagination is identified as a core condition leading to low employee performance (-EM* -EC*-SI*PI), with a consistency of 0.900.

Table 2: Causal conditions influencing high/low employee performance.

Causal Conditions	High Employee Performance					Low Employee Performance
	H1	H2	H3	H4	H5	NH1
Entrepreneurial Mindset (EM)	●	●	●	●		⊕
Entrepreneurial Concept (EC)	●	●	●		●	
Creative Imagination (CI)		●		⊕	●	⊕
Social Imagination (SI)			●	●		⊕
Practical Imagination (PI)	●			⊕	●	●
Raw Coverage	0.551	0.578	0.570	0.303	0.556	0.358
Unique Coverage	0.006	0.007	0.007	0.005	0.035	0.028
Consistency	0.848	0.848	0.857	0.876	0.862	0.900

Note: The use of large solid circles "●" indicates the presence of the core condition in the causal relationship, while large hollow circles "⊕" indicate the absence of the core condition. Small solid circles "●" represent the presence of marginal conditions, and small hollow circles "⊕" indicate the absence of marginal conditions.

5. Conclusion

The entrepreneurial activities of microenterprises positively impact economic development by creating employment opportunities, stimulating market vitality, and exploring new business prospects in the era of the big data economy. This research reveals that the absence of an entrepreneurial mindset and creative imagination is a fundamental condition for low employee performance. The significance of lacking an entrepreneurial mindset and creative imagination emerges as a primary factor influencing employee performance. Prioritizing the stimulation and cultivation of entrepreneurial spirit and creative imagination among employees is crucial for enhancing performance in organizational or business management. Corporate leaders and managers can strengthen these core conditions through targeted training, incentive measures, and fostering a culture that encourages innovative thinking. Additionally, recognizing individuals with

entrepreneurial spirit and rich imagination in talent recruitment and selection processes is essential, as they are more likely to thrive within the organization, bringing forth innovation and value.

Conversely, entrepreneurial ideas, encompassing entrepreneurial mindsets and concepts, closely correlate with employee performance. The excellence of entrepreneurial ideas directly impacts employee motivation levels. Employees resonating with the entrepreneurial spirit and concepts of the company are more inclined to immerse themselves in their work, striving for exceptional performance while understanding the alignment of their work with the overarching goals and values of the company. Furthermore, entrepreneurial ideas, coupled with entrepreneurial imagination, whether creative, social, or practical, significantly elevate employee performance. The potent potential of entrepreneurial imagination lies in its problem-solving abilities. Employees adept at applying creative imagination are better equipped to face challenges, devise innovative solutions, thereby enhancing job efficiency and performance. Social imagination contributes to employees better understanding and adapting to colleagues with diverse backgrounds and values, fostering more effective teamwork and achieving higher levels of performance in collective efforts.

In conclusion, this study provides valuable insights for business management and human resource management, emphasizing the pivotal role of entrepreneurial ideas and entrepreneurial imagination in influencing employee performance. This not only contributes to internal innovation and competitiveness within organizations but also aids in establishing a more dynamic and adaptive work environment.

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