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# Accessing Contexts and Approaches for Entrepreneurship: The Impact of COVID-19 on Brazil's Entrepreneurial Environment

#### João Paulo Moreira Silva

Pontifical Catholic University of Minas Gerais - PUC Minas

e-mail: joao.msilva@live.com ORCID: 0000-0002-9470-2905

#### Andrzej Sztando

Wroclaw University of Economics and Business

e-mail: andrzej@sztando.com ORCID: 0000-0002-6204-9884

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Abstract: During the early days of the field of entrepreneurship research, entrepreneurial activity was taken as a sequenced process, derived from planning, and carried out by individuals with innate capabilities. Since the rise of newly emerging approaches to entrepreneurship, such as effectuation and bricolage, the entrepreneurial process has come to be perceived differently. This article aims to introduce and discuss the contextual aspects of entrepreneurship, prioritising this paradigmatic shift. A survey with data on the entrepreneurial environment in Brazil, an emerging economy with a complex and tumultuous economic context, was conducted. It was observed that the COVID-19 pandemic has accentuated difficulties already encountered in access to resources by Brazilian entrepreneurs, as well as catapulted the registration of need-based ventures. The article provides new insights to the discussion regarding the need to understand entrepreneurship as a contextual phenomenon.

Keywords: entrepreneurship, contextual aspects of entrepreneurship, Brazil, effectuation, bricolage

#### 1. Introduction

Entrepreneurship is recurrently indicated as an important factor for the economic development of countries (Global Entrepreneurship Monitor – GEM, 2023) and as a generator of innovation (Schumpeter, 1983). In turn, the academic research field that studies the entrepreneurial phenomenon is also recent. Until the mid-1980s, for example, the entrepreneur was recognised as an individual endowed with innate abilities, able to articulate several assets around him/her and successfully

undertake entrepreneurship, impacting on countless people (Sarasvathy et al., 2015). Subsequently, the promise of economic growth through special individuals and innovations was elevated to the level of regions, with the prevalence of attempts to establish communities of businesses and entrepreneurs that simulated Silicon Valley, even though the research field indicated that such replication attempts might be highly unsuccessful (Brown et al., 2022; Welter et al., 2019).

The lack of a local perspective to entrepreneurial activity — such as the expectation that special individuals may emerge in diverse locations, or the attempt to replicate models that are highly distinct to those in other locations, such as developed and developing economies — are recognised as a lack of contextualisation of entrepreneurial activity (Welter et al., 2019). Context is also acknowledged as an important factor for scholars and practitioners, and can restrict the reach of a researcher's findings and even threaten the validity of studies (Johns, 2006). Entrepreneurs in uncertain contexts, facing resource constraints and living with institutional crises are unlikely to follow the sequential and planning-oriented logic indicated by entrepreneurship textbooks (Hisrich et al., 2017), which are highly influenced by the Schumpeterian perspective of entrepreneurship and innovation. Thus, it is necessary to perceive entrepreneurial activity as a phenomenon immersed in diverse socioeconomic contexts, in which relationships and dimensions of the social, economic, and environmental sphere affect the entrepreneurial process of individuals who make such a decision.

From this perspective, entrepreneurship research has observed the rise of emerging approaches that stand in counterpoint to the classical Schumpeterian perspective (Lima, 2022), such as effectuation (Sarasvathy, 2001) and bricolage (Baker and Nelson, 2005). Such activities, of a more flexible nature and that recognise the restriction of resources critical to entrepreneurs during the beginning of the entrepreneurial process, are especially feasible in emerging economies, places where uncertainty and scarcity of resources are frequently observed. In this scenario, Brazil constitutes part of the emerging economies within difficult socioeconomic context. Moreover, entrepreneurial activity is popular¹ in the country, with a large number of Brazilians engaging in business daily. These activities mostly generate ventures aimed at the search for survival, known as Necessity-Based Entrepreneurship (Amorós et al., 2019; Matos and Hall, 2020). Moreover, if the Brazilian socioeconomic situation was a sensitive one until mid-2019, it became even more complex after March 2020, from the onset of the COVID-19 pandemic and the subsequent health measures. As shown throughout this study, Brazil has registered record highs in the unemployment rate and in the number of entrepreneurs by necessity, with a considerable increase also in the number of small entrepreneurs.

Thus, the authors aimed to introduce and discuss the importance of recognizing contextual aspects in entrepreneurship debates, using the Brazilian context and the impacts of COVID-19 on local businesses as the object of analysis. The theoretical perspective that lies at the heart of contextualised entrepreneurial activity is presented, focusing on emerging approaches in entrepreneurship, such as effectuation and bricolage. It is argued that the entrepreneurial phenomenon should be recognised as a local phenomenon, observing the specificities and characteristics of the available resources and individuals of a given locality. The entrepreneurship that occurs in developing economies is especially relevant in this scenario.

The article is organized as follows: after the introduction, a brief summary of the genesis of entrepreneurship as a field of research, influenced by precepts of neoclassical economics, is presented. The third section presents the characteristics of a contextualised entrepreneurial approach, favouring the emerging approaches. In the third section, some data concerning the Brazilian context are presented, including the main impacts of the Covid-19 pandemic on Brazilian entrepreneurship. The final considerations are presented in the fourth and last section.

<sup>&</sup>lt;sup>1</sup> Entrepreneurial activity in Brazil is really popular, in a literal sense. Having a business is the third most popular desire of Brazilians who are not yet entrepreneurs, just after travelling around Brazil (1st) and buying their own house (2nd) (Global Entrepreneurship Monitor – GEM 2021).

#### 2. The Essence of Entrepreneurship: A (Brief) Review

Despite the high visibility that the topic of entrepreneurship currently has, especially among literature of a commercial nature dedicated to practitioners, the nature of entrepreneurial activity is — and always has been — a matter of debate in the academic literature. According to Davidsson (2016, p. 1), studying the phenomenon of entrepreneurship is "fun, fascinating, and frustrating," mainly due to the numerous definitions and characteristics that the phenomenon has. As an example, there are at least ten different concepts of entrepreneurship (Davidsson, 2016), several of which are highly cited and debated by academic authors throughout the development of the subject academic literature.

For example, the answer to the question "what is entrepreneurship?" can be quite objective: it is the creation of new organizations (Gartner, 1988). This definition is strongly related to Schumpeter's (1983, p. 116) maxim, where the renowned economist stated that "the carrying out of new combinations we call 'enterprise'; the individuals whose function it is to carry them out we call 'entrepreneurs'". For Hisrich et al. (2017, p. 6), one of the most popular textbooks on entrepreneurship, organizations will be the places or consequences of the so-called 'entrepreneurial action', such as the creation of new products, new processes, or entry into new markets. In this case, entrepreneurial action can occur either through a new organization or through an established organization, while the Global Entrepreneurship Monitor (GEM) understands entrepreneurship as an act, such as starting and managing a business. To be considered an entrepreneur, the individual must have acted, thus disregarding previous steps of the entrepreneurial process, such as ideation or previous planning (Global Entrepreneurship Monitor – GEM, 2023).

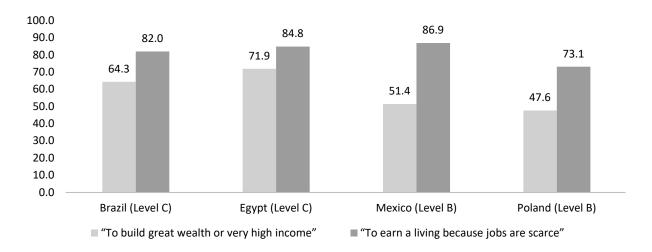
Regarding planning, this is perhaps the second most debated aspect in relation to the study of the entrepreneurial phenomenon and a key aspect for the discussion in this this paper. For example, Drucker (2002) argued that entrepreneurship is related to an action, and at the core of entrepreneurship is a specific action: innovation. Further, for innovation to be present, the principle must be to analyse the sources of new opportunities. In this way, opportunities would be discovered by a propositional process of searching and identification (Drucker, 2002; Perry et al., 2012). Similarly, other influential authors argued that opportunity recognition starts from the individual, through his or her previous knowledge and experiences (Hisrich et al., 2017). By relating to other elements, such as the network of contacts, entrepreneurs will be in a prime position for opportunity recognition and can thus produce better business planning and start their ventures successfully. Yet the process does not end here; it is worth remembering that, also according to Hisrich et al. (2017, p. 182) "planning is a process that never ends for a business".

At this point it is important to remember that, according to GEM (2022), the entrepreneurial process will reflect the individual's attitudes, i.e. personal attributes such as knowledge, experience, values, and motivation, along with their access to resources. Thus, the act of entrepreneurship will occur within a context (Welter et al., 2019) of social values – which may promote or hinder entrepreneurship – and in a locality, which may facilitate or restrict access to resources. The environment, in turn, may encourage or discourage risk-taking, or influence access to resources, whether tangible or intangible, to the entrepreneur.

Therefore, it is possible to question whether aspects of the entrepreneurial process, such as the perception of opportunities and endless planning, are common to different contexts, where they will presumably influence entrepreneurial activity in different ways. Such aspects are recognised through the "entrepreneurship in context" debate. As Welter et al. (2019) pointed out, entrepreneurship research has, for many years, been decontextualised, arguing that (Welter et al., 2019, p. 1): "it was commonly assumed that entrepreneurship took place mostly in Western contexts, that it was done by people acting the way men were assumed to behave, that it was motivated exclusively by pursuit of growing profits, and that it should be celebrated as valuable for an economy mostly when it was high-growth and technology-driven".

The premise of traditional entrepreneurship research, through the elements mentioned above, namely Western context, men, pursuit of growing profits, etc., has characteristics that highlight individual traits, motivated by a rational and planned goal (Fisher, 2012; Perry et al., 2012) and that end up overshadowing other different types of entrepreneurship and entrepreneurs, such as female entrepreneurship (Global Entrepreneurship Monitor – GEM, 2022) and the so-called 'ordinary entrepreneur' (Sarasvathy et al., 2015). Moreover, such premise intended the execution of research in a format that did not reflect the reality experienced by extreme contexts. For example, from the assumptions, how to interpret data from developing economies, whose entrepreneurial activity is mostly dominated by entrepreneurs who start ventures in order to earn a living?

As an example, Figure 1 demonstrates two of the four motivations<sup>2</sup> for starting a business venture, following the methodology proposed by the Global Entrepreneurship Monitor. The countries are separated by their economic level<sup>3</sup>, also following the GEM methodology, using data from the World Bank.



**Fig. 1.** The motivation to start a business (% of total early-stage Entrepreneurial Activity who somewhat or strongly agree) – Selected countries (Brazil, Egypt, Mexico and Poland)

Source: elaborated by the author based on GEM data (Global Entrepreneurship Monitor – GEM, 2023).

Thus, it is possible to understand that the entrepreneurial phenomenon is distinct in different contexts. The way activities are carried out, e.g. through systematic planning,—may not be the reality in all cases. In crisis contexts or in those places where resource scarcity is common, it is possible to observe the 'non-Schumpeterian' entrepreneurial phenomenon (Lima, 2022) or, in other words, entrepreneurial attitudes that are not based on intense prediction and the allocation of highly innovative resources (Schumpeter, 1983). As argued below, such attitudes relate more to emerging approaches to the entrepreneurial phenomenon than to the traditional and classical approaches derived from neoclassical economics (Perry et al., 2012).

#### 3. Entrepreneurship in Context: The Rise of Emergent Approaches

Entrepreneurial environments are distinct. Starting from the writings of classical economists, it has been known that distinct geographic regions provide different advantages to organizations that choose to establish themselves there (Marshall, 2013). Local advantages, however, are commonly

The four motives are: (i) "to make a difference in the world"; (ii) "to build great wealth or very high income"; (iii) "to continue a family tradition", (iv) "to earn a living because jobs are scarce".

Level A: economies with a GDP per capita above \$40,000; Level B: economies with a GDP per capita between \$20,000 and \$40,000; Level C: economies with a GDP per capita below \$20,000.

the subject of replication attempts by the practitioners as well as academia, despite warnings that activities should not be conducted in this manner (Brown et al., 2022). Thus, the attempt to replicate the 'Silicon Valley Model', for example, may end up in wasted resources due to differences between localities, especially those socioeconomic and cultural differences (Saxenian, 1994).

It is also important to highlight that most entrepreneurial activities begin in a scenario of scarce resources, tangible or intangible (Baker and Nelson, 2005). In this case, what can be expected of entrepreneurial activity in a geographical environment that does not provide the entrepreneur with facilities or advantages, but rather difficulties and barriers? Looking again at developing economies, it is possible to observe, for example: the absence of entrepreneurial culture, the lack of legal provisions to foster entrepreneurship, the scarcity of resources (such as financing) in addition to absence of cooperation between local ventures and anchor organizations such as universities and established private companies (Cao and Shi, 2021). In peripheral regions, for example, the family unit will be for entrepreneurs the main source of access to resources (Benneworth, 2004). It is not unusual for entrepreneurs in these resource-constrained contexts, that entrepreneurship is characterised as self-employment, also called necessity-based entrepreneurship (Amorós et al., 2019). Entrepreneurs face situations such as lack of employment opportunities, low productivity, and access to investments, which condition them to be highly dependent on their close social network (Matos and Hall, 2020).

Once the difference between the contexts surrounding entrepreneurs and the path of the entrepreneurial trajectory has been noted, different scholars have established new perspectives on entrepreneurial activity. The two most recognised approaches today are effectuation (Sarasvathy, 2001) and bricolage (Baker and Nelson, 2005).

Effectuation is considered a paradigmatic shift in the understanding of entrepreneurial activity (Perry et al., 2012) since it not only starts from the premise that entrepreneurial behaviour can be learned by individuals, as opposed to the perception that entrepreneurial inspirations are innate (Sarasvathy et al., 2015), but that it is formed in a manner opposite to the rational, planned, and highly voluntaristic attitudes of classical studies (Perry et al., 2012). For Sarasvathy (2001, p. 245), an entrepreneurial process that is formed from such a rational perspective, when an entrepreneur takes a "particular effect as given and focuses on selecting between means to create that effect" is called causation. Effectuation, on the other hand, is a process that "takes a set of means as given and focuses on selecting between possible effects that can be created with that set of means". In other words, it is not a choice between pre-determined alternatives, but rather the creation of alternatives of one's own. Fisher (2012, p. 1024) points out that "goals change, are shaped and constructed over time, and sometimes formed at random."

It is worth noting that processes based on effectuation should not be seen as better or more efficient than those based on causation (Sarasvathy, 2001). Objectively speaking, these processes have their best use in different situations. Processes based on effectuation, for example, are appropriate for contexts of high uncertainty or limited resources (Hubner et al., 2022). Causation processes are especially important for knowledge exploration (Sarasvathy, 2001) and when the enterprise is established (McKelvie et al., 2020). Ultimately, the two processes can be used together or at different stages of the same venture, achieving high performance (An et al., 2020).

Importantly, the effectuation approach follows four principles: (i) acceptable losses; (ii) necessary alliances, so that uncertainties are reduced; (iii) consideration on how to explore contingencies; (iv) managing a future that is unpredictable (Sarasvathy, 2001). Overall, the four principles proposed by effectuation provide flexibility: with less planning and prediction, the costs associated with activities become lower – less investment in design or production activities – as well as enabling contingencies to be handled in unconventional ways, possibly being exploited profitably (Fisher, 2012). The entrepreneur starts the entrepreneurial process by analysing those resources he/she possesses, articulating variables that are close to him/herself: who he/she is, what he/she knows,

and who he/she knows (Sarasvathy and Dew, 2005). From those available resources, actions should control a naturally unpredictable future, and not try to predict it<sup>4</sup>.

Important aspects of effectuation, such as initiating the process by assessing the resources that are near and at hand for the entrepreneur, are closely intertwined with another of the emerging approaches in entrepreneurship research: bricolage (Baker and Nelson, 2005; Sarasvathy et al., 2015). Bricolage is understood as creating something by applying combinations of resources that are available to address new problems or opportunities. Importantly, when using bricolage, unexpected results can occur, including business innovations (Baker and Nelson, 2005; Fisher, 2012). The domains that make up the bricolage approach can be seen in Table 1.

**Table 1.** Bricolage: domains and some possible observations in emerging economies

Domains	Brief description	Possible observations in emerging economies
Physical inputs	Transformation of worthless (or negatively appraised) materials into valuable materials	Use of discarded materials by entrepreneurs, generating socioeconomic and environmental impact
Labour	Generation of manpower by involving several actors in the process of developing the new solution	New job opportunities for suppliers and other entrepreneurs, essential in a context of high unemployment
Skills	Allowing amateur or self-taught work creates useful services for individuals that would not otherwise be offered	Allowing and fostering the use of amateur labour can contribute to fighting unemployment in emerging economies, as well as raise the level of local creativity
Customer/markets	Provision of products and services that would not be available through the formal, standard operating procedures	Allows access to products and services to previously excluded consumers, such as those in poor situations. Increases consumption
Institutional and Regulatory environment	A way out of the conventions and norms imposed in the common, standardised business and social environment	Creation of surprising innovations that would not fit into the prevailing social standards and norms. Creation of new local entrepreneurial culture

Source: (Baker and Welter, 2005; Fisher, 2012).

It is important to note that during the entrepreneurial journey, ventures may reject the process via bricolage (Baker and Nelson, 2005; Fisher, 2012) and effectuation (An et al., 2020). Thus, business ventures that started via the aforementioned approaches may switch to using formalised or traditional processes – causation – especially if they face less uncertain and more stable contexts (An et al., 2020). The rapid learning cycle, affected by the flexibility of the beginning of the entrepreneurial process lacking critical resources (Sarasvathy, 2001) would become more prone to standardised planning and techniques observed in formal organizations.

#### 4. The Brazilian Context: Uncertainties and the Covid-19 Pandemic

The fact that emerging approaches to entrepreneurship are especially relevant for uncertain and resource-constrained contexts has led the authors to point out Brazil as an especially relevant economy for the study and observation of ventures guided under effectuation and bricolage approaches (Lima,

<sup>&</sup>lt;sup>4</sup> There are study cases that seek to demonstrate the entrepreneurial process through effectuation logic using real entrepreneurial stories. The following are recommended:

<sup>•</sup> Silva, J. P. M., Guimarães, L. de O., and Castro, J. M. de. (2021). Facile/LigFerv: Hot Water in Three Seconds, Thirty Years of Entrepreneurial Process. Revista de Administração Contemporânea, 25(spe). https://doi.org/10.1590/1982-7849rac2021200221.en

Santos, I. A. T. Dos, and Brandão, H. A. (2022). Is Growing Easy? That is What You Think! – The Jully Beauty and Makeup.
 *Ibero-American Journal of Entrepreneurship and Small Business*, 11(3), Article e2228. https://doi.org/10.14211/ibjesb. e2228.

2022). If the environment in Brazil, and in Latin America in general, was considered uncertain until the early 2020s, the COVID-19 pandemic made the situation even more evident. Turbulent contexts, mainly related to economic aspects, are being observed throughout the continent and region, including Brazil. Moreover, there are additional facts to the difficulties that appeared during the pandemic, such as the economic impacts arising from the measures taken internationally after the beginning of the conflict between Russia and Ukraine. One can also mention environmental aspects such as the degradation of Brazilian vegetation in recent years and the new risks of water shortage in the region.

Figure 2 shows the evolution of Brazilian GDP between 2013 and the end of 2022. As can be observed, the country was strongly affected during the pandemic period from Q2 2020 to Q1 2021, however, it did not even recover from the institutional crisis that had occurred a few years earlier, from Q1 2015 to Q2 2017.

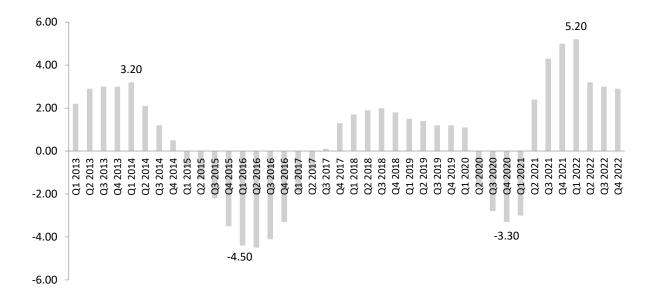


Fig. 2. GDP at market prices – the four quarters cumulative rate (Brazil – 2013-2022) (%)

Source: elaborated by the author based on IBGE data (Instituto Brasileiro de Geografia e Estatística – IBGE, 2023).

Specific to the impact of the COVID-19 pandemic, one particular aspect was registered in Brazil: the increase in unemployment, which reached record highs. Relative to the entrepreneurial process, unemployment and instability tends to favour the search for self-employment, also called Need-Based Entrepreneurship, a constant phenomenon in Brazil and Latin American countries (Amorós et al., 2019).

Figure 3 demonstrates the unemployment rate in Brazil over the years, compared with the rate of Necessity-Based Entrepreneurship. One can observe the increase in the rate of 'entrepreneurs by necessity' over the years, which also reached a record high during the COVID-19 pandemic.

It is worth noting that those ventures described as Need-Based Entrepreneurship are, in general, ventures of lesser complexity in which, for example, the operation activities can be carried out at the entrepreneur's residence. In Brazil, these less complex ventures operated from the entrepreneur's residence, of less economic impact and less innovative, are embraced by a specific legislation called Individual Micro-Entrepreneurs (IME)<sup>5</sup>. These enterprises, many of them positioned in the beauty and culture sectors, were most impacted during the pandemic (Serviço Brasileiro de Apoio às Micro e Pequenas Empresas – SEBRAE, 2021).

<sup>&</sup>lt;sup>5</sup> The Brazilian government stipulates that Individual Micro-Entrepreneurs must, for example, have a gross revenue of less than R\$ 81,000.00 during the year of operation (approximately US\$ 15,000.00 or 70,000.00 zł in values registered in March 2023).

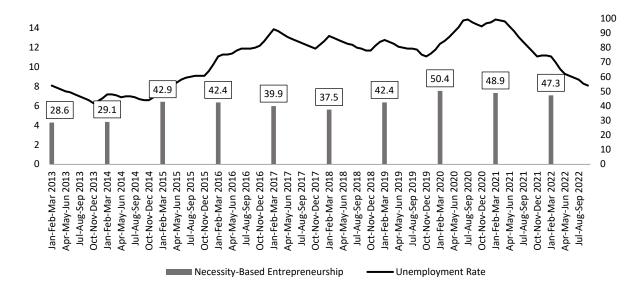


Fig. 3. Unemployment Rate x Necessity-Based Entrepreneurship Annual Rate (Brazil – 2013-2022) (%)

Source: elaborated by the author based on GEM and IBGE data (Global Entrepreneurship Monitor, 2023; Instituto Brasileiro de Geografia e Estatística – (IBGE, 2023).

The ease of joining the Individual Micro-Entrepreneur category (carried out entirely online, with the requirement of only a few documents from the individual) and the lower taxation to which entrepreneurs are subject to, are its major attractions. The search for digital enterprises, difficult to characterise, especially in the current troubled digital contexts (Sahut et al., 2021) and composed of labour relations of recognised ephemerality (Lucas et al., 2022), are also factors that attract different individuals to the IME in Brazil.



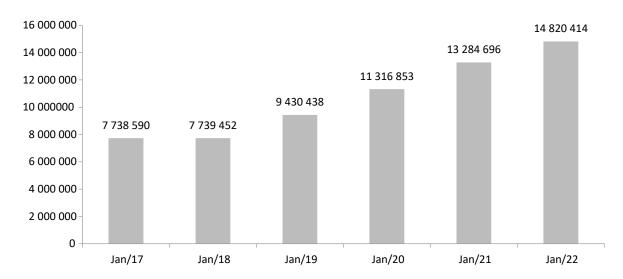


Fig. 4. Number of individual microentrepreneurs (2017-2022)

Source: elaborated by the authors based on MEI data (Ministério da Fazenda do Brasil, 2023).

In relation to the micro-entrepreneurs, it is noteworthy that, of all the more than 480 activities that can be classified in this modality, there are five main ones that account for about 25% of all registrations. These are admittedly less complex activities with less innovative impact: (i) Hairdressers, manicure

and pedicure; (ii) Retail sale of clothing and accessories; (iii) Building work; (iv) Sales promotion; (v) Supply of prepared food preponderantly for home consumption. Such ventures, often established by ordinary entrepreneurs (Sarasvathy et al., 2015), represent the aforementioned entrepreneurship of a non-Schumpeterian nature, including entrepreneurial activities derived from hobbies or crafts (Lima, 2022).

From the data above, it is possible to perceive a scenario of increased Brazilian entrepreneurial activity, but mostly directed towards entrepreneurship of less economic and innovative impact, permeated in a context of uncertainties and periodic institutional crises. It is important to remember that the most flexible beginning for entrepreneurial activity, whether on an individual aspect (Sarasvathy, 2001) or specifically on the use of the limited resources that entrepreneurs possess (Baker and Nelson, 2005), is precisely the fact that emerging approaches in entrepreneurship address in their research and practices.

On a micro level, particular to Brazilian enterprises, the COVID-19 pandemic has generated many complications, mainly on operational levels: between March and May 2020, an average of 89% of the companies registered a drop in sales, directly affected by the situation at that time. In addition, during the most critical period of the pandemic, most entrepreneurs pointed to the high costs with raw materials and fuel, for example, as the factor with the greatest restrictive potential for their company to return to the financial situation of the pre-pandemic period.

Moreover, agencies monitoring the local market have observed the forced digitalisation of numerous companies (Economic Commission for Latin America and the Caribbean – ECLAC, 2022). The forced digitalisation<sup>6</sup> occurred mostly as a consequence of policies to restrict movement during the most severe moments of the pandemic. In this case, enterprises were forced to migrate or adopt digital tools for communication, production, and delivery to clients, processes and tools that many enterprises had not used until then.

However, despite the initial difficulty in using digital tools to operate the enterprises, one piece of data demonstrates how quickly the Brazilians adapted to environmental pressures after the pandemic began in March 2020. In June 2020, about 63% of Brazilian SMEs had difficulty in providing services to customers due to operational changes made after the start of the pandemic. In September, two months later, only half (31.4%) were still struggling with the new practices (Instituto Brasileiro de Geografia e Estatística – IBGE, 2020).

Finally, if emerging entrepreneurial approaches are considered especially important in contexts of uncertainty, crisis or scarcity of resources, it is understood that the Brazilian entrepreneurial environment is not only a context that reflects such conditions, but these were further amplified after the pandemic. It is important to consider the local context as a relevant factor for the analysis of regional entrepreneurship, since it is highly impacted by the surrounding aspects. Approaches such as effectuation and bricolage seek to recognise that context may not be common to all entrepreneurs, seeking to understand how those who do not have access to resources considered standard assets for starting an organization – financing, markets, etc. – access such means, and how they can access them, and how these entrepreneurs can progress towards a more formal entrepreneurial process. The legitimisation of the emerging entrepreneurial approaches in uncertain contexts may not only put new entrepreneurs on the radar of researchers and academics, but also practitioners and policy makers, who may address new solutions to this group of individuals.

The discussion about digitalisation in Brazil is substantial and often controversial. The national data show a rise in the number of individuals connected to the Internet across the country, however most made only via cell phone, which hinders access to technological services that were widespread during the pandemic, such as participation in online classes. In addition, exclusive access to the cell phone connection makes remote work impossible. In general, the difficulties for digital accessibility in Brazil are still of considerable complexity, encompassing extensive regions that are not connected to the Internet and the low quality of the broadband and/or mobile network connection that the population has access to.

#### 5. Conclusion

This study aimed to introduce and discuss the importance of recognising contextual aspects in discussions about entrepreneurship, using the Brazilian context and the impact of the COVID-19 pandemic on local businesses as the subject of the analysis. It was shown how emerging entrepreneurial approaches differ from the traditional entrepreneurial perspective, derived from neoclassical economics, by favouring contextual aspects to entrepreneurship.

Through the collected data, it was pointed out how the pandemic brought even more uncertainty to an already troubled environment, natural to emerging economies in complex contexts, such as the current global economic environment. A sharp growth in the number of microentrepreneurs has been observed, especially those with simpler characteristics, many of them created for subsistence purposes. Moreover, such ventures were the most impacted during the pandemic period. Decreases in sales, increased costs, and operational difficulties were mentioned as negative situations that Brazilian entrepreneurs experienced, and still experience, during the pandemic.

The expectation is that the debate on identifying entrepreneurship as a contextual and local phenomenon will continue and be disseminated to other developing economies. Created in the midst of a network of personal and business relationships, it is problematic that the entrepreneurial process be taken only as the resolution of an individual, barely affected by the circumstances around him/her. It is also not expected that this same individual, even if highly purposeful and ambitious, will plan and envision all the possible scenarios of the current economic context, which is so uncertain and full of aspects with the potential to generate systemic impacts.

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## Identyfikując konteksty i podejścia do przedsiębiorczości: wpływ COVID-19 na środowisko przedsiębiorczości w Brazylii

Streszczenie: We wczesnych latach badań nad przedsiębiorczością działalność przedsiębiorczą traktowano jako proces sekwencyjny, wywodzący się z planowania i prowadzony przez jednostki z wrodzonymi zdolnościami. Od czasu pojawienia się nowych podejść do przedsiębiorczości, takich jak efektuacja i bricolage, proces przedsiębiorczości zaczął być postrzegany w inny sposób. Artykuł ma na celu wprowadzenie i omówienie kontekstowych aspektów przedsiębiorczości priorytetyzujących tę zmianę paradygmatu. Dokonano tego z wykorzystaniem danych na temat środowiska przedsiębiorczości w Brazylii, która jest wschodzącą gospodarką o złożonym i burzliwym kontekście gospodarczym. Zaobserwowano tam bowiem, że pandemia COVID-19 uwydatniła trudności napotykane już wcześniej przez brazylijskich przedsiębiorców w dostępie do zasobów, a także przyspieszyła rejestrację przedsięwzięć opartych na potrzebach. Tekst wnosi nowe spojrzenie do dyskusji dotyczącej potrzeby rozumienia przedsiębiorczości jako zjawiska kontekstualnego.

**Słowa kluczowe:** przedsiębiorczość, kontekstowe aspekty przedsiębiorczości, Brazylia, efektuacja, bricolage