



## Economic Transformation through MSMEs (2000–2020): A Systematic Review of Emerging Trends and Insights

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**Abstract:** Current research attempts to collect all economic and Micro, Small, and Medium Enterprise (MSMEs)-related research conducted between 2000-20. Utilizing VOS viewer software in a Systematic Literature review (SLR). For this reason, number of keywords, authors, journals, and countries have been taken into account. A database of 2508 articles from 2000-20 has been generated employing Scopus database. Trends in publications, country analysis, co-authorship analysis, and keyword occurrence networks are extensively discussed. For interested academics, current research provides convenient information source by compiling entire research on economy and MSMEs.

**Keywords:** MSMEs • economic • Scopus database • SLR • VOS viewer.

### Introduction

MSME enterprises are grouped according to their investment, turnover, and size. Micro Enterprises are smallest scale businesses, Small Enterprises are Larger than micro but smaller than medium and Medium Enterprises are the largest of the MSMEs but smaller than large enterprises. MSMEs generate significant employment, drive innovation in products and processes, and act as backbone of local economies, especially in developing countries like India. Among the primary foundations of national economy, MSMEs require maximum protection, development, support, and opportunity possible to align with MSME group (Auger, 2005). The eligibility of MSMEs varies from country to country according to investment in assets and annual turnover. Performance of MSME actors is greatly enhanced by entrepreneurial competencies presence held by MSMEs (Mitchelmore & Rowley 2013). Entrepreneur's competency directly affects performance of MSMEs (Esubalew &

Raghurama 2020). MSMEs significantly contribute to socio-economic objectives including output, exports, entrepreneurship, and employment (Dey 2014). Benefits of MSMEs to owners/workers include subsidies and grants, credit and financing, tax incentives, exports, and skill development programs. There are challenges to MSMEs as well which include difficulty in accessing capital and formal credit, Competition from larger companies, Limited market reach and technological advancement, and Regulatory and compliance burdens. Riskier MSMEs consider it more difficult to obtain bank loans (Yoshino et al 2015). MSMEs continue dealing with numerous challenges, including limited access to capital (Teima et al 2010), inexperienced management (Arasti 2011).

MSMEs are essential to the economy, especially for emerging and developing economies. They contribute to the generation of employment, innovation, industrial growth, and reduction of poverty. MSMEs are acknowledged as catalysts for economic



growth and promotion of equal development (Syal 2015). They absorb significant portion of working population, especially in rural and semi-urban areas. MSMEs additionally generate a substantial amount of employment opportunities at an inexpensive cost of capital when compared to large industries (Gade 2018). MSMEs contribute a large share of the GDP of many countries. By fostering entrepreneurship and innovation, they promote economic diversity and resilience. MSMEs help bridge the urban-rural divide by creating industries in less developed areas. They reduce migration by employing in local regions. MSMEs are often at the forefront of innovation due to their flexibility and adaptability. They provide competitive products and services, driving efficiency in the market. Many MSMEs engage in manufacturing goods for export, especially in textiles, handicrafts, and technology sectors. They enhance the global footprint of their home countries. MSMEs act as suppliers, distributors, and service providers to large enterprises, creating a symbiotic industrial ecosystem. They support industrial clusters and strengthen supply chains. MSMEs often operate in informal sectors, and when formalized, they bring unbanked populations into the financial system. Government policies targeting MSMEs improve credit access and economic participation. Researchers have demonstrated a tremendous deal of interest in MSMEs (Choudhury & Goswami 2019).

SLR approach is being employed in current body of research on economy and MSMEs of entities. Thus, by conducting Systematic Literature Review (SLR) on subject of economy and MSMEs, this research aims at bridging this gap.

Identifying and evaluating current publishing trends and reviewing literature on relationship among economy and MSMEs are primary objectives of current research.

### Method

Research outcomes are identified scientifically in this article employing SLR (Tranfield et al., 2003). This strategy enables the author investigating economy-MSMEs interactions.

This SLR approach has been employed for investigating publication trends and synthesizing economy and MSMEs research papers from 2000-20. Conducted a search on Scopus for papers related to utilizing "economy" and "MSMEs". We applied PRISM flow diagram below to organize data and include relevant literature studies.

2508 articles have been identified in Scopus database search on November 30, 2024. Title, abstract, and keywords were examined and we included those which have keywords including MSMEs and economy excluding papers of other language than English and from timeline 2000-20 so it finally comes to 929 articles. Out of these 400 articles were reviewed from which 340 articles were further excluded for not being from economics, management, and accounting fields. The rest 60 articles were fully assessed for eligibility out of which 26 were excluded or not found fit for inclusion, 34 articles were finally selected for bibliometric analysis, shown in PRISM flow diagram below. We applied VOS viewer for current research that received intriguing insights, including 1) co-authorship analysis, 2) Keyword occurrence network.

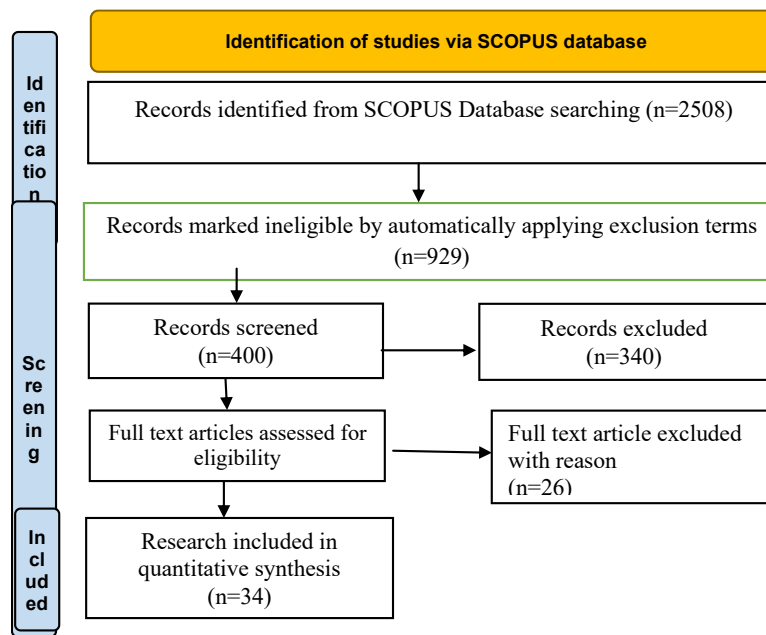


Fig. 1: PRISMA flow diagram

## Result and discussion

**Country analysis**-Figure 2, depicts the number of publications by different countries on MSMEs and economy, with India having the most publications, followed by Indonesia, then Saudi Arabia, and the rest.

**Co-Authorship analysis** - Free VOS viewer software generates maps from network data. It aids in map visualization and exploration. Co-

authorship analysis employed VOS viewer. Co-authorship network map, displayed in Figure 3, provides names of notable authors in field of study that is, authors that have significantly advanced domains of economics, business management, and accounting concerning MSMEs and the economy spanning between 2000-20

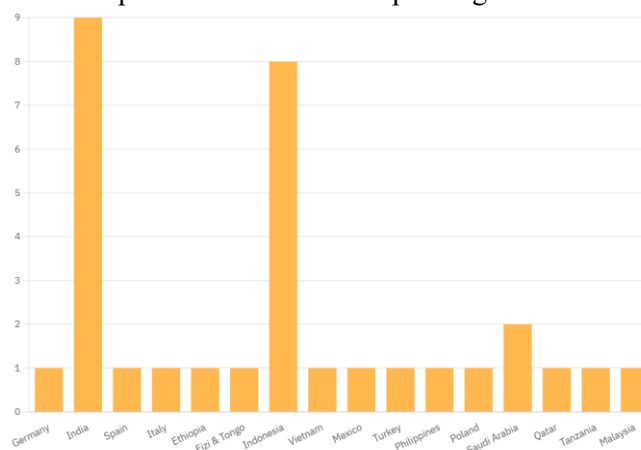


Fig. 2: Country Analysis

**Keyword Occurrence Network** - A map illustrating the association of several keywords to each other employing various lines is displayed in Figure 4. These lines indicate co-

occurrence of keywords across different publications in provided data set. It is found that MSMEs is the keyword with most occurrences.

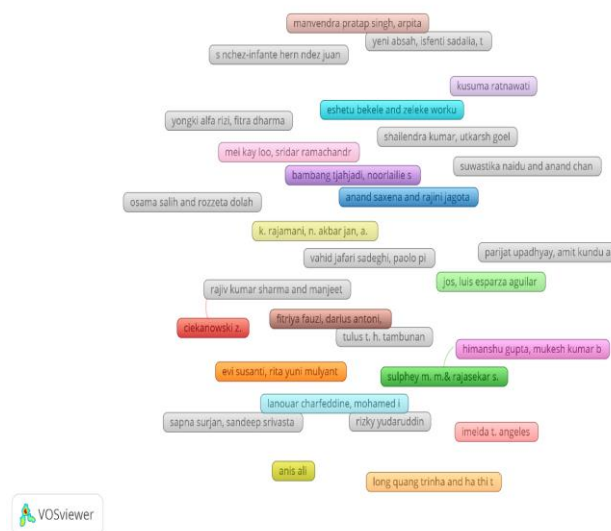


Fig. 3: Co-Authorship analysis

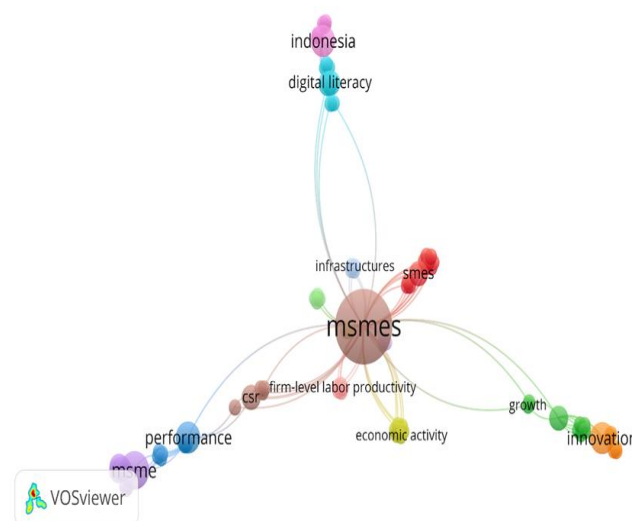


Fig. 4: Keyword Occurrence Network

### Conclusion and Limitations

Current research investigation offers a comprehensive analysis of literature on MSMEs and economy that has been published during 2000-20. Applying a variety of filters, including year range of 2000-20 and subject matter restricted to business management, accounting, and economics, a maximum of 2508 publications received consideration from Scopus database. This investigation evaluated publication trends of MSMEs throughout the years. Prominent nations that made substantial contributions to its research

have been acknowledged. The research project additionally involves co-authorship analysis, country analysis, and keyword occurrence analysis. By providing information on renowned journals, authors, and countries in this field, in addition to keywords frequently employed in MSMEs and economy study, these investigations have assisted scholars interested in subject of MSMEs and economy. Although the current investigation has presented significant insights into research problem, certain gaps could be addressed by additional research studies that follow these



lines. First, we limited our selection to research papers from Scopus. Although certain papers might be mostly absent, Scopus has a considerably larger collection of publications than the majority of other databases. It would be much more remarkable to explore and compare databases from other sources. Additionally, available papers on MSMEs and economy are arranged by year. Although time frame had been restricted to the years 2000-20, future researchers might include years prior to 2000. Furthermore, although MSMEs and the economy are a prevalent concern in most current research, authors of current research focused on examining literature that had been published in journals that dealt with business management, accounting, and economics. Future scholars could take advantage of this by including publications that publish studies on MSMEs however belong to fields other than business management, accounting, and economics. However, considering that it made an effort to integrate the various branches of literature about MSMEs and the economy, the research continues to stand out as a unique contribution to this field of research. For researchers that are interested in MSMEs and economy, this could be beneficial data.

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