

Entrepreneurship in banking in the economics of regional sciences with a look at the attrition entrepreneurship theory in beauty salon accounting jobs

Batool Heydarui¹, Mehdi Farzpourmachiani², Mehrdad Fojlaley³, Snjezana Baroness Rajacic⁴

¹Ph.D in Entrepreneurship, Technofest Institute of Technology University (TITU), Erquelinnes, Belgium

²Academician of the European Academy of Sciences, Associate Professor in entrepreneurship, department of entrepreneurship, Technofest Institute of Technology University (TITU), Erquelinnes, Belgium

³Academician of the European Academy of Sciences, Professor in entrepreneurship, department of entrepreneurship, Technofest Institute of Technology University (TITU), Erquelinnes, Belgium

⁴Academician & President of the European Academy of Sciences, Professor in entrepreneurship, department of entrepreneurship, Technofest Institute of Technology University (TITU), Erquelinnes, Belgium

Date of Submission: 12-02-2026

Date of Acceptance: 23-02-2026

Abstract

Entrepreneurship is a critical interface between individual initiative and economic development. In the banking sector, entrepreneurial activities are manifested through financial innovation, lending, and the development of infrastructure for new businesses. The field of regional science connects these phenomena to the geographical distribution of economic activity and the uneven development of entrepreneurial infrastructure in various regions. At the same time, attrition entrepreneurship theory, as a paradigm for understanding non-traditional forms of entrepreneurship, including self-employment in service sectors such as beauty salons and associated accounting services, can be applied to the study of entrepreneurship in banking and related regional economic phenomena. This review synthesizes existing literature on banking entrepreneurship and regional economics, reviews the theoretical underpinnings of attrition entrepreneurship, and applies these concepts to service sector enterprise, with particular emphasis on accounting in beauty salons. It argues that a complete understanding of entrepreneurial phenomena must consider both institutional and individual-level responses to changes in the labor market.

Keywords: Entrepreneurship, banking, beauty salon

I. Introduction

Entrepreneurship has been recognized as a critical driver of economic growth, job creation, and innovation. It occupies an important place in the economics of regional sciences, which examines how economic activities are spatially distributed and how local context influences economic outcomes.

Banks and financial systems play an essential role in shaping entrepreneurial opportunities by providing capital, financial services, and risk mitigation mechanisms. Yet, entrepreneurship is not solely a function of financial capital; it is embedded in cultural, institutional, and individual contexts that differ across regions. More recently, scholarship in entrepreneurship studies has started to consider non-traditional pathways into entrepreneurship. One such pathway is what can be described as attrition entrepreneurship individuals turning to self-employment not solely by choice but as an adaptive response to job displacement or lack of formal employment opportunities. This concept becomes particularly salient in-service sectors such as beauty salons, where business owners often perform multiple roles, including accounting, marketing, and management with the accounting functions representing an often-overlooked form of small-scale entrepreneurial activity.

Entrepreneurship in Banking and Regional Economic Development

The Role of Banking in Entrepreneurial Ecosystems

Entrepreneurship is generally acknowledged as a significant factor in economic development and innovation. It is a crucial part of regional economics, which studies the geographical distribution of economic activities and the impact of regional factors on economic performance. Financial institutions and banking systems have a considerable impact on entrepreneurial activities, as they determine access to capital, financial services, and risk management.

However, entrepreneurship is more than just access to capital. It is a phenomenon that is

deeply rooted in specific cultural, institutional, and individual contexts that vary from region to region. Recently, there has been a growing interest in alternative routes to entrepreneurship. One of the new terms in this field is “attrition entrepreneurship,” which refers to people resorting to self-employment not only because of their preference for it but also as a consequence of job loss or lack of formal employment opportunities.

This is particularly true in the service sector, including, for example, the beauty salon business, where entrepreneurs are often responsible for multiple tasks, including accounting, marketing, and general management. In this case, “everyday accounting” is a form of entrepreneurship that is often overlooked but is still significant.

Regional Science and Entrepreneurship

Regional science stresses that the geographical context of entrepreneurship influences economic performance. Fritsch argues that entrepreneurship and new business creation tend to be unevenly distributed across regions because of variations in financial capital, infrastructure, human capital, and support systems.

Studies also suggest that entrepreneurship has a positive effect on regional economic development and labor markets. For instance, researchers examined the interplay between competitive regional characteristics and entrepreneurial processes, highlighting the importance of localized economic contexts, including resources, labor markets, and cultural factors, in influencing entrepreneurial performance. Cross-country studies, such as those undertaken by the Global Entrepreneurship Monitor, reveal that entrepreneurship is influenced by institutional frameworks, access to finance, and socio-economic contexts, further supporting the idea that entrepreneurship is embedded in regional contexts.

Theoretical Foundations of Entrepreneurship Classical and Contemporary Entrepreneurship Theory

Entrepreneurship is generally acknowledged as a significant factor in economic development and innovation. It is a crucial part of regional economics, which studies the geographical distribution of economic activities and the impact of regional factors on economic performance. Financial institutions and banking systems have a considerable impact on entrepreneurial activities, as they determine access to capital, financial services, and risk management.

However, entrepreneurship is more than just access to capital. It is a phenomenon that is deeply rooted

in specific cultural, institutional, and individual contexts that vary from region to region. Recently, there has been a growing interest in alternative routes to entrepreneurship. One of the new terms in this field is “attrition entrepreneurship,” which refers to people resorting to self-employment not only because of their preference for it but also as a consequence of job loss or lack of formal employment opportunities.

This is particularly true in the service sector, including, for example, the beauty salon business, where entrepreneurs are often responsible for multiple tasks, including accounting, marketing, and general management. In this case, “everyday accounting” is a form of entrepreneurship that is often overlooked but is still significant.

Attrition Entrepreneurship Theory

Although not extensively formalized in the conventional body of entrepreneurship literature, attrition entrepreneurship can be theoretically defined as a process by which people turn to entrepreneurship due to job loss, lack of employment opportunities, or difficulties faced in the conventional labor market. This is in contrast to opportunity entrepreneurship, where people turn to entrepreneurship mainly for the purpose of capitalizing on market opportunities.

Attrition entrepreneurship is especially pertinent in situations where economic restructuring, automation, or economic crises cause workers to lose their jobs and are forced into entrepreneurship. Although there is not much empirical literature on this particular theory, a related theory on necessity entrepreneurship has been explored in the international context. For instance, studies on entrepreneurship in crisis conditions have found that if employment contracts are weak or if credit is not easily accessible, people turn to entrepreneurship as a means of survival.

Beauty Salons and Accounting Jobs as Non- Traditional Entrepreneurial Activities Service Sector Entrepreneurship

Service industries, such as beauty and personal care services, are important contributors to local economies. They often consist of small business owners at the microenterprise level, where entrepreneurial activities go beyond the service itself to include management and administrative activities, such as simple accounting and financial management. Such activities demonstrate entrepreneurial action, even if they are not in high-growth industries that have traditionally been of interest in entrepreneurship research.

Service businesses, such as beauty salons, that require little capital to establish and are based on social networks, are examples of non-traditional entrepreneurship. The owners of such businesses often have multiple roles, such as bookkeeping and financial planning, which is an entrepreneurial activity that links service delivery and financial management.

Accounting Jobs in Beauty Salons as Entrepreneurial Practice

Accounting in beauty salons, including tracking income, expense management, tax returns, and cash flow analysis, is an entrepreneurial activity that falls to the business owner or entrepreneur. While small in comparison to corporate accounting positions, these positions still demand accounting knowledge, adherence to accounting regulations, and entrepreneurial approaches to maintain the business. Often, people take up these positions not based on training but out of necessity when no larger opportunity exists, which corresponds to the concept of attrition entrepreneurship.

This view corresponds with the notion that entrepreneurship may be a reaction to a lack of traditional employment opportunities and reflects the regional economic conditions. Within regions where banking and credit access are not readily available, as indicated by studies on SMEs in Azerbaijan, businesses are challenged in ways that can influence entrepreneurial decisions and the need for business owners to take on multiple roles, including accounting.

Integrating Banking, Regional Economics, and Attrition Entrepreneurship

Financial Access and Entrepreneurial Entry

Entrepreneurial entry is shaped by the interaction between financial institutions and local economic conditions. In areas with a thriving banking sector, entrepreneurs have easier access to finance and credit, making it easier to start businesses. Conversely, a lack of access to credit could lead potential entrepreneurs down necessity or attrition routes, where becoming self-employed becomes a logical choice due to a limited labor market.

The local banking market dynamics shape not only the formation of new businesses but also the viability of small businesses. For instance, research has shown that the presence and competition of banks have a substantial impact on the probability of forming new businesses, and broadband and fintech technologies have been shown to reduce the constraints posed by traditional banking infrastructure.

Regional Development and Entrepreneurship

Entrepreneurship is a factor in regional economic development because of its role in job creation, economic diversification, and economic resilience. The geographical pattern of entrepreneurship is linked to regional characteristics, including human capital and financial and market opportunities. In this regard, banking systems and regional infrastructure are not only financial but also social factors that influence the entrepreneurial dynamism.

Attrition entrepreneurship, although less academically researched, offers a complementary view that takes into consideration the role of employment structures and economic disruption in shaping entrepreneurial choices, particularly in the service sectors, such as beauty salons. This view highlights the need to move beyond the understanding of entrepreneurship as primarily an opportunity-seeking activity and instead consider it as an adaptation to the labour market.

II. Conclusions

This review emphasizes that banking and regional science entrepreneurship is complex, driven by financial institutions, regional characteristics, and personal adaptation strategies for economic conditions. The banking sector's role in entrepreneurship goes beyond lending; banks shape entrepreneurial environments through finance and market sentiment. Regional science enhances the study of geography's role in mediating these dynamics.

The theory of attrition entrepreneurship, although still unexplored in depth in mainstream literature, is an important framework for understanding non-traditional entrepreneurial behavior in service industries, including accounting jobs in beauty salons. Such environments are exemplary of how people build entrepreneurial lives as a result of a lack of traditional employment opportunities.

Through the integration of these approaches, this paper emphasizes the importance of developing more inclusive conceptual frameworks that consider both opportunity and necessity entrepreneurial entry points. Future studies should investigate attrition entrepreneurship theory in more depth and explore policy initiatives for financial inclusion, regional development, and entrepreneurial adaptability in different economic settings.

References

- [1]. Acs, Z. J., Desai, S., & Hessels, J. (2008). Entrepreneurship, economic development and institutions. *Small Business Economics*,

- 31(3), 219–234.
<https://doi.org/10.1007/s11187-008-9135-9>
- [2]. Beugelsdijk, S. (2007). Entrepreneurship and regional development. *Journal of Evolutionary Economics*.
https://www.researchgate.net/publication/385348699_Entrepreneurship_and_Regional_Development
- [3]. Farzpourmachiani, M., & Farzpourmachiani, A. (2024). Attrition Entrepreneurship Theory, *Tubittum*, vol. 80, p. 28, Available: www.tubittum.com
- [4]. Prieger, J. E. (2023). Local banking markets and barriers to entrepreneurship in minority and other areas: Does broadband availability help? MPRA Paper No. 118102, University Library of Munich, Germany.
<https://mpra.ub.uni-muenchen.de/118102/1/Prieger%2C%20Local%20banking%20markets%20and%20barriers%20to%20entrepreneurship%20in%20minority%20and%20other%20areas.pdf>
- [5]. Jafarov, Ş. (2013). Small and medium enterprises in Azerbaijan: Achievements, financing constraints and policies (SSRN Electronic Journal).
<https://doi.org/10.2139/ssrn.2215025>
- [6]. Yin L. (2022). From Employment Pressure to Entrepreneurial Motivation: An Empirical Analysis of College Students in 14 Universities in China. *Frontiers in psychology*, 13, 924302.
<https://doi.org/10.3389/fpsyg.2022.924302>