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ENTREPRENEURIAL LEARNING AND EXECUTION THROUGH THE PSS FRAMEWORK: BRIDGING EFFECTUATION AND RESOURCE REALISM

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Abstract

This paper presents the PSS Framework, a strategic and educational model for entrepreneurship grounded in effectuation theory and resource-based thinking. The framework streamlines entrepreneurial planning through three interconnected layers: the Personal Dimension (3W), Resource Dimension (3M), and Market Dimension (4P). It offers a dual interpretation: a linear progression from Problem to Solution to Selling, and a structured formulation represented as PSS = 3W + 3M + 4P. Developed within the context of entrepreneurship education and incubation programs, the PSS Framework equips learners and early-stage entrepreneurs to establish ventures by leveraging available resources and contextual knowledge. Particularly suited for environments where traditional startup models are less effective and resources are limited, this study outlines the theoretical foundation of the framework, details its components, and demonstrates its application in teaching, mentoring, and business incubation. Implications for education, training, and future research are also discussed.

INTRODUCTION

Entrepreneurship is one of the solutions to economic instability since in the regions where joblessness among the young generation and the absence of modern technology threaten the established form of business. In view of such dynamic market conditions, there is a huge demand of entrepreneurship model not just based on strategy, but also one that aids entrepreneurs with little experience as well (Brush, Greene, & Kelley, 2019). The entrepreneurial society requires easy to understand but rather useful models that assist in taking an individual through generation of idea to implementation of this idea in the market. The drawback that traditional model has against the real world is that in most cases, it does not take into consideration the realities of real world like scarcity of resources and how community led innovation thrives with reduced resources in developing countries (Mubarik et al., 2022).

The recent studies underline the importance of the means-based or effectual approaches that focus on the available resources, personal networks, and the use of the trial-and-error approach (Read et al., 2019). Frameworks which embrace this reasoning, as opposed to more predictive or top-down approaches, are increasingly viewed as more befitting to uncertain and emerging markets. In response to this requirement, the PSS (Problem, Solution, Selling) Framework incorporates the process of cognition and operation in a linear framework that is easy to lock down. Relative to other frameworks, like the Lean Startup or Business Model Canvas, which require entrenchment in business-ese, the PSS Framework is calculated to democratize entrepreneurship by making things clear, self-aware, and implementable (Saqib & Masood, 2023).

Besides, both in educational institutions and startup accelerators, there is an increasing utilization of blended structure which combines human-oriented design and entrepreneurial thinking. The PSS model, especially, is compliant with this trend because it applies the reflective aspect (individual inspiration and social capital) and the strategic one (allocation of resources and marketing mix). It is a minimalistic yet teachable, customized, and deployable entrepreneurial toolkit that may be applied to any sectors and skill levels (Raza et al., 2018). As universities, governments and incubators in emerging economies look to develop entrepreneurial culture that is inclusive, frameworks such as PSS will offer a nice point of departure in training the future generation of innovators.

Entrepreneurship has become one of the most incredible innovations in the todays constantly changing and unpredictable economic conditions providing employment and growth opportunities. As the world is changing Fastly and facing constant challenges with each day and increasing unemployment rates among youth and fast change in consumer demand, the need for adaptable framework of entrepreneurship is increasing. PSS framework is suitable to deal with this challenge. It provides and easy yet strategic approach to anyone who want to transform their ideas in to endurable enterprises. The PSS model consist of three main components as the name indicates itself: Problem (3W), Solution (3M) and Selling (4P) that coincides to identification, operational readiness and market positioning accordingly. Entrepreneurs fails sometimes not because they are short of ideas but the process of transforming ideas into actions is difficult. Other models such as Business Model Canvas (Osterwalder & Pigneur, 2010) and Lean Startup (Ries, 2011) are also useful but they do not cover each and every point and too complicated to be understood by beginners with zero knowledge about business.

The PSS Framework helps close this gap with a simple formula which we called Masood's equation of entrepreneurship of that is structured as:

PSS= 3W + 3M + 4P-----------------(Masood's equation of entrepreneurship)

This formula can be considered as a complete package whether its teamwork or application of framework. This formula provides self-awareness and social capital to entrepreneurial (3W: Who am I? self-awareness, experiences, motivation, and aim. What do I know? Skills, education, work history, and personal insights. Whom do I know? Social Circle) is transformed into means and breakdown of capital (3M: Man, Machine, Material), which further goes to tell how to market your product (4P: Product, Price, Place, Promotion). Considering these components, PSS framework provides entrepreneurs with vast and applicable outlook of their project.

In developing countries like Pakistan, entrepreneurship education has always faced dilemma in converting this knowledge into practical. The PSS Framework with its roots in effectuation theory (Sarasvathy, 2001), provide great insights on what miracles entrepreneurs can do with present resources rather than thinking of impossible targets.

With controlled risk, the means-driven thinking encourages bottom-up innovations and experimentation. For university students with new start up ideas, this system is very helpful as they have minimal exposure to advance business. It empowers critical thinking and focuses on the available means and networks. The PSS Framework is applicable in various activities such as academic understanding, pitching businesses, and the concept of entrepreneurship. It helps individual to understand the root cause of issue, what resources they have and how they can handle market. It helps instructors and coaches to understand the key factors of why a startup is not succeeding in terms of capital, strategy of market and vision. The PSS model does not only provide framework for planning with established mindsets but it provides information and strategies to excel in real life situations with real life challenges. Further this Framework fills the gap to deal with present and future economic difficulties with its simple and adaptable nature to support beginners in becoming entrepreneurship leaders. This framework also complements other entrepreneurial frameworks like Design Thinking which includes Empathize, Define, Ideate, Prototype, and Test. This framework encourages the entrepreneur to start with what they already know just like empathy and human- centered approach in Design Thinking. This makes the PSS

Framework cancer the gap between strategic planning and creative innovation and bridge it between business logic and experimenting learning.

2. Literature Review and Theoretical Background

The PSS Framework is supported by three core theoretical pillars: effectuation, the resource-based view (RBV), and design thinking.

2.1 Effectuation Theory

In the industry of entrepreneurship shifts from control-based logic to predictive logic as presented by Sarasvathy (2001) in effectuation theory. Bird-in-Hand principle is fundamental in this theory in which entrepreneurs start with whatever they have: that is, what they know, who they know, and who they are. This is the core concept of 3W component of PSS Framework.

Chandler et al. (2011) confirmed the effectuation fundamental constructs and expressed the means driven action popularity among entrepreneurs particularly in the uncertain surroundings. The preference of low-cost loss and strategic collaboration was also illustrated by Dew et al. (2009) in how the most skilled entrepreneurs value the iterative method of PSS.

2.2 Resource-Based View (RBV)

The RBV, given by Wernerfelt (1984) and expanded by Barney (1991), emphasizes companies achieve more profits by using internal resources that are rare, valuable, inimitable, and non-substitutable (VRIN). The 3M (Man, Machine, Material) component of PSS Framework is embodied in this theory which shows how entrepreneurs can organize and manage what they already control. According to Newbert (2007), combination of tangible and intangible means predicts an impactful success in entrepreneurs' performance. For this PSS is ideal as it fits well with strategy.

2.3 Design Thinking

Design thinking concentrates on the problem solving with the interface of the user, speed of iteration, and in prototyping (Brown, 2009). This complements Problem, Solution, Selling logic of PSS framework at the beginning phase of idea validation.

Design thinking provides a balance between idea creativity and structured implementation (Beckman & Barry 2007). The main idea of PSS model is to detect the problem and finding its solution and further selling it in real world.

3. Conceptual Framework: The PSS Model

The PSS Framework integrates two complementary interpretations to guide entrepreneurial planning and action.

3.1 PSS Model: Problem – Solution – Selling

This kind of interpretation reflects a pragmatic route which is pursued by many entrepreneurs:

Problem:

The first and most critical step is to detect the real-world problem which could be frustration, social issues or market incompetence.to work on it we need personal dimension The PSS model encourages the idea of beginning with identifying the root problem which could be the main issue in entrepreneur experience which can be motivating and relevant in entrepreneurial framework.

Solution:

The second and important step is to find the solution to the root problem in PSS Framework. Creativity, affordability and feasibility is the core theme of this stage. After finding solution key is to test it on the user and revise over and over again not just to be perfectionist but also to learn and evolve with process and to work on this we need resource dimension.

Selling:

Entrepreneur will now be selling the solution to the relevant users and get feedback and establish primary revenues. This process requires willingness to bear feedback from users, values communication and product settling. To Complete this process, we require market dimension.

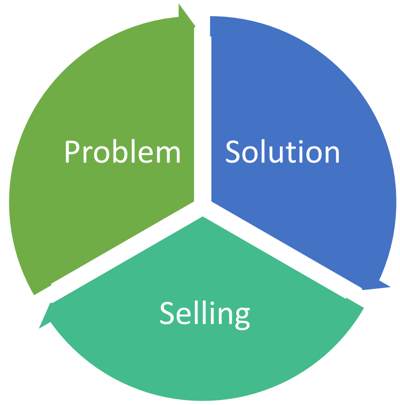

Figure 1: PSS framework

3.2 Mathematical Interpretation:

The mathematical equation which we called Masood's equation tries to explain this framework into mathematical form

Masood's Equation of Entrepreneurship:

PSS = 3W + 3M + 4P

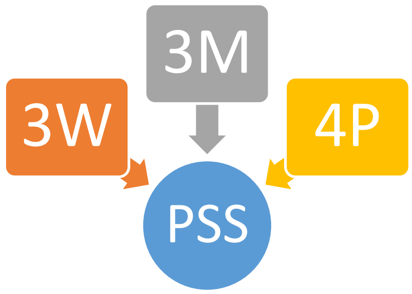

Figure 2: Masood's Equation of Entrepreneurship

This interpretation provides a structured equation for planning:

Personal Dimension: 3W

This stage consists on the principle of Bird-in-Hand (Sarasvathy, 2009) and encourages entrepreneurs to look at themselves:

- Who am I? The individuality, experience, drive, and direction.
- What do I know? Skills, education, professional experience and personal information.
- Whom I know? Chain of clients, sponsors, partners, and friends.

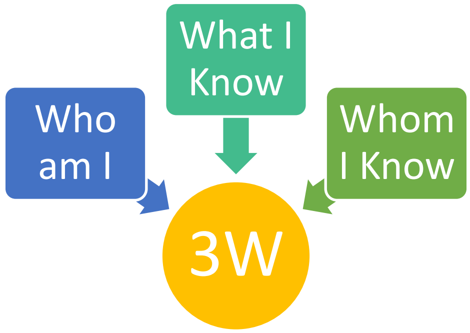

Figure 3: Personal Dimension

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Resource Dimension: 3M (Kumar & Suresh, 2020)

The element in Resource Dimension 3M (Kumar & Suresh, 2020) is concerned with what is operationally available:

- Man: It includes the workforce we require to complete the process.
- Machine: The tools, machines, software, or systems occurring in production or delivery.
- Material: Raw materials, packaging, content, digital files whatsoever is required to make the product.

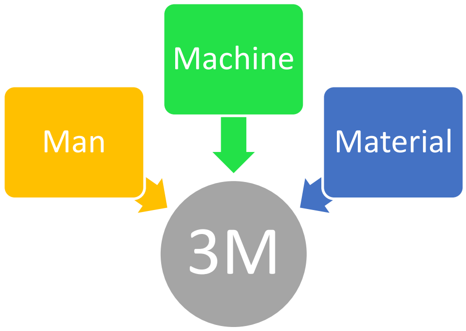

Figure 4: Resource Dimension

Market Dimension: 4P

This is traditional marketing mix segmentation (Kotler & Keller, 2016) in which go-to-market strategy is framed:

- Product: What is being sold and its advantages, features and what makes it unique.
- Price: Low-to-faire, or value-based priorities, or pay-as-you-go.
- Place: Channel ways such as online distribution, physical distribution, or direct-to-customer type.
- Promotion: What is the way to reach users: digital marketing, social media, collaboration, and so on.

Figure 5: Market Dimension

4. Practical Implications

Here go the practical implications of PSS Framework.

Education: It can be used to help transform students their thoughts into organized plans in business and cross-enterprise courses.

Incubators: It can help instructors and coaches to assist startup founders to formulate their strategies that are resource-centric.

Community Development: This enables small scale entrepreneurs to begin on the basis of local issues and use easy solutions.

Policy Making: this can be used by both government and non-governmental organizations to help people start businesses using whatever resources they have.

5. Application Scenarios

A student can use his skill of 'What I know' and machine 'Laptop/Mobile' will sell product 'Online Tutoring' in affordable manner and will advertise it through online means such as Instagram and Facebook.

- A home-based chef makes use of available resources himself (Man), kitchen appliances (Machine) to make food (Product) to sell lunches to offices through online applications such as WhatsApp.
- A developing startup goes through PSS Canvas Worksheet per week to see the progress of its strategy in real-time.

6. Limitations and Future Research

Although the PSS Framework is convenient and helpful, it is not unlimited:

- It might not be appropriate in industries that need extensive infrastructures, legal regulations, or government regulations.
- It presupposes the self-direction of entrepreneurial attitude and the ability to recognize the problem approximately, which cannot be always true.
- This linearity of problem-to-selling might not reflect the reality of the messiness of the actual startup pivots.

Future research directions include:

- Empirical substantiation of the framework both, in industries and regions.
- Comparative analysis of Lean Canvas, Business Model Canvas and other models.
- Design of a mobile or a digital PSS planning tool or application.
- Combining the PSS model with programs of training the entrepreneurial mindset.

7. Conclusion

PSS Framework is practical, adaptable, flexible and action-based foundation for entrepreneur. It revolves around self-awareness (3W), operational readiness (3M) and strategic thinking (4P) and have theory and practical implication. It is unique and wonderful in developing situations and under restricted resources, its most unique feature is that it encourages entrepreneurs to be able to do with what they have, what they know, recognizing personal insight as an entrepreneurial lever.

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