

Artificial Intelligence-Enabled Entrepreneurship: A Dynamic Capability Framework for Opportunity Recognition, Innovation, and Sustainable Value Creation

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Abstract:

Artificial intelligence (AI) is increasingly transforming the entrepreneurial process by changing how entrepreneurs search for information, identify opportunities, develop products, make decisions, configure resources, and create value. The emergence of generative artificial intelligence (GenAI) has accelerated this transformation by providing entrepreneurs with accessible capabilities for knowledge generation, content creation, ideation, prediction, experimentation, and intelligent assistance. Despite the rapid expansion of research on AI and entrepreneurship, the theoretical foundations explaining how AI capabilities are converted into entrepreneurial outcomes remain fragmented. Existing studies have examined technology adoption, opportunity recognition, innovation, business-model transformation, entrepreneurial decision-making, and digital entrepreneurship, but these streams have rarely been integrated into a unified theoretical explanation. This conceptual paper addresses this gap by developing a dynamic capability framework of AI-enabled entrepreneurship. Drawing on Dynamic Capability Theory, Entrepreneurial Opportunity Theory, Resource Orchestration Theory, and the emerging perspective of Responsible AI, the paper conceptualises AI capability as a technology-enabled resource that contributes to entrepreneurial sensing, seizing, and transformation. The framework proposes that AI capabilities influence entrepreneurial opportunity recognition through enhanced information processing,

knowledge recombination, experimentation, and decision support. These entrepreneurial capabilities subsequently facilitate product, process, marketing, and business-model innovation, which can contribute to sustainable value creation. However, the framework argues that the relationship is not technologically deterministic. AI literacy, human–AI collaboration, ethical governance, digital infrastructure, and entrepreneurial expertise condition the conversion of AI resources into entrepreneurial outcomes. Six theoretical propositions are developed to guide future research. The paper contributes to entrepreneurship theory by moving beyond an adoption-centred view of AI and positioning AI as part of an evolving entrepreneurial capability system in which human judgement and machine intelligence interact. The framework provides a foundation for future empirical research and offers implications for entrepreneurs, educators, business-support institutions, and policymakers.

Keywords: Artificial intelligence; generative AI; entrepreneurship; dynamic capabilities; entrepreneurial opportunity recognition; entrepreneurial innovation; responsible AI; sustainable value creation; human–AI collaboration.

1. Introduction

Artificial intelligence has moved from being primarily a specialised computational technology to becoming an increasingly accessible resource for organisations, entrepreneurs, and individuals. Advances in machine learning, predictive analytics, natural language processing, computer vision, automation, and, more recently, generative artificial intelligence have expanded the range of entrepreneurial activities that can be supported by AI. Entrepreneurs can now

use AI-enabled systems to analyse markets, generate ideas, prepare business plans, develop digital content, interact with customers, support decision-making, automate routine activities, and experiment with alternative business models.

The significance of this transformation extends beyond technology adoption. Entrepreneurship is fundamentally concerned with identifying, evaluating, and exploiting opportunities under conditions of uncertainty. AI changes the information environment in which these activities take place. It can increase the speed of information processing, expand the number of alternatives considered, reduce some costs of experimentation, and provide entrepreneurs with new mechanisms for knowledge generation. At the same time, AI introduces new uncertainties concerning reliability, bias, privacy, intellectual property, accountability, human judgement, and technological dependence.

The academic literature reflects this rapidly changing environment. Recent research reviews have identified substantial growth in AI and entrepreneurship research but also considerable fragmentation across topics, theories, methods, and levels of analysis. A 2025 hybrid literature review covering 345 peer-reviewed articles concluded that research on AI-based technologies and entrepreneurship had expanded considerably while remaining theoretically fragmented. A more recent review focused specifically on GenAI and entrepreneurship identified emerging research themes involving digital transformation, entrepreneurial education, sustainable innovation, business models, and data-driven entrepreneurship.

The development of GenAI makes the theoretical question even more important. Unlike earlier AI systems that were often deployed for prediction, classification, or automation, GenAI can participate in knowledge-intensive activities such as ideation, writing, coding, design, summarisation, simulation, and content creation. Consequently, entrepreneurs increasingly interact with AI not simply as users of a technological system but as collaborators in activities traditionally associated with human cognition and creativity.

Recent scholarship has begun to examine this transformation. Research published in the *Journal of Innovation & Knowledge* argues that GenAI can affect entrepreneurial activities by providing contextual information, identifying opportunities, and supporting entrepreneurial decision-making. Other recent research conceptualises AI-enabled entrepreneurship in terms of changing entrepreneurial scale, capability, and sustainability. Research on GenAI platforms further suggests that these technologies may simultaneously enable entrepreneurship and create new forms of dependence on platform providers and their governance structures.

The paper argues that AI should not be understood merely as a technology that entrepreneurs adopt. Instead, AI should be conceptualised as a capability-enabling resource embedded within an entrepreneurial dynamic capability system. The value of AI therefore depends on how entrepreneurs combine technological capabilities with knowledge, judgement, experimentation, organisational resources, and responsible governance.

The paper develops an integrated theoretical framework based primarily on Dynamic Capability Theory while incorporating Entrepreneurial Opportunity Theory, Resource Orchestration Theory, and Responsible AI. Dynamic Capability Theory provides the central explanation of how firms and entrepreneurial ventures adapt resources in changing environments. Teece, Pisano, and Shuen conceptualised dynamic capabilities as processes through which firms coordinate and combine resources under conditions of rapid technological change. Resource orchestration complements this perspective by explaining how resources are structured, bundled into capabilities, and leveraged for value creation. Entrepreneurial opportunity theory contributes an explanation of how opportunities can be discovered or created through entrepreneurial action.

Accordingly, the present paper develops six theoretical propositions and an integrated framework connecting:

AI capabilities → entrepreneurial dynamic capabilities → opportunity recognition → entrepreneurial innovation → sustainable value creation

The framework additionally incorporates AI literacy, human–AI collaboration, entrepreneurial expertise, digital infrastructure, and responsible AI governance as contextual conditions.

The paper makes three principal contributions. First, it extends Dynamic Capability Theory into the emerging context of AI-enabled entrepreneurship. Second, it connects AI capabilities with entrepreneurial opportunity recognition and innovation rather than treating AI adoption as an outcome in itself. Third, it introduces responsible and human-centred conditions into the explanation of AI-enabled value creation.

2. Conceptualizing AI-Enabled Entrepreneurship

2.1 From digital entrepreneurship to AI-enabled entrepreneurship

Digital technologies have substantially transformed entrepreneurship. Digital entrepreneurship research has demonstrated that digital technologies, platforms, and infrastructures influence opportunity creation, value creation, and value capture. Nambisan, Wright, and Feldman argued that digital transformation changes the nature of innovation and entrepreneurship by introducing new affordances, forms of openness, and generativity.

AI represents a further stage of this transformation because it does not merely digitise existing activities. It can interpret data, identify patterns, generate predictions, automate decisions, and increasingly produce new forms of content and knowledge.

AI-enabled entrepreneurship can therefore be defined as the process through which entrepreneurs integrate artificial intelligence capabilities with human knowledge, organisational resources, and entrepreneurial judgement to identify opportunities, make decisions, innovate, and create value under conditions of uncertainty.

AI is not treated as an autonomous entrepreneur. Entrepreneurial agency remains associated with human actors who determine objectives, interpret contextual information, assess risks, make commitments, and accept responsibility for consequences.

3. Theoretical Foundations

3.1 Dynamic Capability Theory

Dynamic Capability Theory provides the central theoretical foundation of the framework.

Teece, Pisano, and Shuen developed the dynamic capabilities perspective to explain value creation and competitive advantage under conditions of rapid technological change. Their framework focuses on how organisations coordinate, combine, and reconfigure resources as environments evolve.

The later formulation of dynamic capabilities commonly emphasises three broad activities:

Sensing → Seizing → Transforming

Sensing concerns identifying opportunities and threats.

Seizing concerns mobilising resources to capture identified opportunities.

Transforming concerns reconfiguring resources and organisational structures as circumstances change.

AI has potential relevance to all three activities.

For sensing, AI can analyse large amounts of information and identify patterns.

For seizing, AI can support forecasting, scenario analysis, product development, and resource allocation.

For transformation, AI can facilitate automation, knowledge recombination, process redesign, and business-model experimentation.

However, AI capability itself does not automatically constitute dynamic capability. Dynamic capabilities require purposeful organisational processes and managerial action.

Therefore:

AI capability $\neq$ dynamic capability

Rather:

AI capability + human expertise + organisational processes $\rightarrow$ AI-enabled dynamic capability

This distinction is central to the proposed framework.

3.2 Entrepreneurial Opportunity Theory

Opportunity recognition represents another foundational component. Entrepreneurial opportunity research distinguishes between opportunities that can be discovered and opportunities that emerge through entrepreneurial action. Alvarez and Barney developed this distinction through discovery and creation perspectives of entrepreneurial action.

AI potentially influences both processes.

Discovery-oriented opportunities

AI can help entrepreneurs detect:

- changing consumer preferences;
- emerging market trends;
- underserved customer groups;
- technological developments;
- inefficiencies;
- demand patterns.

Creation-oriented opportunities

GenAI can also facilitate:

- experimentation;
- ideation;
- alternative product concepts;
- new business models;
- digital services;
- novel customer experiences.

Thus, AI can potentially participate in both the **discovery and creation** dimensions of entrepreneurial opportunity. The theoretical implication is that AI may alter not only the efficiency of opportunity recognition but also the process through which opportunities are formed.

3.3 Resource Orchestration Theory

Resource orchestration provides a complementary explanation. Sirmon, Hitt, and Ireland argue that value creation depends on how firms structure resource portfolios, bundle resources into capabilities, and leverage capabilities. This is particularly relevant to AI because AI tools are increasingly accessible to entrepreneurs. Access to a tool alone does not guarantee value. The technological resource is similar, but the capability configuration is different. Therefore, entrepreneurial value from AI depends partly on resource orchestration. This perspective helps explain why technological access alone cannot explain entrepreneurial outcomes.

3.4 Responsible AI Perspective

The fourth theoretical component is responsible AI. AI-enabled entrepreneurship creates opportunities but also raises concerns regarding:

- data privacy;
- algorithmic bias;
- misinformation;
- intellectual-property rights;
- cybersecurity;
- accountability;
- transparency;
- excessive automation;
- platform dependence.

Recent research on GenAI entrepreneurship has begun to identify a tension between technological enablement and dependence. GenAI platforms can lower barriers to entrepreneurial entry while simultaneously creating dependence on platform providers and their governance decisions.

Consequently, responsible AI should not be treated as an external ethical appendix. It should be incorporated into the theoretical explanation of entrepreneurial value creation.

4. AI Capabilities as Entrepreneurial Resources

AI capability refers to an entrepreneur's or venture's ability to acquire, integrate, utilise, evaluate, and strategically apply AI technologies. The proposed framework identifies six dimensions.

4.1 Generative capability

GenAI enables entrepreneurs to produce text, images, designs, code, summaries, ideas, and other outputs. Its entrepreneurial relevance lies in reducing the time and cost associated with early-stage experimentation.

4.2 Analytical capability

AI can process large datasets and identify patterns that may not be easily observable through conventional analysis. This capability can support market intelligence and opportunity sensing.

4.3 Predictive capability

Predictive AI can support demand forecasting, customer analysis, risk assessment, and scenario planning.

4.4 Automation capability

Automation can reduce repetitive activities and allow entrepreneurs to allocate attention to higher-value tasks.

4.5 Knowledge-generation capability

GenAI can support knowledge synthesis, brainstorming, summarisation, explanation, and alternative scenario generation.

4.6 Interaction capability

Conversational AI allows entrepreneurs to interact with AI systems through natural language and iterative feedback.

This transforms AI from a passive information system into an interactive cognitive support mechanism.

5. AI and Entrepreneurial Dynamic Capabilities

5.1 AI-enabled sensing

Sensing involves identifying opportunities and threats.

AI can enhance sensing by supporting:

- market scanning;
- trend detection;
- competitor monitoring;
- customer sentiment analysis;
- demand analysis;
- emerging-technology identification.

The entrepreneur, however, remains responsible for determining whether an AI-generated signal represents a meaningful opportunity.

Proposition 1

P1: AI capabilities enhance entrepreneurial sensing by increasing the speed, breadth, and analytical depth of information processing available to entrepreneurs.

5.2 AI-enabled seizing

Sensing an opportunity does not guarantee successful entrepreneurial action.

Entrepreneurs must evaluate alternatives, allocate resources, develop products, and make strategic commitments.

AI can support these activities through:

- scenario generation;
- financial modelling;
- customer segmentation;
- business-model experimentation;
- product concept development;
- decision support.

Proposition 2

P2: AI capabilities strengthen entrepreneurial seizing by supporting opportunity evaluation, experimentation, resource allocation, and strategic decision-making.

5.3 AI-enabled transformation

Dynamic environments require entrepreneurs to reconfigure resources and processes.

AI can support transformation through:

- workflow automation;
- process redesign;
- knowledge integration;
- business-model experimentation;
- personalised customer interaction;
- digital service development.

Proposition 3

P3: AI-enabled dynamic capabilities facilitate entrepreneurial transformation by enabling ventures to reconfigure resources, processes, and business models in response to environmental change.

6. AI-Enabled Opportunity Recognition

Opportunity recognition is positioned as a central mechanism connecting AI capabilities with entrepreneurial outcomes.

The traditional entrepreneurial process can be represented as:

Information → Interpretation → Opportunity → Action

AI changes the first two stages by expanding information-processing capacity and generating alternative interpretations. A GenAI system can potentially provide:

- alternative customer problems;
- alternative market segments;
- alternative product concepts;
- alternative business models;
- alternative strategic scenarios.

However, entrepreneurial opportunity recognition requires more than information generation.

The entrepreneur must determine:

1. whether the opportunity is meaningful;
2. whether customers will value it;
3. whether the venture can implement it;
4. whether resources are available;
5. whether risks are acceptable;
6. whether the opportunity is ethically and legally viable.

Thus, AI can expand the **opportunity search space**, while human judgement determines which opportunities become entrepreneurial actions.

Proposition 4

P4: AI capabilities expand the entrepreneurial opportunity search space, while entrepreneurial judgement and contextual knowledge determine the conversion of AI-generated possibilities into actionable opportunities.

7. Human–AI Collaboration and Entrepreneurial Judgement

One of the most important theoretical implications of GenAI is the changing relationship between human and machine cognition. Earlier technology-adoption models often treated users as individuals deciding whether to accept or reject a technology. This logic is insufficient for GenAI-enabled entrepreneurship.

Entrepreneurs increasingly interact with AI through iterative processes:

Human question → AI generation → Human evaluation → AI refinement → Human decision → Market action

This represents a **hybrid judgement process**.

Human entrepreneurs contribute:

- contextual understanding;
- values;
- intuition;
- ethical judgement;
- stakeholder knowledge;
- responsibility.

AI contributes:

- computational speed;
- information synthesis;
- pattern recognition;
- content generation;
- alternative generation.

Therefore, the entrepreneurial process can be conceptualised as a human–AI capability system.

Proposition 5

P5: Human–AI collaboration strengthens the conversion of AI capabilities into entrepreneurial outcomes when AI-generated information is combined with human contextual knowledge, critical evaluation, and entrepreneurial judgement.

This proposition is consistent with earlier research arguing that AI creates implications for entrepreneurial action, creativity, and judgement rather than simply replacing entrepreneurial decision-making.

8. AI and Entrepreneurial Innovation

Innovation provides the principal pathway through which AI-enabled capabilities can create entrepreneurial value.

Four forms of innovation are particularly relevant.

8.1 Product innovation

AI can support the generation and testing of new product concepts.

8.2 Process innovation

Automation and predictive systems can improve operational processes.

8.3 Marketing innovation

GenAI can support personalised communication, content creation, customer engagement, and market segmentation.

8.4 Business-model innovation

AI can change:

- value propositions;
- customer relationships;
- channels;
- revenue mechanisms;
- cost structures;
- key activities.

Recent research specifically examines how GenAI can contribute to iterative business-model innovation in digital entrepreneurial enterprises.

The theoretical relationship can therefore be represented as:

AI capability → entrepreneurial experimentation → innovation

rather than:

AI capability → innovation

The intermediate process matters.

9. Sustainable Entrepreneurial Value Creation

Traditional entrepreneurship research often emphasises economic value creation. Contemporary entrepreneurship increasingly considers broader forms of value. The proposed framework therefore defines sustainable entrepreneurial value creation across three dimensions.



AI does not automatically generate sustainable value. An entrepreneur may use AI to increase productivity while simultaneously creating privacy or environmental concerns. Therefore, sustainable value requires responsible resource orchestration.

10. Responsible AI as a Boundary Condition

The proposed model treats responsible AI as a boundary condition rather than simply an outcome. Five conditions are particularly important.

10.1 Transparency

Entrepreneurs should understand, to a reasonable degree, how AI-generated outputs are produced and where uncertainty exists.

10.2 Accountability

Human decision-makers should remain accountable for consequential decisions.

10.3 Data governance

Entrepreneurs must consider privacy, security, ownership, and appropriate data use.

10.4 Human oversight

AI outputs require human evaluation, particularly when decisions affect customers, employees, financial commitments, or strategic direction.

10.5 Ethical capability

Entrepreneurs need the capability to recognise and manage ethical risks associated with AI. These conditions suggest that:

AI capability without governance $\neq$ sustainable entrepreneurial value

11. AI Literacy as an Enabling Condition

AI literacy refers to the ability to understand, interact with, evaluate, and responsibly use AI systems.

AI literacy may involve:

- understanding AI capabilities;
- understanding AI limitations;
- prompt formulation;
- output verification;
- data awareness;
- ethical awareness;
- critical evaluation.

AI literacy is theoretically important because access to AI does not guarantee effective utilisation. An entrepreneur who cannot critically evaluate AI-generated information may be exposed to inaccurate or misleading outputs.

Therefore:

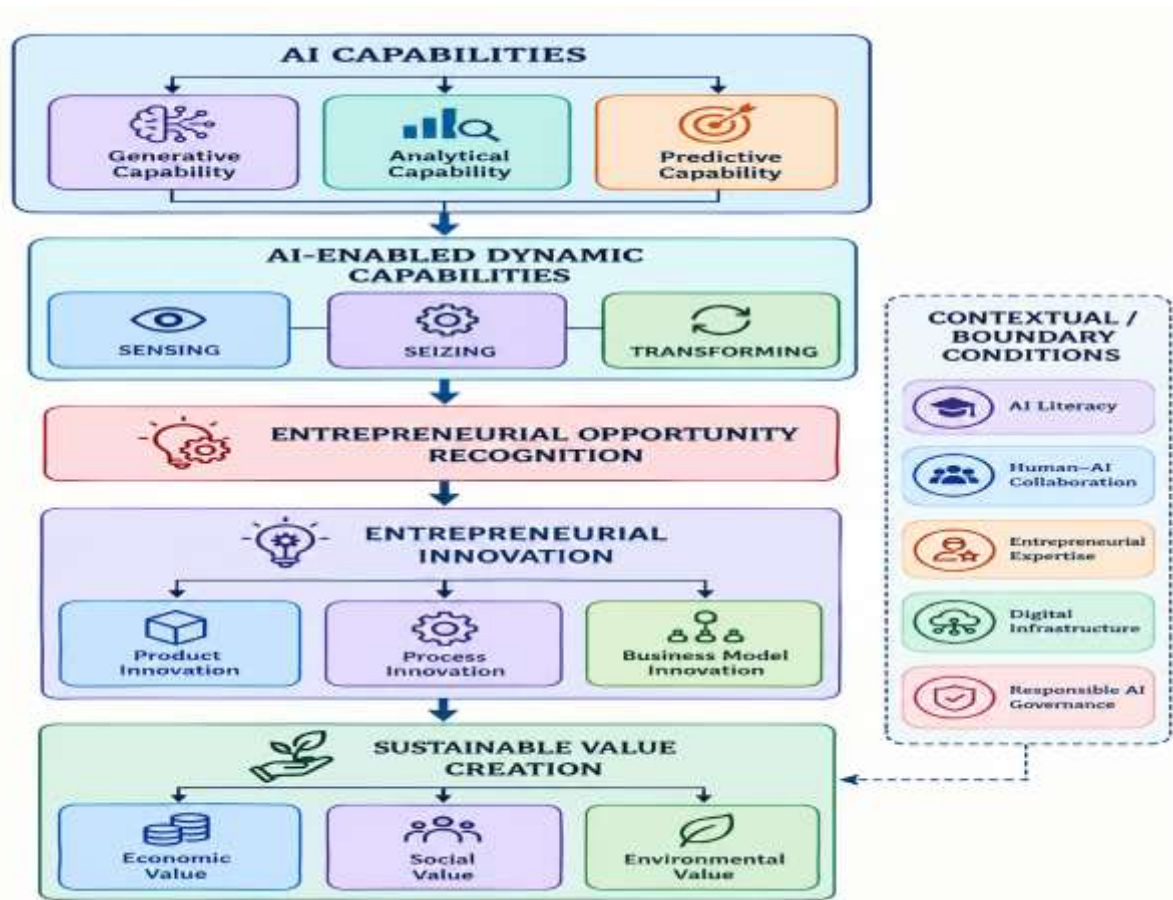
Proposition 6

P6: AI literacy strengthens the relationship between AI capabilities and entrepreneurial dynamic capabilities by enabling entrepreneurs to critically evaluate, adapt, and responsibly integrate AI-generated resources into entrepreneurial processes.

12. Integrated Theoretical Framework

The framework developed in this paper is presented below.

Figure 1. AI-Enabled Entrepreneurial Capability Framework



The framework proposes that AI capabilities become economically and strategically meaningful through dynamic entrepreneurial processes. Opportunity recognition acts as a bridge between technological capability and entrepreneurial action, while innovation represents a principal pathway toward value creation.

13. Theoretical Propositions Summary

Proposition	Theoretical relationship
P1	AI capabilities → entrepreneurial sensing
P2	AI capabilities → entrepreneurial seizing
P3	AI-enabled dynamic capabilities → entrepreneurial transformation
P4	AI capabilities → opportunity search, conditioned by entrepreneurial judgement
P5	Human-AI collaboration → stronger conversion of AI capability into entrepreneurial outcomes
P6	AI literacy → strengthens AI capability–dynamic capability relationship

14. Theoretical Contributions

14.1 Extending Dynamic Capability Theory

The first contribution is the extension of Dynamic Capability Theory into the context of AI-enabled entrepreneurship. Traditional dynamic capability theory explains how organisations adapt resources under environmental change. The present framework introduces AI as a resource that can increase the information-processing, experimentation, and resource-reconfiguration potential of entrepreneurial ventures. The contribution is therefore not the claim that AI itself

is a dynamic capability. Rather, AI can become part of dynamic capabilities when entrepreneurs embed AI into sensing, seizing, and transformation processes.

14.2 Connecting AI with entrepreneurial opportunity theory

The second contribution is linking AI capability with opportunity formation. Existing opportunity research distinguishes discovery and creation processes. The present framework proposes that GenAI may influence both. AI can support discovery by identifying patterns and market gaps. AI can support creation by generating and recombining ideas. Thus, AI potentially expands both the search space and the creation space of entrepreneurship.

14.3 Extending Resource Orchestration

The third contribution concerns resource orchestration. AI tools may be widely accessible, reducing technological barriers between firms. Consequently, competitive differences may increasingly depend on how entrepreneurs combine AI with:

- proprietary knowledge;
- human expertise;
- customer information;
- organisational routines;
- entrepreneurial judgement;
- networks;
- complementary resources.

This shifts attention from AI ownership to AI orchestration capability.

14.4 Developing a human–AI entrepreneurship perspective

The fourth contribution is conceptualising entrepreneurship as a hybrid human–AI activity. Rather than assuming that AI replaces entrepreneurial cognition, the framework proposes complementary roles. AI provides computational and generative capabilities.

Entrepreneurs provide:

- intentionality;
- judgement;
- contextual understanding;
- ethical responsibility;
- resource commitment.

This creates a hybrid entrepreneurial capability system.

14.5 Integrating responsible AI with entrepreneurship theory

The fifth contribution is the integration of responsible AI into the entrepreneurial value-creation process. Responsible AI is not treated as a separate compliance issue. It becomes part of the conditions under which AI-enabled entrepreneurship produces sustainable value. This perspective is particularly relevant because recent research indicates that GenAI platforms can simultaneously facilitate entrepreneurship and generate dependence on platform infrastructures and governance arrangements.

15. Managerial Implications

The framework has several implications for entrepreneurs and managers. First, entrepreneurs should view AI as a strategic capability rather than simply a software tool. Investment in AI should therefore include complementary investment in people, processes, data, and governance. Second, entrepreneurs should develop AI literacy. Effective AI utilization requires the ability to formulate appropriate tasks, interpret outputs, identify limitations, and verify information. Third, organizations should develop human–AI collaboration routines. Instead of assigning all cognitive tasks to AI, entrepreneurs can divide activities according to comparative capabilities. Fourth, entrepreneurial ventures should establish responsible-AI practices covering data protection, output verification, intellectual property, transparency, and accountability. Fifth, entrepreneurs should use AI to increase experimentation rather than merely automate existing processes. The strategic opportunity lies not only in cost reduction but also in discovering new ways of creating and delivering value.

16. Implications for Entrepreneurship Education

The framework also has implications for universities and entrepreneurship-development institutions. Entrepreneurship education should increasingly combine traditional entrepreneurial competencies with AI-related capabilities. Future entrepreneurial education can incorporate:

- AI-assisted opportunity identification;
- GenAI-supported business-model development;
- AI-supported market research;
- prompt engineering;
- AI-based scenario analysis;
- critical evaluation of AI outputs;
- responsible AI;
- human–AI collaboration.

However, AI literacy should not replace traditional entrepreneurial competencies. Students should continue developing:

- creativity;
- critical thinking;
- communication;
- negotiation;
- leadership;
- ethical reasoning;
- opportunity evaluation.

The objective should therefore be AI-augmented entrepreneurial capability, rather than AI-dependent entrepreneurship.

17. Implications for Policymakers and Entrepreneurial Ecosystems

AI-enabled entrepreneurship also has implications beyond individual ventures.

Entrepreneurial ecosystems may need:

- affordable digital infrastructure;
- AI literacy programmes;
- responsible-AI guidelines;
- data-protection mechanisms;
- intellectual-property guidance;
- support for SMEs;

- entrepreneurship incubators;
- AI innovation centres.

Recent research on AI-enabled entrepreneurial ecosystems similarly emphasises the importance of dynamic capabilities and ecosystem-level adaptation under disruptive technological change. This suggests that AI entrepreneurship should not be understood solely as an individual entrepreneur's technological adoption decision. It is also shaped by institutional, infrastructural, and ecosystem conditions.

18. Future Research Agenda

The theoretical framework provides several directions for empirical research.

18.1 Individual-level research

Future studies can examine how AI literacy, entrepreneurial self-efficacy, creativity, and prior experience influence AI-enabled opportunity recognition.

18.2 Firm-level research

Researchers can examine whether AI capabilities influence innovation, productivity, resilience, and business-model transformation.

18.3 Ecosystem-level research

Future research can examine how entrepreneurial ecosystems influence access to AI infrastructure, knowledge, funding, talent, and governance.

18.4 Longitudinal research

Longitudinal research is required to determine whether AI-enabled capabilities produce sustained entrepreneurial value or merely short-term productivity improvements.

18.5 Comparative research

Comparative research across developed and emerging economies can examine how infrastructure, skills, institutions, and regulation shape AI-enabled entrepreneurship.

18.6 Human–AI collaboration

Future research should investigate when entrepreneurs benefit from AI collaboration and when excessive dependence may reduce human judgement or organisational learning.

18.7 Responsible AI

Future research should examine whether responsible-AI practices influence trust, customer acceptance, innovation, and sustainable entrepreneurial outcomes.

19. Limitations

This paper is theoretical and conceptual. It does not empirically test the propositions developed in the framework. Therefore, the proposed relationships should not be interpreted as established causal relationships. The paper also focuses primarily on entrepreneurship and strategic capability perspectives. Other theoretical perspectives, including

institutional theory, socio-materiality, technology affordance theory, information-processing theory, and effectuation, may provide additional explanations. Furthermore, the technological environment surrounding GenAI is developing rapidly. AI capabilities, business models, regulations, and entrepreneurial applications may change substantially over time. These limitations create opportunities for future empirical and longitudinal research.

20. Conclusion

Artificial intelligence is changing the conditions under which entrepreneurship takes place. The emergence of generative AI has accelerated this transformation by making knowledge generation, ideation, experimentation, content production, analysis, and decision support increasingly accessible to entrepreneurs. However, technological access alone does not explain entrepreneurial value.

This paper develops a theoretical framework in which AI capabilities become entrepreneurial capabilities through purposeful resource orchestration, human judgement, organisational processes, and responsible governance. Drawing primarily on Dynamic Capability Theory and integrating Entrepreneurial Opportunity Theory, Resource Orchestration Theory, and Responsible AI, the framework explains how AI can contribute to entrepreneurial sensing, seizing, transformation, opportunity recognition, innovation, and sustainable value creation.

The central theoretical argument is that the future of AI-enabled entrepreneurship is unlikely to be adequately explained by a simple technology-adoption perspective. The more important question is how entrepreneurs orchestrate human and artificial intelligence capabilities to recognise opportunities, innovate, transform resources, and create sustainable value.

The framework consequently shifts the theoretical focus from:

“Do entrepreneurs adopt AI?”

toward:

“How do entrepreneurs combine AI capabilities with human judgement and organisational resources to create and sustain entrepreneurial value?”

This shift provides a foundation for future empirical research and contributes to the development of entrepreneurship theory in an increasingly AI-enabled economy.

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