

# Green Entrepreneurship

Subjects: Economics

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The concept of “green entrepreneurship” has been given significant attention by academics, who push for “going green” to be captured as a measure to raise environmental sustainability. Give this direction, researchers view green entrepreneurship as the answer to ecological and social problems. This concept suggests that the world can become environmentally friendly when individuals pay attention to the “going green” environment. Green entrepreneurship is a new area in academia, both in research and policy forums in Ghana, and is thus no longer a clumsy business, but a charitable social action with the aim of safeguarding and conserving natural resources.

Keywords: green entrepreneurship ; intention ; behavior ; sustainability

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## 1. Green Entrepreneurial Intention and Green Entrepreneurship Behavior

According to OECD <sup>[1]</sup>, a “green entrepreneur is someone dedicated to making his business green and adopting environmentally friendly production technology or someone who enters a green business by actually involved in producing environmental production”.

Entrepreneurship behavior is defined as “a combination of ideas, capital, and resources, as well as a creative and empowerment component” <sup>[2]</sup>. Among the useful tools for fostering a green economy is green entrepreneurship <sup>[3]</sup>. A green entrepreneur is concerned about environmental preservation and renovation. Green entrepreneurs are those who provide the hotbed for starting and maintaining a green economy by offering green products and services, implementing the six greener production methods, increasing demand for green products and services, and generating green jobs, according to the International Labour Organization <sup>[4]</sup>.

In green entrepreneurship literature, green entrepreneurship intention is the most notable conterminous predictor of green behavior <sup>[5]</sup>. According to Bae et al. <sup>[6]</sup>, the best predictors for planned behavior are intention and action. Researchers have identified intention-based models to explain the entrepreneurial paradox, and provided evidence of why people initiate entrepreneurship behavior <sup>[7][8]</sup>. Among the most significant theories, the theory of planned behavior [TPB] is the most applied theory in predicting behavior intention. According to Bae et al. <sup>[6]</sup>, the application of the idea of planned behavior explains intention as “an individual’s readiness to accept entrepreneurship behavior as a desire towards developing a new business”. The higher the intention to transmit, the more likely is that the obligation will be fulfilled <sup>[9]</sup>. Looking at the indications from prior research <sup>[10][11]</sup>, the present study confirmed that GEI can predict GEB invariably; the extent to which a business is set up should be conditional.

Green entrepreneurship in the shared economy was investigated by Grinevich et al. <sup>[12]</sup>. There were only two studies that looked at student intentions for green entrepreneurship <sup>[13]</sup>, and no further research in this direction has taken place, demonstrating that there is a paucity of research on green entrepreneurship around the world in the current literature.

According to Shinnar et al. <sup>[10]</sup>, the theory of planned behavior clearly shows that intentions have a substantially positive impact on subsequent entrepreneurial behavior: the greater an individual’s intention to engage in entrepreneurial behavior, the more likely they are to actually do so <sup>[2]</sup>. The individual’s development process is explained by entrepreneurial behavior research as a deliberate and intentional decision to start a new company <sup>[11]</sup>. The individual’s development process is explained by entrepreneurial behavior research as a deliberate and intentional decision to start a new company <sup>[14]</sup>. Green entrepreneurship, on the other hand, is a deliberate and planned behavior, a multi- stage process in which an individual first becomes a green entrepreneur as a result of a certain degree of green entrepreneurial purpose.

## **2. Moderating Role of University Education Support**

University education support (UES) can enhance fast growth and create value by taking opportunities for presumptuous liability and resolving the entrepreneurial puzzle by setting up green products <sup>[15]</sup>. University education support plays a critical role in supporting innovation and entrepreneurial activities, as UES can specify the conditions and facilitate the talent that will promote a rise in new green ideas. This will also be put to practical use by maintaining the deal flow, which will provide more opportunities for university students to invest in venture capital and facilitate the growth of green entrepreneurship ventures <sup>[15]</sup>.

Previous research has shown that university education prepares students for jobs defined by others. It is essential that within this unreliable condition, UES needs to equip students for careers that define themselves by offering curricula, facilities, and inducement to design a generation of green entrepreneurs who will set up firms to produce green products <sup>[15]</sup>. This is the change required to be demonstrated by university education, a change that will revamp universities to reconstruct the careers and industries needed for sustainability. Students demand green entrepreneurship courses that will help them in their future, and green entrepreneurial skills are required to shape this process <sup>[15]</sup>. It has been noticed that numerous universities are accelerating the green concept in their distinct environment and, additionally, undertaking environmentally friendly business.

According to Suwartha and Sari <sup>[16]</sup>, university positioning has evolved into a global setting in which universities' responsibility is to energize and support students so that after completing their university education, they can consider and start their own green businesses. Following a review of the literature, Rothaermel et al. <sup>[17]</sup> discovered two main fields of support that assist in implementing the entrepreneurial role of universities: the first is usually linked to an organization's responsibilities, and the second is linked to the support offered to businesses and other entrepreneurial actions. The first is university support for GEI through the GEB, achieved by providing an entrepreneurial incubation base, developing technology parks, and constructing innovative fields. The second area is concerned with providing ecologically based entrepreneurship education and assistance. According to Ginanjar <sup>[18]</sup>, education is a vital factor in developing an entrepreneurial intention among university students. As a result, university education support has a significant and positive impact on students' entrepreneurial intentions and subsequent behaviors, particularly if it is based on experiential learning, as it provides them with practical experience to effectively comprehend entrepreneurship.

According to Demirel et al. <sup>[19]</sup>, GEI empowers and advances students' discernment and behavior when turning GEI into GEB. The university support system is critical in transforming students' entrepreneurship intentions into green entrepreneurial behavior. According to Wong et al. <sup>[20]</sup>, university education in entrepreneurship studies has a critical positive impact on students' entrepreneurial behavior. This successful program has a significant positive impact on students. Through its active participation program, it provides a productive approach for educational institutions to impact students' entrepreneurship behavior and strengthens the venture formation. In this regard, university education support serves as a guide to transform university students' GEIs into real GEBs. Hence, this research acknowledges university education support as the moderator.

## **3. Moderating Role of Green Consumption Commitment**

The concept of green consumption adopted in this research is consumption that focuses on consumers' perception and preferences only for products with green attributes <sup>[21]</sup>. According to Lin and Chang <sup>[22]</sup>, the main reason for motivating consumers to adopt green consumption practices is related to the perspective of environmental concern, the perspective of economic reality, and the social perspective. The green consumption commitment (GCC) is defined as "a consumer's readiness and support behavior to spend money and time on green products and services" <sup>[23]</sup>. Eco-friendly products/services may be incorporated into such intense efforts <sup>[24]</sup>. The organizational science literature describes commitment as a stage in which workers show their appreciation for their employers <sup>[25]</sup>. According to Anderson and Weitz <sup>[17]</sup>, commitment is a concern or desire shown by associates to achieve a short-term goal that benefits the long-term relationship. A commitment can be classified into three types: affective, normative, and calculative. Customers' passionate attachment to a firm and a sense of being a part of a firm are described as affective dedication. The obligations that a person may feel to re-establish their connection with a firm is referred to as normative commitment. Finally, calculative commitment refers to a person's intention to endure a relationship, because the sacrifice they would have to make to end it would be too big <sup>[17][26]</sup>. By increasing the contrast between the level of reasoning and many years of significant and natural benefits, individuals with a great level of concern about natural results will have greater enthusiasm for engaging in green consumption behavior <sup>[27]</sup>. Previous empirical research has indicated that individuals with high environmental

concerns are willing to offer more green products [28]. One of the studies disclosed that commitment is practical and a strong predictor of affecting behavior [29]. Previously, less attention was paid to the role of consumption commitment in the relationship between green entrepreneurship intention and behavior, and the current study can fill that gap.

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