

## Sustainable Entrepreneurship Orientation (SEO) Programme for B School Students from Pune

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### Abstract

The aim of this research paper is to study and classify drivers of the sustainability orientation for students, enrolled in the entrepreneurship programme, of B schools at Pune and determine their relative value and validity for the student population. Primarily, two categories of drivers derived from literature: individual drivers and contextual drivers were included in the study. The study adopted a quantitative research approach based on a structured questionnaire and administered to 265 business school students from Pune region in Maharashtra to measure the significance of each driver which were the observed aspects of the latent variable, SEO. To analyze the data gathered, structural equation modelling was applied. The findings indicate that the two of drivers investigated here are interdependent and contextual factors, tend to be more significant in predicting SEO than individual drivers. This research contributes to the SEO literature and provides guidelines for B-schools to use in deciding the best methods to enhance SEO in students. Understanding SEO is also important because, as set out in future Vision, it will affect the number and existence of sustainable projects and, ultimately, sustainability as the ultimate goal of India

**Keywords:** Entrepreneurship, Sustainable Entrepreneurship Orientation (SEO), Sustainability

### Introduction

Sustainable Entrepreneurship, particularly is an emerging research areas that helps to solve social and environmental problems faced by countries today. Sustainable entrepreneurial approaches are used to resolve social and environmental concerns and that a positive contribution to sustainable development is made. It is also connected to sustainable management practices that stimulate creativity and deliver added value. A sustainable entrepreneurship orientation (SEO) that an entrepreneur might have is derived from the corporate social responsibility needed for the creation of sustainable entrepreneurship (Vallaster, 2017). This has a significant impact on the balance that individuals have in the economic, environmental and social aspects of their ventures. For this reason, understanding SEO can give insights into the entrepreneurial intentions w.r.t sustainable businesses.

There is a need for businesses today that have a focus on both the economic aspects and the social aspects of society. With the discussion of the negative consequences of economic and human activities on the environment taking centre stage at the world platform. Early literature in the area focused on the environmental aspects of entrepreneurship (Staber, 1997; Keogh and Polonsky, 1998; Pastakia, 1998). Later the focus of research shifted to the social aspects of sustainable entrepreneurship (Brinckerhoff, 2000; Borzaga and Solari, 2001; Prahalad and Hammond, 2002). More recently the focus of literature has been on integrating both the economic and social aspects of sustainable entrepreneurship. This has necessitated the need to re-examine the concept of entrepreneurship and the process of entrepreneurship. One gap that is still existent in literature is the lack of a comprehensive definition and discussion of Sustainable entrepreneurship. Also there has been very limited research that has examined the determinants of sustainable entrepreneurship the research is even more limited for the student population despite the increasing number of publications on the topic of sustainability and entrepreneurship.

In this paper we attempt to examine the drivers of sustainable entrepreneurial orientation (SEO) for students. And additionally look at literature to find and propose a definition of our primary concept: sustainable entrepreneurship orientation, we must briefly describe sustainable entrepreneurship (SE) and entrepreneurship orientation (EO), Sustainable Entrepreneurship Orientation (SEO) here. The paper attempts to fill the gap in literature on understanding the determinants of SEO for students.

### **Sustainable Entrepreneurship, Entrepreneurship Orientation and Sustainable Entrepreneurship Orientation**

“Individuals who establish and develop successful companies while also promoting environmental or social causes” are described as sustainable entrepreneurs by Choi & Gray (2008). Deshpande, A. (2021) its philosophy which any individual follows in organisation. More recently Lans et al. (2014) defined it as “A way of generating competitive advantage by identifying

sustainability as new business opportunities, resulting in new and sustainable products, methods of production or ways of organizing business processes in a sustainable way”. An examination of literature highlights that most of the definitions in literature take either the Entrepreneurship process perspective or the Sustainable management perspective. The latter focuses on the triple bottom line and the sustainability while the former is subordinate to it. The lack of consensus on the definition stems from the absence of a theoretical framework in the topic.

Entrepreneurship Orientation is a vital principle as managers are designing plans to take advantage of resources that other companies cannot use in the hope of achieving something different. EO deals with the practices and procedures followed by a particular organisation in dealing with any task, methods and types followed in decision-making.

SEO is directly linked to the concepts of Sustainability Entrepreneurship and EO. In a competitive world SEO can be integrated into a strategic orientation (Noble et al., 2002). According to Parboteeah et al. (2012), SEO is valued at the individual level. According to Bos-Brouwers (2010), SEO is a one-dimensional framework relating to the organization's view of sustainability as an expense, an obligation, or an opportunity. Despite its uniqueness, SEO encourages the execution and integration of a long-term plan by instilling inspiration and awareness (Bos-Brouwers, 2010).

If it is accepted that SEO is the product of integrating EO and SO, we may infer that SEO must incorporate five elements: imagination, risk-taking, and proactiveness, as well as motivation and consciousness. The concept of these components will allow researchers to conclude that SEO is determined on three different levels by different elements; individuals such as personality, culture and their interaction, which is called contextual interaction.

For the purpose of this paper, it is accepted that there are SEO drivers that can be articulated through sustainable entrepreneurship practices to achieve the ultimate goal of corporate social responsibility, which is the decisive characteristic of sustainable entrepreneurship organizations (Criado-Gomis et al., 2017).

## Drivers of Sustainable Entrepreneurship Orientation (SEO)

The scope of this paper is limited to the two drivers are identified from literature: Individual drivers and contextual drivers.

### Individual drivers

The first facet identified in this category was beliefs. Sustainable entrepreneurs, according to AfsharJahanshahi et al. (2017), have clear ethics and principles that dictate a specific decision-making process centred on positive action, with ideals that include sustainability and ensure that they maintain commitment to sustainable action. The most significant fact is that that the entity itself is attached to these beliefs and values. A self-commitment to establish sustainable actions is correlated with it. Some researchers also argue that personal characteristics are significant and that sustainable entrepreneurs have some distinctive traits and beliefs (Kuckertz& Wagner, 2010).

Sustainability orientation can be understood as the extent to which an individual is concerned about the protection of the environment and his responsibility towards individuals. This is influenced by the attitudes and personal traits that an individual holds in matters of Environmental Protection and social responsibility. Sustainability orientation is a reflection of an individual's convictions and attitudes towards sustainable entrepreneurship.

Personal values influence and individuals behaviour as well as decision making processes. Values prescribe behaviours that are deemed appropriate by the individual and also determine an individual's priorities and goals in life. Therefore, values can be considered as reasonable predictors of behaviour and action based on this logic an individual value can determine their sustainability entrepreneurship orientation.

### Contextual Drivers

These aspects have to do with the external world in which sustainable entrepreneurship can flourish. Generally speaking, the context will influence the activities of the organization (Rice, 2006). According to Wang & Ho (2017), sustainability can be achieved by creating a shared economy in which access to capital is much more important than its ownership. The shared economy can also decide or push a sustainable orientation towards entrepreneurship. Towards successful sustainable entrepreneurship various challenges are perceived to fulfil the organisation expectations with environment challenges.

Four key factors for sustainable entrepreneurship are "control, public interest, anticipated competitive advantage and dedication of top management" Alarifi et al. (2019) confirm that the EO is implemented differently in each region, so contextual determinants must be taken into account.

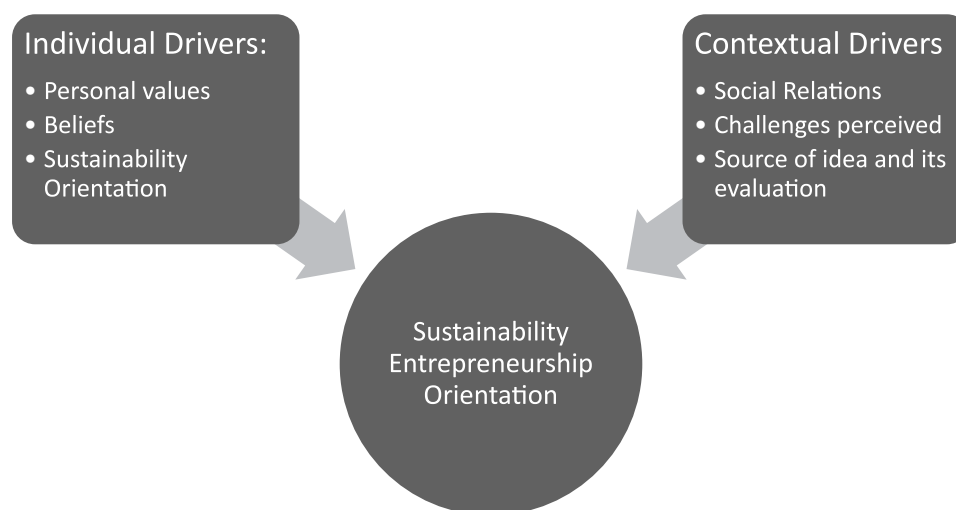


Fig.1. Proposed Model

## Research Methodology

Data was collected using a questionnaire which collected information about individual and contextual drivers and sustainable entrepreneurship orientation (SEO). Pre-existing scales were used to measure all the variables. To measure sustainability orientation the 5-item scale developed by Kuckertz, and Wagner, (2010) was used. Beliefs measured using the 7-item scale developed by Lipkus, (1991) while sustainability orientation was measured using 5 item scale developed by Strathman et al. (1994). Agle et al.'s (1999) scale was used to measure personal values. This scale had 3 items. In order to measure the contextual drivers 4, 6 and 7 item scales developed by Kar et al. (2017) were used.

Data was collected from B-school students in their first year. These were students who had enrolled for the Entrepreneurship programs/courses offered by their institutions. Snowball sampling was used since there was a very niche group of students that had enrolled for such courses in the institution.

The two main propositions examined in this study are:

1. Individual drivers are positively related to Sustainability Entrepreneurship Orientation.

2. Contextual drivers are positively related to Sustainability Entrepreneurship Orientation.

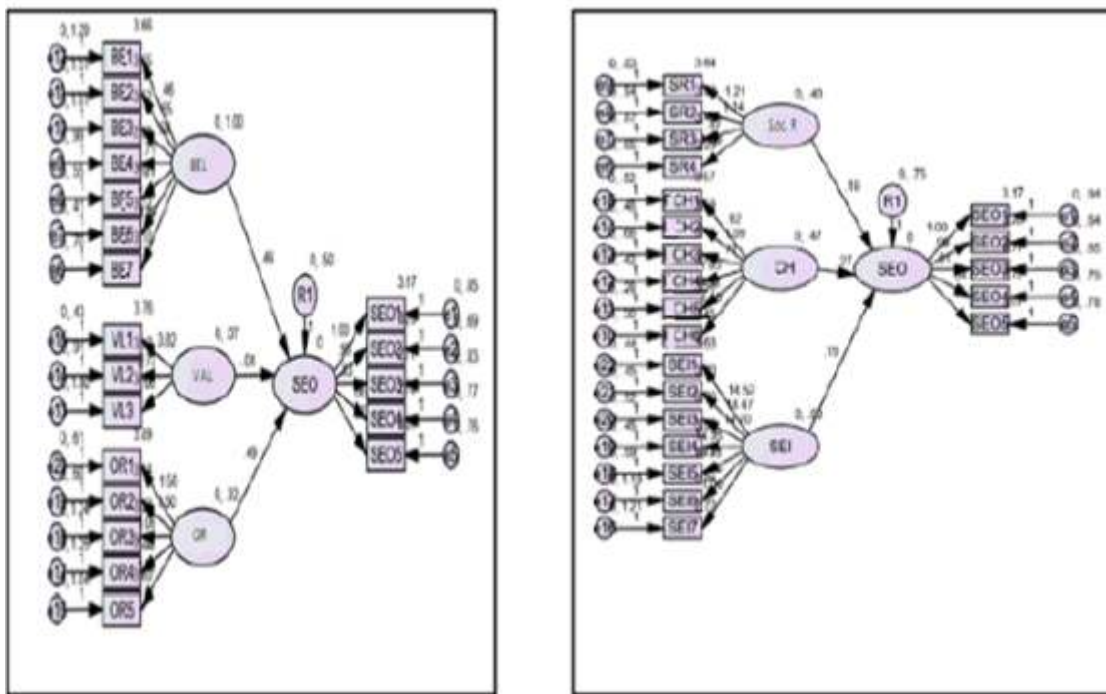
These propositions were examined using Structural equation model(SEM).

## Data Analysis and Discussion

SEM was used to examine the relationships and the effect between the different variables as proposed in the conceptual model (Fig.1) above. First a descriptive analysis of the sample was carried out after which a component analysis was done to determine the multi dimensionality of the variables and to prune the items. post this a confirmatory factor analysis was carried out. The first level was the measurement model which was based on the reliability and the validity while the second level was with reference to the structural model for hypothesis testing. AMOS 24 was used to carry out the SEM.

The factor loadings and composite reliability give an idea about reliability. And an examination of the average variance extracted (AVE) can be used to evaluate the level of convergent validity. The ECM result where satisfactory as the AVE >0.5. all fit indices were also tested and where within the acceptable range for both the measurement models.

Fig.2. SEM measurement models



Reliability is understood through loading and composite reliability. We examined the average variance extracted (AVE) to calculate the level of convergent validity. In this state, results can be satisfactory if the  $AVE > 0.5$ . All the fit indexes were tested, and seem to be acceptable for each measurement model.

As shown in the figure above an analysis of the sample data shows that individual drivers are important for sustainability orientation specially the variable of belief. Surprisingly contextual drivers were not found to be significant. this analysis supports the idea that an entrepreneur personality has a great impact on the entrepreneurship process as compared to the context within which the entrepreneur functions.

### Results and Discussion:

Entrepreneurs values and beliefs make guide individuals to act in certain ways and be socially responsible. the belief system of individuals is largely stable and therefore could be a better predictor of SEO as compared to personal values or sustainability orientation. Individuals start businesses always face economic and social pressure to ensure triple bottom line aspects of business are not affected on account of sustainability., A strong belief system would help the person handle this pressure and continue on the path of sustainability. the contextual factors did not appear to be statistically significant as per the data. One explanation for this result could be that most of the students who responded to the survey add family businesses and therefore the contextual factors for them where not significant. Another line of reasoning could be that the increased focus of the government on encouraging entrepreneurship individuals feel that the necessary eco system and environment is available to them when they choose to go into sustainable businesses.

### Conclusion:

In this study using a small sample of Business School students who have enrolled for an entrepreneurship program we have attempted to identify the drivers of sustainability entrepreneurship orientation. The results of the study show that sustainability orientation is largely

determined by individual's personality in terms of his beliefs and orientation. The results show that business schools can focus on building an entrepreneur personality by allocation of resources in this area. focusing on the beliefs and values of an individual as opposed to just creating an environment conducive to entrepreneurship may give better results in the future. It needs to be mentioned that a large number of students that participated in the study came from a business background and that could be one of the reasons why the contextual factors did not significantly influence the sustainability entrepreneurship orientation. future studies can look at different variables that can influence SEO and also examine other personality factors that could be drivers of SEO. future studies can also use control variables like age, gender, educational background family background etc to refine these results further.

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