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Green Entrepreneurial Behavior: A Review and Research Agenda

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Abstract

The business world grapples with the persistent challenge of environmental sustainability. To foster environmentally conscious entrepreneurial practices, it's crucial to understand the factors influencing green entrepreneurial behavior. This paper examines the relationship between green entrepreneurial intention, green entrepreneurial behavior, and the role of social support, specifically from family members. Through a systematic literature review of 20 recent articles published between 2020 and 2024, the study investigates this critical connection. The study's findings highlight a crucial connection between social support, specifically from family, and the transition from green entrepreneurial intentions to actual green entrepreneurial behavior. This connection suggests that familial support plays a vital role in motivating and enabling individuals to translate their environmental aspirations into concrete actions. By understanding this dynamic, the research provides valuable guidance for both entrepreneurs and policymakers. This collaborative approach can significantly contribute to the widespread adoption of sustainable practices within the business world, ultimately benefiting both the environment and society as a whole.

Keywords

Green Entrepreneurial Intention, Green Entrepreneurial Behaviour, Social Support, Systematic Literature Review

1. Introduction

The world is facing a growing environmental crisis and businesses are not blameless. The concept of environmentally unsustainable business is complex and multifaceted, encompassing a wide array of practices that negatively impact the planet's resources and ecosystems. Businesses rarely prioritize long term profits, often looking only at the short-term leading to resource depletion, pollution, waste generation, hazardous chemicals, unsustainable materials, and energy-intensive activities, contributing to climate change and environmental degradation. In addition, environmentally unfriendly businesses often ignore the social and economic consequences of their actions, neglecting to invest in waste reduction strategies, renewable energy sources or fair labor practices. It is critical to recognize and address these unsustainable business models, by encouraging a shift towards a more ethical and sustainable approach that prioritizes environmental protection, resource conservation and social responsibility.

The green economy, driven by environmental concerns like climate change, pollution, and resource depletion, is a sustainable solution that prioritizes environmental protection and conservation. In this context, green entrepreneurship has gained traction as a means to drive economic growth while addressing environmental challenges. Indonesia, as one of the most populous and resource-rich countries in the world, provides significant opportunities for the development of a green economy and the promotion of green entrepreneurs. The Indonesian government has realized the importance of environmental sustainability which can be seen in Table 1, there is an increase in the environmental quality index from 2021-2023. The government has taken steps to promote green initiatives. However, there is still a need for increased awareness, investment and collaboration to realize the potential of the green economy and green entrepreneurs in Indonesia.

Table 1. Environmental Quality Index in Indonesia 2021-2023

Year	Environmental Quality Index (out of 100%)
2021	71,45%
2022	72,42%
2023	72,54%

Green entrepreneurship addresses environmental and social challenges while generating profits, fostering a symbiotic relationship between the green economy and green entrepreneurs for sustainable development. The green economy, which focuses on environmentally friendly practices and resource efficiency, creates fertile ground for green entrepreneurship (Schaper, 1993). This entrepreneurial spirit, driven by innovation and commitment to sustainability, then drives the development and application of green technologies and solutions, further strengthening the green economy. Green entrepreneurs, often driven by a desire to address environmental challenges and create positive social impact, develop innovative products and services that meet the demands of the green economy (Allen & Malin, 2008; Gibbs & O'Neill, 2012). These endeavors contribute to the reduction of carbon emissions, preservation of biodiversity, promotion of resource efficiency, and creation of new environmentally-friendly jobs. Green entrepreneurs play a substantial role in fostering the expansion of green economies in emerging countries such as Namibia, Indonesia, and Turkey, particularly in job creation and economic growth (ILO, 2013, 2014). Indonesia's Central Bureau of Statistics (*Badan Pusat Statistik/BPS*) revealed that there will be more than 56 million entrepreneurs in Indonesia by mid-2023, which can be seen in the following figure:

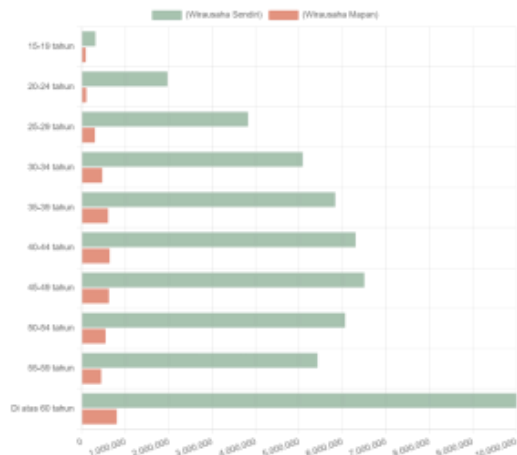


Figure 1. Number of Indonesian Entrepreneurs 2023

Green entrepreneurs are an effective option to address corporate sustainability and environmental protection through entrepreneurial activities. Companies cannot alone implement such changes just to promote the green economy. Environmental issues in the business world are an endless challenge. Green entrepreneurial behavior can be one of the solutions to reduce the impact of environmental damage. Green entrepreneurial behavior includes all actions and decisions taken by green entrepreneurs to minimize environmental impacts and contribute to a more sustainable future (Amankwah & Sesen, 2021). Green entrepreneurial intention and behavior are interconnected, promoting sustainable business growth. Entrepreneurs should enhance their green entrepreneurial intention to foster green entrepreneurial behavior, which is defined as the tendency to adopt sustainable practices (Alshebami et al., 2023).

Social support serves as a pivotal component in fostering the prosperity of green entrepreneurs. It encompasses an individual's perception of the encouragement, guidance, and practical assistance they can expect from their social network. This network typically comprises family members, friends, colleagues, mentors, and community members who offer an array of resources and support mechanisms. Through their unwavering presence, they provide emotional encouragement, expert advice, and tangible assistance, such as access to funding, resources, and market connections. This network's belief in the entrepreneur's vision and mission fuels their determination and resilience, particularly during challenging times. Social support fosters a sense of belonging, enhancing the entrepreneur's self-efficacy and empowering them to navigate the complexities of establishing and growing their green enterprise (Nguyen et al., 2024). Social support from family can help green entrepreneurs deal with the challenges and uncertainties of starting and running a business.

By examining green entrepreneurial behavior, researchers can gain insight into industry trends and uncover areas where their work can appeal to consumers. The researchers in this study have opted for a systematic literature review as their research approach. The objective of this review is to analyse the literature on green entrepreneurial behaviour that has been published between 2020 and 2024. Specifically, this research leads to the following questions:

- RQ1: What is the correlation between green entrepreneurial behavior and intention?
- RQ2: How much does family and other social support contribute to the formation and manifestation of green entrepreneurial intention and behaviour?

2. Method

This journal employs the systematic literature review (SLR) methodology. A research technique known as the systematic literature review (SLR) is a research method that involves locating, evaluating, and analyzing all relevant study findings related to a specific phenomenon of interest (Kitchenham, 2004). The keywords green entrepreneurial intention, green entrepreneurial behavior, and social support (family) are used in this article to collect data. The information was taken from the website of the Universitas Diponegoro E-Journal. There are twenty articles that are pertinent to the researcher's topic selection based on screening with the keywords that were utilized. Based on the Scopus ranking index, the articles under study are internationally indexed papers from the Scopus database from Q1 to Q4. Every article examined was published in English-language journals, as may be observed.

Table 2. Environmental Quality Index in Indonesia 2021-2023

Authors	Design & Methods	Variables	Main Findings	Limitations
Abdelwahed, N. A. A., Al Doghan, M. A., Saraih, U. N., and Soomro, B. A. (2023)	Quantitative; Cross-sectional; Online survey	<ul style="list-style-type: none"> Green Entrepreneurship Skills (GES) Green Organizational Support (GOs) Environmental Management (EM) Green Incentives (GIs) Capital Accessibility (AoC) Self-Efficacy in Green Entrepreneurship (GESE) 	The study reveals that factors like green entrepreneurship skills, organizational support, environmental management practices, financial incentives, capital availability, and self-efficacy positively influence green entrepreneurship in Saudi Arabian SMEs, with strong self-efficacy promoting successful eco-friendly businesses.	The study's quantitative methodology, based on cross-sectional data, limits its ability to capture the dynamic nature of the phenomenon under investigation. The small sample size of 334 participants may increase sampling bias and skew results. The cross-sectional design prevents causal relationships, making conclusions interpreted with caution. Additional investigation using longitudinal data and larger sample sizes is necessary to validate and expand upon the findings of the study.
Ali, M. A. S., Ammer, M. A., and Elshaer, I. A. (2023)	Quantitative; Cross-sectional; Online survey	<ul style="list-style-type: none"> Attitude Country Support Green Consumption Commitment Green Entrepreneurship Intentions Self-Efficacy Subjective Norms University Support 	Internal and external variables influence green entrepreneurship among university students in Saudi Arabia. Students who possess a favorable disposition towards environmentally sustainable methods, a strong dedication to eco-friendly consumerism, and a belief in their own ability to make a difference are more inclined to engage in green entrepreneurial endeavors. Support from the government and university boosts these intentions, but social pressures and subjective norms can negatively impact these intentions. Encouraging young Saudi	The study's cross-sectional design presents limitations in determining causality and inferring temporal relationships between variables. To enhance the study's findings, future research should expand the university student sample to encompass a broader range of universities and countries, thereby increasing the generalizability of the results. Moreover, investigating the factors that precede green entrepreneurship among young individuals in non-academic environments might contribute to a more thorough understanding of this phenomenon. Additionally, adopting

4. Discussion

4.1. Green Entrepreneurial Intention

In this era characterized by increasing climate change, resource depletion, and social inequality, green entrepreneurial intention has become a very important driver for sustainable development. Green entrepreneurial intention refers to an individual's entrepreneurial motivation and aspiration to build and operate a business that prioritizes environmental sustainability (Wang et al., 2021). This includes the creation of ventures that aim to address environmental challenges, reduce ecological impacts, and promote sustainable practices. The application of green entrepreneurial intentions is diverse, spanning industries from renewable energy and organic farming to ecotourism and waste management. By integrating sustainability principles into their business models, green entrepreneurs not only generate economic value, but also contribute to the protection and restoration of natural ecosystems.

Green entrepreneurial intention is influenced by various factors, both internal and external (Qazi et al., 2020). Internal factors, such as personal values, beliefs and attitudes towards sustainability, play an important role in shaping green entrepreneurial intention. Individuals who place a high value on environmental protection and believe in the importance of sustainable practices are more likely to consider starting a green business. External factors, such as market opportunities, government policies and social norms, also influence green entrepreneurial intention. Favorable market conditions, including increased consumer demand for environmentally friendly products and services, can encourage entrepreneurial activity. Government policies that support green businesses, such as tax incentives and grants, can provide incentives for individuals to start green businesses. In addition, social norms that emphasize environmental responsibility and sustainability can create a conducive environment for green entrepreneurship.

By embracing green entrepreneurial intentions, individuals can contribute to the transition towards a more sustainable and environmentally conscious society. They can create innovative products, services and business models that align economic growth with environmental protection. Often, these businesses also drive job creation, community development and positive social impact. This, in turn, can lead to positive environmental outcomes, foster a green economy, and improve the well-being of communities and ecosystems. However, several barriers remain including lack of access to finance, limited market awareness, and regulatory challenges. Overcoming these barriers requires collaboration between governments, businesses, and individuals to create an ecosystem that fosters green entrepreneurial intentions and accelerates the transition to a more sustainable future.

4.2. Green Entrepreneurial Behavior

Green entrepreneurial conduct is characterized by the prioritization of environmental sustainability over financial success in entrepreneurial actions and decisions. The topic is around establishing and operating a business with a primary emphasis on reducing the adverse environmental consequences of the firm. Green entrepreneurial behavior encompasses not only the operation of a business, but also encompasses social initiatives that are aimed at safeguarding and preserving the natural environment. This behavior includes initiative, proactivity and consistency as well as a commitment to green behavior and thinking. The following are the main characteristics of green entrepreneurial behavior, namely environmentally friendly practices, focus on renewable natural resources, sustainable product development and social responsibility. Indicators of green entrepreneurial behavior include proactive green entrepreneurial tasks and behaviors. These indicators describe entrepreneurs' involvement in green entrepreneurial activities and their proactive approach to green innovation and sustainability (Chu et al., 2021).

The factors that impact green entrepreneurial behavior include entrepreneurial self-efficacy, entrepreneurial orientation, the green economy, social responsibility, and green innovation. An individual's likelihood of displaying green entrepreneurial behavior can be impacted by their entrepreneurial self-efficacy, which refers to their level of confidence in their abilities to initiate and oversee a firm. An entrepreneurial mentality, characterized by a willingness to take risks and think innovatively, can encourage the development of ecologically sustainable products and services, thus promoting green entrepreneurial activity.

The adoption of green entrepreneurial behavior can yield advantages for the environment, economy, and society. Adopting green entrepreneurial behavior can assist MSMEs in reducing waste and the utilization of natural resources, while enhancing their environmental, economic, and social performance. Green entrepreneurial behavior can yield benefits such as using recycled resources to create new products, hence reducing production costs and increasing revenues. Moreover, engaging in green entrepreneurial activity can enhance product quality, reputation, as well as environmental and social consciousness.

4.3. Social Support

Inherent in familial and social interactions, social support is a suitable type of social contract that can provide established entrepreneurs with a competitive edge and be crucial to the growth of new businesses. For instance, the majority of companies in the US are family-run, and the choice to launch a firm is impacted by social capital that is both internal found in family and external found in friends and acquaintances (Seyoum et al., 2021).

Family members' social support can help aspiring entrepreneurs in initiating and managing a new company venture. Li et al. (2023) identified various methods of offering social support, including material and resource assistance, informative guidance, opinions and information sharing, emotional support, empathy and understanding, and financial aid in the form of gifts, cash, and loans. Family support plays a comparable role to help an entrepreneur navigate various business challenges in their career advancement. Family members provide vital support from the beginning of a new business venture through both remunerated and uncompensated labor efforts.

Family members contribute financial resources and help companies obtain finance from both internal and external sources. Consequently, individuals who receive greater social support from their families are more inclined to successfully pursue their business aspirations. The intention of green entrepreneurs will increase in proportion to the increase in perceived behavioral control, which refers to the level of social support they receive in the form of cooperation or feedback from family and friends. Green entrepreneurship is effectively established.

6. Conclusion

The results indicate that there is a strong relationship between the intention to engage in environmentally friendly entrepreneurship, the actual behavior of engaging in such entrepreneurship, and the support received from family members. These factors are essential in influencing the development of environmentally conscious business endeavors. Individuals who possess robust green entrepreneurial intentions, motivated by a desire to create a beneficial influence on the environment, are more environmentally inclined to participate in green entrepreneurial activities, such as creating friendly products or services and implementing sustainable business strategies. Furthermore, social support from family significantly influences an individual's green entrepreneurial journey. Family members can provide both emotional and practical support, offering encouragement, advice, financial assistance, and access to valuable networks. This familial support system serves as a

vital catalyst, increasing the likelihood of translating green entrepreneurial intentions into concrete actions. The study highlights the importance of fostering a supportive family environment that encourages and facilitates eco-conscious business pursuits. By nurturing green entrepreneurial intentions and providing adequate social support, families can contribute to the growth of a sustainable business ecosystem, paving the way for a greener future.

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