

Relationship of Entrepreneurial Ecosystem Factors and Entrepreneurial Cognition: An Exploratory Study Applied to Regional and Metropolitan Ecosystems in New South Wales, Australia

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Abstract : This paper is aimed at exploring the interrelationships among entrepreneurial ecosystem factors and entrepreneurial cognition in regional and metropolitan ecosystems. Entrepreneurial ecosystem factors examined include: culture, infrastructure, access to finance, informal networks, support services, access to universities, and the depth and breadth of the talent pool. Using a multivariate approach we explore the impact of these ecosystem factors or elements on entrepreneurial cognition. In doing so, the existing body of knowledge from the literature on entrepreneurial ecosystem and cognition have been blended to explore the relationship between entrepreneurial ecosystem factors and cognition in a way not hitherto investigated. The concept of the entrepreneurial ecosystem has received increased attention as governments, universities and communities have started to recognize the potential of integrated policies, structures, programs and processes that foster entrepreneurship activities by supporting innovation, productivity and employment growth. The notion of entrepreneurial ecosystems has evolved and grown with the advancement of theoretical research and empirical studies. Importance of incorporating external factors like culture, political environment, and the economic environment within a single framework will enhance the capacity of examining the whole systems functionality to better understand the interaction of the entrepreneurial actors and factors within a single framework. The literature on clusters underplays the role of entrepreneurs and entrepreneurial management in creating and co-creating organizations, markets, and supporting ecosystems. Entrepreneurs are only one actor following a limited set of roles and dependent upon many other factors to thrive. As a consequence, entrepreneurs and relevant authorities should be aware of the other actors and factors with which they engage and rely, and make strategic choices to achieve both self and also collective objectives. The study uses stratified random sampling method to collect survey data from 12 different regions in regional and metropolitan regions of NSW, Australia. A questionnaire was administered online among 512 Small and medium enterprise owners operating their business in selected 12 regions in NSW, Australia. Data were analyzed using descriptive analyzing techniques and partial least squares - structural equation modeling. The findings show that even though there is a significant relationship between each and every entrepreneurial ecosystem factors, there is a weak relationship between most entrepreneurial ecosystem factors and entrepreneurial cognition. In the metropolitan context, the availability of finance and informal networks have the largest impact on entrepreneurial cognition while culture, infrastructure, and support services having the smallest impact and the talent pool and universities having a moderate impact on entrepreneurial cognition. Interestingly, in a regional context, culture, availability of finance, and the talent pool have the highest impact on entrepreneurial cognition, while informal networks having the smallest impact and the remaining factors - infrastructure, universities, and support services have a moderate impact on entrepreneurial cognition. These findings suggest the need for a location-specific strategy for supporting the development of entrepreneurial cognition.

Keywords : academic achievement, colour response card, feedback

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