



Research on the Influence of Green Entrepreneurship Oriented Mechanism on Small and Medium-sized Enterprises

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Abstract In the future, business and market will inevitably be limited and dependent by the environmental system, and smart SMEs will choose environment related strategies to shape sustainable development. Therefore, integrating environmental sustainability into strategic decision-making has become an important strategic opportunity for SMEs. In the highly dynamic business environment at home and abroad and the increasingly competitive market, the strategy of actively solving the balance between the enterprise and the ecology may be one of the few options widely recognized to maintain the growth of SMEs. With this trend, the new environmental management concept forces enterprises to reposition the future direction of development and the way to obtain sustainable development. Green entrepreneurship orientation reflects the extremely active strategic tendency of the enterprise layer, focuses on identifying and grasping eco-friendly business opportunities, has the characteristics of green initiative orientation, green innovation orientation and green risk bearing orientation, and takes into account the environmental, social and economic development goals. Therefore, it has attracted more and more attention from the academic and business circles.

Keywords Green Entrepreneurship; Sustainable Development; Small and Medium-sized Enterprises

1. Introduction

In the 21st century, the excessive consumption of resources and the increasingly prominent environmental problems have brought tremendous pressure to the production and operation of enterprises. Profitability, productivity and environmental awareness have gradually become part of the long-term goals of all enterprises [1]. In its efforts to address climate change and other global sustainability issues, the United Nations launched the 2030 agenda for sustainable development in 2015, calling on the world to produce and consume in a sustainable manner to promote the prosperity and development of mankind and the planet.

In the context of global sustainable development, the research and practice of green entrepreneurship are increasingly concerned by scholars and governments [2-3]. Green entrepreneurship is different from commercial entrepreneurship aiming at the realization of economic value. It is an opportunity development process aiming at the creation of multiple values such as economy, environment, society and psychology facing the future [4-5]. Although entrepreneurial activities are often regarded as a "panacea" to solve the problem of economic growth [3], they may also be a "double-edged sword" that destroys the ecological environment and reduces social welfare. In other words, entrepreneurs may also harm others, nature and society in the process of creating wealth [6]. Therefore, green entrepreneurship research focuses on how to "balance righteousness and interests" in entrepreneurship, takes economic growth, environmental friendliness and social prosperity as the bottom line,



excavates the laws of green entrepreneurship, guides green entrepreneurship practice, promotes the cross integration of entrepreneurship research with ecology, ethics, sociology and other multidisciplinary fields, and promotes the rise and development of research topics such as ecological entrepreneurship, social entrepreneurship and sustainable entrepreneurship [7].

2. Sustainable development of small and medium-sized enterprises

The research on the antecedent variables of sustainable development behavior also includes two factors. First, the factors of Entrepreneurs: Previous experience and knowledge. If entrepreneurs have relevant experience and knowledge, they are more likely to invest in sustainable development; Entrepreneur identity may play a central role in sustainable development behavior, because assessing a person's knowledge and skills in taking advantage of sustainable development opportunities will be different from assessing those simple opportunities for personal economic interests [31-32]. The author emphasizes that the knowledge structure of sustainable development and the support for the identity of entrepreneurs may be more complex than pure commercial entrepreneurs. Because the former may need not only market knowledge, but also natural and social environment knowledge; Entrepreneurs' motives and intentions explain the changes of sustainability in the formation of new enterprises to a large extent. These motives form the basis of entrepreneurs' decision-making. The main driving force of sustainable development is their willingness or attempt to combine and balance their desire to change the world with their desire to make money [25]; Entrepreneurs with Pro environmental values actively seek opportunities that will produce results inconsistent with these values, so as to more actively participate in sustainable development [32]. These entrepreneurs apply several sustainable values, such as equality, solidarity, freedom, tolerance, respect for nature and shared responsibility, which guide their aspirations and form their attitudes, And provide standards that can be observed and evaluated for their behavior [33]. This is consistent with a recent empirical study, which revealed that value orientation is one of the key driving forces behind formal sustainable behavior [34]; The difference in the identity of entrepreneurs and the balance between maintaining the triple bottom line originate from specific identities [35].

Second, the factors of stakeholders: government, managers and consumers. The system of social decisions, such as consumption patterns, consistency norms and family interdependence, not only affects the decision-making of entrepreneurs at the individual level to pursue sustainable responsibility opportunities, but also regulates the impact of government incentives on Sustainable Company foundations [36]. By studying the role played by the Chinese government in the operation of Chinese enterprises, it is concluded that the Chinese government symbolizes the external environment for the operation of Chinese enterprises and guides the production activities of enterprises [37]. In foreign countries, the government forms a corresponding reward and punishment framework through certain reward or punishment measures to restrict sustainable entrepreneurship behavior, which can then restrict the development of sustainable entrepreneurship. The generation of an earlier group of sustainable development enterprises cannot be separated from the promotion of managers and consumers. Some sustainable development enterprises are in an environment supported by managers and consumers, and then develop and prosper, while some sustainable development enterprises are in an environment where managers and consumers do not support sustainable entrepreneurship and gradually decline [38].

3. Green entrepreneurship orientation

3.1 The concept and dimension of green entrepreneurship orientation are not clear

The concept description of green entrepreneurship orientation is still controversial in the academic community, and it is often used interchangeably with ecological entrepreneurship orientation, environmental entrepreneurship orientation and sustainable entrepreneurship orientation [39]; In terms of dimension division, there are also different types of division. Some studies regard it as a single dimension composed of multiple



features [40-42], while others emphasize that it is a high-order concept composed of multiple dimensions [43-44], and lack of in-depth exploration of the nature of green entrepreneurship orientation.

3.2 Singlecompetent department should strengthen the promotion of financial norms

The academic and practical circles pay more attention to the impact of green entrepreneurship guidance on the sustainable development of small and medium-sized enterprises, but the research on the causes of its formation is insufficient, and most of them stay at the level of the impact of a single factor on green entrepreneurship guidance [43-44]. Early studies mostly emphasized the role of institutional level or stakeholders in promoting green entrepreneurship guidance [45-46], while recent studies emphasized the role of internal factors of enterprises, such as resources, capabilities and senior managers, in promoting green entrepreneurship guidance [47-48]. It can also be seen that the factors driving green entrepreneurship orientation are complex and diverse, involving macro and micro, political and economic, internal and external levels, and each level may affect each other and have synergistic effects. However, on the one hand, previous studies paid insufficient attention to the driving factors of green entrepreneurship orientation, and on the other hand, they focused on investigating the direct impact of each independent variable on green entrepreneurship orientation, mostly focusing on the traditional multiple regression analysis, structural equation model and other symmetric quantitative methods. However, the traditional statistical techniques based on the mutual independence of independent variables, one-way linear relationship and causal symmetry can not explain the complex causal relationship such as the interdependence of independent variables because they can not analyze the marginal "net effect" of independent variables on dependent variables under the control of other factors. Qualitative comparative analysis takes the perspective of overall analysis, regards the research object as the configuration of different combinations of conditional variables, integrates the advantages of case studies and variable studies, and finds the set relationship between element configurations and results through set analysis, which helps answer the causal complexity problems such as multiple concurrent causality, causal asymmetry and multiple scheme equivalence [49]. Although many literatures have demonstrated the impact of entrepreneur identity or stakeholder pressure on enterprises' choice of green entrepreneurship orientation, these pressures do not act on green entrepreneurship orientation alone, but cooperate and influence each other. In addition, among the factors driving the green entrepreneurship orientation of enterprises, not only external forces play an important role, but also internal factors of enterprises, especially political or economic factors such as managers' cognition and awareness of environmental ethics or benefits, are also important internal forces. However, no research has explored the multiple and complex driving mechanisms of green entrepreneurship orientation from the intermediary role of entrepreneurs' identity to the regulatory role of stakeholders in the internal and external environment of enterprises.

3.3. Singlecompetent department should strengthen the promotion of financial norms

The competitive advantage of enterprises will also change with the development of the times. In the era of green civilization, the acquisition of green competitive advantage of enterprises is crucial to the development of enterprises [50]. On the one hand, whether the green entrepreneurship orientation can really realize the green competitive advantage and what is the path transformation mechanism in the middle need to be explored in depth. On the other hand, compared with ordinary enterprises, enterprises that choose green entrepreneurship orientation have multiple objectives and resource constraints. Therefore, it is particularly important to realize the win-win situation of enterprises from survival to development to economy, nature and society by means of reasonable strategies and tactics. Green entrepreneurship orientation reflects the strategic tendency of enterprises to respond to environmental challenges more effectively and comprehensively. Strategic orientation provides information signals and rules, and enterprises respond to these information signals and rules. The environmental behavior of enterprises is generally divided into intra Organizational Environmental Practice and Inter



Organizational Environmental practice. The former represents the hidden resources of enterprises, and the latter refers to the complex social resources [51]. Inter Organizational environmental practices mainly emphasize learning and cooperation with suppliers and customers, encourage knowledge exchange and mutual benefit, and jointly deal with cross organizational environmental problems, with complex social characteristics [52]. Due to the complexity of green entrepreneurship, small and medium-sized enterprises may not have all the relevant information and knowledge needed to implement green entrepreneurship guidance, and heterogeneous knowledge outside the enterprise boundary plays a vital role. The environmental practice within the organization focuses on energy use, material consumption, energy conservation and pollution discharge related to internal processes. It is labor-intensive and knowledge intensive, and is regarded as a specific action in pollution prevention strategy [53]. Enterprise green innovation is such a typical environmental practice within the organization [54]. Innovation is an important way for modern enterprises to improve productivity and competitiveness and create economic wealth [55-56]. Green innovation can reduce the damage to the natural environment, provide better goods and services, and gain competitive advantages [57]. Therefore, in the context of green economy, new products and processes must reflect more green characteristics than in the past [58]. More and more organizations actively adopt green innovation to achieve the development of sustainable competitive advantage in an effective way [59-60]. Green innovation includes green process innovation and green product innovation, which is considered as an effective energy practice to avoid waste and inefficiency. In the context of this kind of business operation in which enterprises pay attention to environmental protection and incorporate green entrepreneurship into the strategic level of enterprises, green innovation has undoubtedly become another important way for enterprises to obtain competitive advantages and performance.

In addition, in the related research of entrepreneurial management, the boundary role of entrepreneur identity has also been widely concerned by scholars, especially the uncertainty of the external environment, which is usually the focus of research as a regulatory factor. However, the content of environmental uncertainty is extensive and complex [61], especially under multiple objectives and resource constraints, enterprises should analyze important types of uncertainty, so as to provide reference for enterprises to choose strategies in specific situations [62]. The important role of stakeholders in green entrepreneurship and innovation is self-evident. Stakeholder turbulence reflects the uncertainty and unpredictability brought about by the fluctuations faced by enterprises [63], and also has a significant impact on the construction of sustainable development of small and medium-sized enterprises. Therefore, it is of more theoretical and practical significance to focus on the regulatory effect of the uncertain factor of stakeholders in the impact of green entrepreneurship orientation on the sustainable development of SMEs.

4. Conclusion

Based on the above studies, scholars at home and abroad have made rich achievements in the research on the antecedent variables of green entrepreneurship orientation and their effects, which lays a good theoretical foundation for the follow-up research of this paper. However, the existing research still has the following shortcomings: (1) The concept connotation of green entrepreneurship orientation is unclear, and the dimension division is quite different. (2) Previous studies have paid insufficient attention to the multiple causal complexity affecting green entrepreneurship orientation, especially how the main stakeholders in the government, consumers and managers drive enterprises to adopt green entrepreneurship orientation. Few scholars have further explored this. (3) Previous studies mainly focused on the external factors of enterprise performance or sustainable development, less on the identity of entrepreneurs.



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