



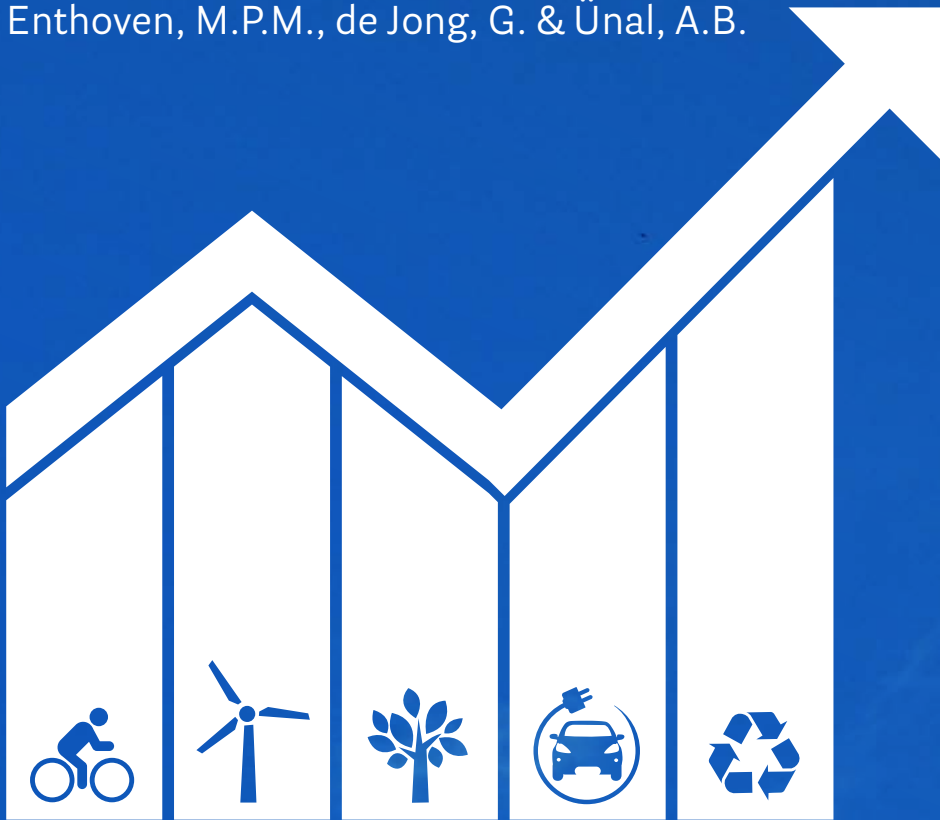
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Entrepreneurial opportunities as solutions for sustainable development: the relationship between problem recognition and opportunity recognition

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ENTREPRENEURIAL OPPORTUNITIES AS SOLUTIONS FOR SUSTAINABLE
DEVELOPMENT: THE RELATIONSHIP BETWEEN PROBLEM RECOGNITION AND
OPPORTUNITY RECOGNITION

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ABSTRACT

Sustainable entrepreneurs can act as change agents in the transition to a more sustainable society. We analyze the role of sustainability problem recognition on sustainable opportunity recognition of entrepreneurs. We argue that sustainable opportunities originate from a social or ecological problem in the environment of the entrepreneur. Thus, an entrepreneur's recognition of a problem is key in finding a solution. For entrepreneurs, this solution is a sustainable business opportunity. Their individual values provide a cognitive frame for problem recognition and have a mediated effect on opportunity recognition, through problem recognition. To analyse the relationship between problems, values and opportunities for sustainable development we collect new survey data of starting entrepreneurs and non-profits. The participants were enrolled in a crowdfunding campaign between 2015 and 2018. We found that biospheric values have a positive effect on the recognition of sustainability problems, while egoistic values have a negative effect. Recognition of sustainability problems has a positive effect on the recognition of sustainable business opportunities. Furthermore, the recognition of sustainability problems mediates the relationship between values and sustainable opportunity recognition. Entrepreneurs, entrepreneurship teachers and accelerators can use our findings to aid the sustainable opportunity recognition process, by successfully identifying social and ecological problems. We add to the sustainable opportunity recognition literature by providing a model of opportunity recognition as a problem-solving process.

KEYWORDS: Opportunity recognition; Sustainable development; Individual values; Survey research