



THE ROLE OF PRIOR KNOWLEDGE AND MOTIVATION IN SHAPING OPPORTUNITY RECOGNITION IN SUSTAINABLE ENTREPRENEURSHIP

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BACKGROUND

The manufacturing industry significantly contributes to the Indonesian economy, accounting for 18% of the gross domestic product. This area of industrialization has been primarily concerned with production and maximization of profits which has caused several issues for society and environment. Sustainable entrepreneurship has been recognized as one of the solutions to these problems. The first step in the creation of sustainable entrepreneurship is opportunity recognition. Therefore, it is essential to know why certain people recognize sustainable entrepreneurship opportunities while others do not to encourage the creation of more sustainable entrepreneurship.

OBJECTIVE

To investigate how prior knowledge and motivation focus people's attention on the first stage of opportunity recognition in sustainable entrepreneurship by answering the question: *How do acquired knowledge and motivation shape opportunity recognition in sustainable entrepreneurship?* This study will explore the type of entrepreneurial and sustainability knowledge needed, the source of this knowledge, as well as how it encourages sustainable entrepreneurs to recognize opportunities. Aside from that, different types of motivation driving sustainable entrepreneurs to recognize opportunities will be identified.

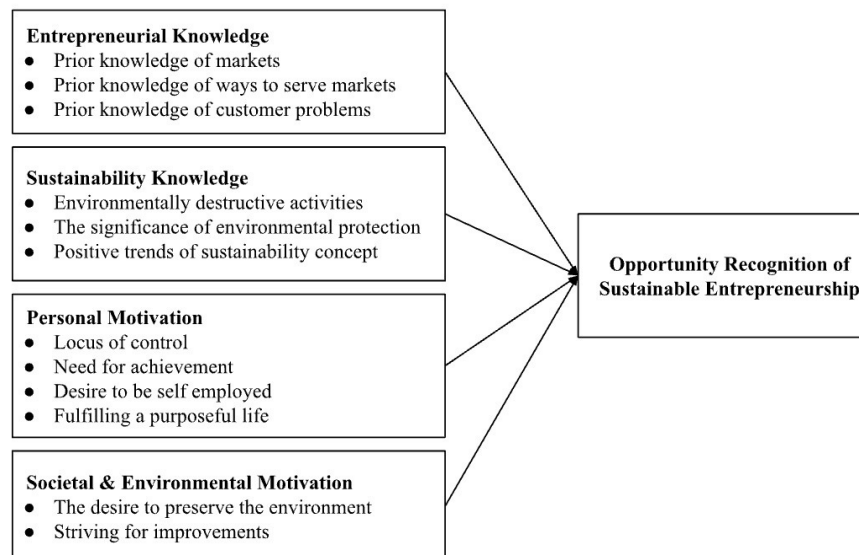
INTRODUCTION

The first phase of opportunity recognition (first-person opportunity belief) concerns perceived levels of uncertainty. It typically separates people who choose to act entrepreneurially from those who do not base on knowledge gaps and personal motivation (McMullen and Shepherd, 2006). I adopted this framework and argued that sustainable entrepreneurship requires entrepreneurial knowledge, sustainability knowledge, personal motivation, and social and environmental motivation to encourage opportunity recognition.

METHODS

A qualitative case study approach was used to address the research question. Semi structure interviews with 8 founders of sustainable entrepreneurship in Indonesia was conducted via Google Meeting. The interviews were recorded, transcribed, and translated into English. The existing data is then analyzed, and categorized according to the literature. The first-order and second-order are then generated

THE FRAMEWORK



FINDINGS

Sustainable entrepreneurship opportunity recognition influence by:

- Previous entrepreneurial knowledge. Entrepreneurial knowledge was acquired through formal education, prior jobs, and business incubators.
- Sustainability Knowledge. Sustainability knowledge was acquired through engagement in the sustainability community, socialization, formal education, and prior job or project.
- Personal motivation
- Social and environmental motivation

CONCLUSIONS

- The most critical knowledge is prior market knowledge obtained by entrepreneurs when they pursue their first degree. After gaining market knowledge, entrepreneurs join the business incubation to learn how to service the market. Knowledge of consumer concerns, which earlier research suggests is critical in spotting possibilities, appeared less useful for sustainable entrepreneurs in this study.
- Not all motivations for becoming a sustainable entrepreneur are necessarily directly related to sustainability motivations. Sustainable entrepreneurs can also be motivated by the same personal motivations as conventional entrepreneurs.
- Sustainable entrepreneurs were affected by impure altruism rather than pure altruism

RECOMMENDATIONS

- Sustainable entrepreneurs should use the sources indicated in this study to enhance their knowledge.
- It is recommended that long-term entrepreneurs enhance their entrepreneurial skills and knowledge, especially through business incubators.
- Educational institutions are encouraged to promote sustainability to their students early on or provide classes on the environment and society
- Governments may implement programs to support sustainable entrepreneurship to meet the motivation discovered in this study. For example, environmentally and socially responsible enterprises can be rewarded for accomplishing specific environmental and social goals.

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