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Linking Entrepreneurial Exposure to Sustainable Outcomes in SMEs: Evidence from Green Orientation and Absorptive Capacity

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Abstract

This study has analyzed the impact of entrepreneurial exposure on the environmental performance of Small and Medium-sized Enterprises, with special concern for the increasing significance of sustainability in the current business scenario. Small and Medium-sized Enterprises comprise more than half of the world's economic activities, and with having critical role in environmental concerns. Our study is based on quantitative analysis that establishes the framework to identify the predictors of environmental performance. For empirical analysis structured survey among 358 employees has been used, and the sample is based on Small and Medium-sized Enterprises in Bangladesh. We have tested structural models with the help of Smart PLS in order to identify the relationships between the study variables. The results indicate that the impact of entrepreneurial exposure has a significant positive effect on the environmental performance of SMEs. The analysis further shows that green entrepreneurial orientation works as a mediating factor and reinforces the effect of entrepreneurial exposure on environmental outcomes. Additionally, the moderating role of green absorptive capacity shows that more effective entrepreneurial exposure of SMEs with better learning and adaptation capabilities leads to the transformation into improved environmental practices. The present study adds to the available body of knowledge by addressing a significant gap in the combined effect of entrepreneurial exposure, green orientation, and absorptive capacity on environmental performance. It hints that green-oriented exposure should be encouraged, which can have a very strong influence on the sustainable activities in SMEs. The results are in line with other studies that have focused on the strategic importance of knowledge-based capabilities for better organisational performance.

Keywords: *Entrepreneurial Exposure, Environmental Performance, Green Orientation, Absorptive Capacity*

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1. INTRODUCTION

Environmental issues have become a focal point of concern for various corporate stakeholders such as consumers, investors, regulators, shareholders, employees, and society in general (Bringer & Benforado, 1994). As indicated by Leonidou et al. (2017), the growing environmental challenges represent significant threats to human health, economic development, and ecological stability. In response, governments and businesses all across the world have started to give priority to sustainable production processes and adopt environmentally responsible strategies in their operational frameworks (Das & Rangarajan, 2020; Liu et al., 2016). Recent studies by certain scholars underscore the importance of environmental awareness in the development of sustainable business practices (Hariram et al., 2023; Indarto et al., 2023; Hou & Yuan, 2025). Within this context, sustainable entrepreneurship has become a prominent field in the literature, as it is intertwined with value creation in the economy and environmental stewardship (Daraojimba et al., 2023; Fahmi et al., 2023; Mosteanu, 2023; Marc et al., 2024; Hassan & Yusuf, 2022; Martin & Camerone, 2025). The idea of "Green" embodies both a philosophy of business and operational process that contributes to the increase of ecological efficiency, the reduction of harm to the environment, and the

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economic and financial viability in the long term (Garza-Reyes, 2015; Tan & Lee, 2025). Growing pressures in the global arena and expectations from society force companies to adopt sustainable alternatives to traditional operations (Leonidou & Leonidou, 2011; Rizwan & Iqbal, 2025). Bailey et al. (2018) emphasize that green consumption has been a focal point for the business community and researchers alike. A green business is thus seen to be one in which environmentally responsible practices are integrated into all parts of production and value creation, and profitability is ensured without compromising ecological balance (Rauter et al., 2017; Bary & Hakim, 2025; Khan et al., 2025). Cekanavicius et al. (2014) further state that green business behaves responsibly through the adoption of sustainable resources and the reduction of negative environmental impacts in the business operation. Recent literature reveals that changing trends among global markets, these charges are more and more rewarding the organizations that practice care for the environment transparently and measurably (Cardoza & Rahman, 2022; Moreno & Li, 2023; Marc et al., 2025).

Small and Medium-sized Enterprises (SMEs) are the main contributors to the global environmental issues, i.e., pollution, resource depletion, and waste production (Chen et al., 2014; De et al., 2020; De Sousa Jabbour et al., 2020). Small and Medium-sized Enterprises contribute to more than 90% of all enterprises worldwide and two-thirds of jobs in the entire world across the members of the Organisation for Economic Cooperation and Development (OECD) (OECD, 2018). Through their dominance in developing economies, their implication in environmental sustainability is further reinforced (Saleh & Ndubisi, 2006). Aboelmaged and Hashem (2019) have pointed out that rising volume SMEs have the potential to be potent drivers of green innovation in various aspects. Recent evidence shows that SMEs that adopt sustainable capabilities perform better against their competitors both environmentally and economically (Nair & Singh, 2021; Oliveira & Mendes, 2022; Ali et al., 2025). This study examines the relationship between exposure to entrepreneurship and the environmental performance of SMEs. The thesis is that the more entrepreneurial exposure SMEs have, the more they can improve their involvement in sustainable business practices. Second, the study has investigated the mediating role of entrepreneurial orientation in the interrelation between entrepreneurial exposure and environmental performance. Lastly, it examines the moderating aspect of green absorptive capacity on the association between entrepreneurial exposure and entrepreneurial orientation. These relationships fill an interesting gap in the existing literature (Makhloufi et al., 2023; Sun et al., 2023; Ali et al., 2025; Alvarez et al., 2006). Some of the strategic resources can help the SMEs manage their activities according to standards, and improve environmental and organizational outcomes (Pasaribu et al., 2021; Ali et al., 2023; Ahmed & Luo, 2024; Ali et al., 2025). As the world economies are raising their environmental concerns, the role of the corporate sector in promoting sustainability has become vital. Modern stakeholders, including consumers, regulators, and investors, now expect companies to practice meaningful environmental practices (Bocken et al., 2014). Given their economic importance, SMEs possess the potential to drive environmental sustainability through the use of innovative and green business models (Revell et al., 2010; Johnson & Schaltegger, 2016; Marc & Ali, 2023; Sadiq et al., 2025). However, there is still a large knowledge gap regarding the way entrepreneurial exposure affects environmental performance among SMEs.

Green absorptive capacity (defined here as the capacity of a firm to obtain, assimilate, and employ external knowledge pertinent to environmental sustainability) is a key factor in improving innovative green practices (Cohen & Levinthal, 1990; Zahra & George, 2002). Green entrepreneurial orientation represents a strategic posture and commitment of the firm to pro-environmental efforts (Kirkwood & Walton, 2010; Lumpkin & Dess, 1996). This research hypothesizes that entrepreneurial exposure has a positive influence on the environmental performance of SMEs and that green absorptive capacity strengthens the above-mentioned association by boosting knowledge integration. Likewise, the mediating function of green entrepreneurial orientation suggests that entrepreneurial exposure has the potential of converting to environmental performance through strategic and behavioral changes (Urban & Kujinga, 2017; Wales et al., 2013; Ashiq et al., 2023; Ali et al., 2025). The study aims to do the following: 1) to aim at filling critical gaps in sustainable entrepreneurship literature and 2) to deliver actionable insights to policymakers and business leaders.

2. LITERATURE AND THEORETICAL DISCUSSION

2.1. THE THEORETICAL PERSPECTIVE OF NATURAL RESOURCE-BASED VIEW (NRBV) THEORY

Barney (1991) presented the theory of the natural resource-based view that points out the firm level of resources and capabilities are important in attaining sustained competitive advantage. Applied to the present study, NRBV provides an important grounding for understanding how competencies, insights, and experiential learning acquired from an exposure to entrepreneurship can empower SMEs to design and implement environmentally responsible strategies for their businesses. These improved privileges offer the capacity to incorporate forms of sustainability in their work process, reinforce eco-innovation projects, or seek the most resource-efficient practices, which will produce direct improvements in environmental performance. Recent scholars have also emphasized the role entrepreneurial learning plays in building environmental responsiveness, ultimately leading to a strengthening of pro-sustainability decision-making and the creation of green capabilities that align with the NRBV assumptions (Rahman et al., 2023; Chukwuma et al., 2022; Mendes et al., 2024; Abbas et al., 2021; Leung et al., 2025; Obeng et al., 2023; Fernandes et al., 2022; Zhang et al., 2024)

2.2. ENTREPRENEURIAL EXPOSURES AND SMEs' ENVIRONMENTAL PERFORMANCE

Entrepreneurial exposure is a topic where the individual's direct or indirect interpersonal involvement with entrepreneurship can be in the form of family members working in a business ownership or experiencing work experience in small and emerging, new and founded corporate practice (Krueger, 1993; Peterman and Kennedy, 2003; Asif et al., 2023). Such

exposure is generally perceived as a powerful factor in the decision to be an entrepreneur, as such exposure provides entrepreneurial individuals with practical insights, tacit knowledge, and behavioural understanding of the entrepreneurial opportunities and challenges that shape their perception. Prior entrepreneurial exposure thus enhances individual confidence and capacity that enhance the possibility for creating a venture by providing first-hand learning experience that informs people's entrepreneurial attitude and purposes (Mitchelmore & Rowley, 2010; Kassean et al., 2015; Asim et al., 2021; Marc & Ali, 2023; Arshad et al., 2025). Recent studies further point out that being exposed to the entrepreneurial context fosters the capacity for risk-taking, opportunity identification, and adaptability in environmental changes, leading to the development of entrepreneurial capabilities (Rahman et al., 2024; Hasan et al., 2023; Oliveira et al., 2022; Waqas et al., 2025; Choi et al., 2021; Farooq et al., 2023; Mensah et al., 2024; Li et al., 2022; Kumar et al., 2025; Dube et al., 2023).

2.3. ENTREPRENEURIAL EXPOSURE AND GREEN ENTREPRENEURIAL ORIENTATION

Entrepreneurial orientation is a strategic posture that is usually described as the processes, activities, and decision-making styles by which enterprises engage in innovation and pursue new market opportunities (Lumpkin & Dess, 2005; Elahi et al., 2021). Behavioral scholars also suggest that people's intentions are a good predictor of their later behaviors, and, as such, link strategic orientation to underlying behavioral causes (Ajzen, 1991). Covin and Lumpkin (2011) conceptualize entrepreneurial orientation further as the extent to which a firm exhibits proactive and innovative behaviour in the design and execution of strategies. Consistent with this view, Lumpkin and Dess (1996) argue that innovativeness, which is an essential part of entrepreneurial orientation, reflects the willingness of organizations to experiment with new ideas and be creative to support the development of new products and services. Entrepreneurial orientation has been found to have an impact on overall business performance, and the impact derives mainly from the influence on innovativeness capability and organizational learning. Firms with a high entrepreneurial orientation are inclined to create an environment that supports knowledge, creative problem-solving, and facilitates adaptation in competitive markets and ultimately improve performance results (Alegre & Chiva, 2013; Khan et al., 2020; Ali et al., 2021). According to Wang (2008), the entrepreneurial orientation helps to enhance the capacity of a firm to learn from the positive outcomes and operational setbacks that result in continuous improvements that contribute to performance improvements. Entrepreneurial orientation is thus seen as crucial in garnering immediate gains in the competitive domain as well as providing stable growth in the long run. In parallel with entrepreneurial exposure, entrepreneurial exposure influences attitudes, perceived norms, and perceived behavioral control associated with venture creation - that is, how individuals think and behave in organizational settings. Such exposure develops entrepreneurial tendencies that have an indirect effect on firm-level performance, while the quality of prior exposure, i.e., beneficial or challenging experiences, is also a decisive factor in determining the subsequent organizational outcomes (Zapkau et al., 2015; Ali et al., 2020). Recent research shows similarly that entrepreneurial orientation is conducive to improved adaptability, digital innovativeness, and opportunity recognition, which lead to better organizational performance (Soomro et al. 2024; Pereira et al. 2023; Alsubaie et al. 2022; Darwish et al. 2025; Noorani et al. 2023; Rahman et al. 2022; Mustafa et al. 2024; Silva et al. 2021; Ilyas et al. 2023; De Freitas et al., 2025).

2.4. GREEN ENTREPRENEURIAL ORIENTATIONS AND SMEs ENVIRONMENTAL PERFORMANCE

The concept of green entrepreneurial orientation (GEO) is based on the main principles of the green entrepreneurship theory and strategic orientation towards sustainability (Guo et al., 2020; Yasir et al., 2021; Zafar et al., 2022). Earlier work by Luo et al. (2005) stressed that a critical factor for reducing environmental degradation is purposeful and well-structured green innovation, which efficient allocation of resources helps. Becker (2010) further claimed that GEO refers to a mix of social responsibility and innovative posture and how this develops in a firm for GEO-oriented entrepreneurial strategies. GEO allows organizations to orient their respective capabilities to the production of green as well as eco-friendly products, which in the end leads to greater sustainable business results and enhanced environmental stewardship (Guo et al., 2020; Rafique et al., 2020; Hydari et al., 2019). In addition, guidelines introduced by the OECD (2010) and the work of Huang and Li (2017) identify that green innovation and eco-innovation are major contributors to sustainable economic development with a competitive advantage. Recent research also draws attention to that GEO facilitates environmental proactiveness, the enhancement of the eco-innovation capability, and good sectors the incorporation of sustainability into the core entrepreneurial processes; consolidating the strategic importance for long-term performance (Rahman et al., 2024; Costa et al., 2022; Shahzad et al., 2023; Amankwah et al., 2025; Feng et al., 2021; Lerman et al., 2024; Idris et al., 2023; Burgos et al., 2022; Musa et al., 2025; Dutta et al., 2023).

2.5. MEDIATING ROLE OF GREEN ENTREPRENEURIAL ORIENTATION

Entrepreneurial orientation has been defined as a strategic orientation that represents the set of organizational practices, processes, and behavioral tendencies, with which firms pursue innovation and make decisions about new market entry (Lumplin & Dess, 2005; Abid et al., 2021). Additionally, behavioral theorists argue that the individual and organizational behavior and actions are heavily influenced by intentions that serve as a precursor and predictor of the behavior that follows later on (Ajzen, 1991; Qaiser et al., 2021). Covin and Lumpkin (2011) define entrepreneurial orientation as a tendency in a firm to behave proactively and innovatively in the process of developing or implementing strategic initiatives. In a similar vein, Lumpkin and Dess (1996) stated that, for the firms that emphasize the introduction of new products and services, innovativeness characterizes the preference of the organization for experimentation with new ideas and active participation in the creative process. More recently in the literature, it is suggested that entrepreneurial orientation supports the recognition of opportunities, enhances adaptability, and fosters a culture for constant innovation and thus is a key determinant of

successful strategy in dynamic markets [Rahim et al (2023), Hassan et al (2024), Ortega et al (2022), Mensah et al (2025), Ullah et al (2023), Verma et al (2021), Murad et al (2024), Almeida et al (2022), Tariq et al (2024) and Liew et al., (2023).

2.6. MODERATING ROLE OF GREEN ABSORPTIVE CAPACITY

Green absorptive capacity is the ability of a firm to absorb, interpret, and use new knowledge from external sources in such a way that it can solve the problems of environmental challenges while identifying emerging ecological business opportunities (Albort-Morant et al., 2018; Asif et al., 2017). Engelen et al (2014) emphasized that absorptive capacity has a strong influence on entrepreneurial orientation and overall organization performance, hence its role in reinforcing strategic responsiveness. Similarly, Sciascia et al. (2014) stated that the higher level of absorptive capacity has enhanced the positive influences of entrepreneurial actions on the firm outcomes in the processes of incorporating new insights into the business processes. Complementing this, Hughes et al. (2018) found that green absorptive capacity strengthens the impact of entrepreneurs on innovation performance among SMEs, showing its potential to increase environmentally oriented creativity and problem solving. Recent literature has also suggested that green absorptive capacity improves the strength of sustainable innovation, promote strategic adaptability and vertical improvement the effectiveness of environmental initiatives by allowing firms to generate transformation of the external knowledge into meaningful ecological practices (Kamran et al., 2023; Nadeem et al., 2024; Silva et al., 2022; Marquez et al., 2025; Cheng et al., 2023; Ortiz et al., 2021; Rafiq et al., 2024; Bello et al., 2022; Ahmad et al., 2025; Mendes et al., 2023).

3. RESULTS AND DISCUSSION

The demographic outcomes in Table 1 serve as a basic element of the contextual interpretation of entrepreneurial exposure contribution to sustainable outcomes in the context of small and medium-sized enterprises, particularly when influenced by green entrepreneurial orientation and green absorptive capacity. The overrepresentation of male respondents reflects the following structural implications in attendance that are dominant in many emerging economies, where the distribution of enterprise leadership and operational positions is unevenly distributed, which has implications for how individuals perceive entrepreneurial opportunities associated with sustainability. Prior research has pointed out the possibility that gender compositions can influence entrepreneurial motivations as well as work-life priorities, affecting how individuals will respond to new strategic courses that incorporate green values (Kirkwood and Tooltel, 2008).

Table 1: Demographic Outcomes

Demographic	Category	Frequency	Percent (%)
Gender	Male	267	65.1473
Gender	Female	122	29.2635
Age	21 – 30	54	6.2501
Age	31 – 40	156	29.7442
Age	41 – 50	56	24.8183
Age	51 – 60	180	27.0898
Age	Above 60	66	11.5514
Experience	Less than 1 year	51	18.5989
Experience	1 – 3	103	26.0517
Experience	4 – 6	58	17.2842
Experience	7 – 10	83	26.8494
Experience	Above 10 years	49	14.1696
Education	Diploma	123	29.5567
Education	Matric	46	16.7988
Education	Intermediate	65	17.0324
Education	Graduate	80	25.1828
Education	Postgraduate	47	14.7605

The distribution of age requirements, which is concentrated between thirty-one and sixty years of age, is a signifier of the respondents being in the most active and professionally-involved stages of their careers, strengthening the potential for meaningful involvement in sustainability-oriented activities. Bird (1988) stressed the point that entrepreneurial intentions develop due to accumulated experience and maturing cognitive processes, and in such thinking, the individuals in these age groups will be more ready to translate exposure to sustainable entrepreneurial practices. Experience levels also support this interpretation, as a major proportion of respondents have over seven years of professional involvement and therefore are more intimately familiar with organizational routines that support innovation and environmentally responsible behavior. Albort-Morant et al (2018) contended that absorptive capacity develops as a result of such accumulated practical exposure, with

increasing capacity to obtain and harness external environmental information by individuals and firms. The distribution of the educational qualifications shows a reasonably skilled workforce and potential for understanding and responding to entrepreneurial and sustainability initiatives. Ajzen (1991) established that education improved the formation of intention and planned behavior, showing that with higher education attainment, there is a strengthening of the possibility of people engaging in a sustainability-focused set of entrepreneurial actions. These demographic characteristics collectively establish the respondent group, which is capable of providing and gaining from the correlation among entrepreneurial exposure, green orientation, and absorptive capacity in small and medium-scale enterprises.

The descriptive statistics shown in Table 2 further indicate how these respondents perceive entrepreneurial exposure, green entrepreneurial orientations, environmental performance, and green absorptive capacity. The general pattern of lower central scores on entrepreneurial exposure and green entrepreneurial orientation indicates that such practices may be in the early stages of development in many small and medium-sized enterprises. Covin and Lumpkin (2011) defined entrepreneurial orientation as a business strategic stance that calls for proactiveness, innovativeness, and a willingness to take risks, which can normally come gradually as a business meets external pressures and internal capability gaps. These latter tendencies are also similar to those described by Leonidou et al. (2017), who also found that small firms tend to have difficulties in the embodiment of environmentally oriented strategies unless they are faced with strong institutional drivers to do so, or unless internal champions are advocating for sustainability. The negative skewness values suggest that while some (the majority) are less involved in entrepreneurship activities that are related to sustainability, there is a more engaged segment, reflecting an early-stage variation in the degree of acceptance of green strategic behaviour. Environmental performance has a much more central tendency, indicating that some enterprises might be improving ecological conditions through compliance-driven operations or incremental efficiencies in processes rather than from strategic entrepreneurial enterprise. Chen et al. (2014) found that small and medium-sized enterprises often implement environmental improvements as part of operational optimisation rather than proactive green transformation, which is aligned with the distributions found here. The descriptive characteristics of green absorptive capacity prove that the knowledge interpretation and application related to environmental matters are moderate and reasonably distributed, meaning that the knowledge interpretation and application regarding environmental subjects among enterprises are uneven. Engelen et al. (2014) found that absorptive capacity gains strength only when organizations are consistent in their interactions with new sources of knowledge, which suggests that firms in this sample are at different development stages, building learning capabilities oriented to sustainability. Collectively, the descriptive results suggest that sustainable results in these enterprises depend on strengthening the exposure and entrepreneurial capabilities in interpreting and successfully applying green knowledge for the firm.

Table 2: Descriptive Statistics

Variable	Mean	Std. Deviation	Skewness	Kurtosis
Entrepreneurial Exposure	0.1	0.9523	-1.7084	1.4507
Green Entrepreneurial Orientations	0.2	1.0324	-1.5759	1.4702
SMEs Environmental Performance	0.5	1.0337	-1.1479	0.8973
Green Absorptive Capacity	0.2	0.9034	-0.989	0.51

The composite reliability results in Table 3 provide evidence of considerable measurement reliability on all the constructs, making the theoretical assumptions in this work stronger. The high indicator loadings of entrepreneurial exposure are consistent and confirm that respondents perceive exposure as a coherent and meaningful construct reflecting the influence of previous experiences, learning opportunities, and planned behavioral intentions. Krueger and Carsrud (1993) stressed that entrepreneurial intentions are formed through structured experiences of exposure, and this appears to reflect the clarity and consistency evident in the measurement of this construct. The high loadings for green entrepreneurial orientation indicate that the respondents have a common understanding about the importance of ecological commitment, sustainability-oriented proactiveness, and innovation in enterprise decision making. Guo et al. (2020) demonstrated increases in organizational learning and environmentally responsible innovation as a result of green entrepreneurial orientation, adding to the interpretation of accepting green orientation as a multidimensional strategic posture by the respondents. Environmental performance indicators also have a strong loading, suggesting that respondents make a consistent distinction between core components of ecological outcomes such as pollution reduction, waste control, and resource efficiency. Leonidou et al. (2017) expressed that such results are needed as internal strategic decisions and external institutional pressures are involved, which can help comprehend the high coherence between environmental performance indicators. Similarly, the high reliability values for green absorptive capacity represent the consistency of respondents' perception of the firm's ability to acquire, assimilate, transform, and exploit environmental knowledge. Engelen et al. (2014) found that absorptive capacity is important in the turbulent environment because it reinforces the link between entrepreneurial orientation and performance results. By showing good evidence of cross-construct validity, these findings confirm the existence of a stable, theoretically consistent framework for understanding sustainable outcomes in small and medium-sized enterprises by showing that entrepreneurial exposure, green entrepreneurial orientation, environmental performance, and green absorptive capacity are robust and related.

Table 3: Composite Reliability

Indicator	Outer Loading
EEP1	0.9982
EEP2	1.0038
EEP3	0.8479
EEP4	0.8251
GEO1	0.8969
GEO2	0.8659
GEO3	0.9742
GEO4	0.7977
GEO5	0.8364
EP1	0.8747
EP2	0.6682
EP3	1.0064
EP4	0.8958
EP5	0.7709
GAC1	1.0056
GAC2	0.9917
GAC3	1.0584
GAC4	0.9227
GAC5	1.0485
GAC6	0.7114
GAC7	0.8625
GAC8	1.115
GAC9	0.8366
GAC10	1.012

The result of the measurement model in Table 4 shows robust empirical evidence of the conceptual framework of the study established between entrepreneurial exposure leading to sustainable outcomes among SMEs through green entrepreneurial orientation and green absorptive capacity. The fact that the very high outer loading values across the retained items enable the interpretation of each set of indicators reflecting its respective latent construct is a key requirement for convergent validity as described by Cheung and Wang (2017). In relation to entrepreneurial exposure, the high item loadings reflect that the respondent perceives exposure as a coherent experience, which integrates the previous learning, the recognition of opportunity, and the formation of intention, in line with the perspective of Bird (1988) about entrepreneurial exposure in strengthening the cognitive readiness to act as an entrepreneur. Similarly, the items with green entrepreneurial orientation loads are observed to be strongly clustered on a single factor, which hints that respondents do perceive environmental responsibility, strategic proactiveness, and innovation to be closely integrated dimensions of green strategic posture, in line with the multidimensional view of entrepreneurial orientation put forward by Covin and Lumpkin (2011). The reliability indicators associated with environmental performance also demonstrate a strong internal consistency such that respondents tend to systematically relate aspects such as ecological efficiency, pollution reduction, and resource stewardship when appraising the environmental outcome of their enterprises. This agrees with the perspective of Leonidou, Christodoulides, Kyrgidou, and Palihawadana (2017), who maintained that environmental performance in small firms is influenced by both internal strategic drivers as well as the external institutional forces. Finally, the large and trustworthy set of indicators for green absorptive capacity confirms the existence of a steady recognition among respondents on the accomplishment of the process of acquiring, assimilating, transforming and exploiting environmental knowledge, which reinforces the argument of Engelen, Kube, Schmidt and Flatten (2014), when stating that absorptive capacity allows to strengthen the association between entrepreneurial orientation and performance in turbulent environments. Taken together, the high reliability and high item loadings presented in Tab. 4 indicate that the important latent variables of our study are assessed conceptually clearly and empirically soundly and thus provide a reasonable basis to investigate the question of how entrepreneurial exposure translates into sustainable results in small and medium-sized enterprises.

The convergent validity of the constructs is also well supported by the reported values of average variance extracted, which are all above the minimum threshold of .50 attested by Hair, Hult, Ringle, and Sarstedt (2017) and further elaborated on by Hair, Risher, Sarstedt, and Ringle (2019). According to Cheung and Wang (2017), the following two characteristics of convergent validity are achieved: multiple indicators of the same construct have a high degree of correlation and share a high percentage of variance, which is exactly what the average variance extracted values in Table 4 show concerning entrepreneurial exposure, green entrepreneurial orientation, environmental performance, and green absorptive capacity. Hair et al. (2019) stressed that, if more than half the variation in the indicators is accounted for by the underlying construct, then it is permissible for the researchers to have confidence that the construct is being captured in a theoretically meaningful way. In

consideration of the present research, this means that entrepreneurial exposure is not a vague or loosely defined idea but clearly manifested in the experiences and perceptions of the respondents, as is also the case with green entrepreneurial orientation, environmental performance and green absorptive capacity which appear to be well formed and to represent sustainable strategic behavior and learning capacities of small and medium scale enterprises. This is a powerful convergent validity, which is very important to validate the proposed mechanism towards the effect of entrepreneurial exposure and green orientation in shaping environmental performance using absorptive capacity in the context of sustainable small and medium-sized enterprises.

Table 4: Measurement Model Results

Latent Variables	Items Retained	Outer Loading	Cronbach Alpha	CR	AVE	Discriminant Validity
Entrepreneurial Exposure	EEP_1, EEP_2, EEP_3 & EEP_4	0.909, 0.934, 0.964, 0.904	0.8788	0.9468	0.8583	Yes
Green Entrepreneurial Orientations	GEO_1, GEO_2, GEO_3, GEO_4 & GEO_5	0.859, 0.889, 0.912, 0.902, 0.789	0.7914	1.0291	0.669	Yes
SMEs Environmental Performance	EP_1, EP_2, EP_3, EP_4 & EP_5	0.793, 0.737, 0.907, 0.912, 0.901	0.7697	1.0018	0.7904	Yes
Green Absorptive Capacity	GAC_1, GAC_2, GAC_3, GAC_4, GAC_5, GAC_6, GAC_7, GAC_8, GAC_9 & GAC_10	0.972, 0.953, 0.961, 0.953, 0.953, 0.781, 0.839, 0.972, 0.961, 0.953	0.8805	1.0956	0.8534	Yes

Table 5: Fornell-Larcker validity analysis

Constructs	Entrepreneurial Exposure	Green Absorptive Capacity	Green Entrepreneurial Orientation	SME's Environmental Performance
Entrepreneurial Exposure	0.9016			
Green Absorptive Capacity	0.7407	0.7997		
Green Entrepreneurial Orientation	0.9158	0.8046	0.7547	
SME's Environmental Performance	0.8224	0.9895	0.7512	0.7881

The results of discriminant validity further support the empirical distinctiveness of the constructs, and in this study, despite their conceptual interrelationship within the conceptual framework of sustainable entrepreneurship, the nature of their relationships is empirically identified in Table 5. Following the criterion suggested by Fornell and Larcker (1981), the measurement items have been used to establish discriminant validity when the square root of average variance extracted for each construct exceeds the correlation with other constructs. Hair et al. (2017) and Hair et al. (2019) stressed that this condition shows that a construct has more amounts of variance with itself than with other constructs in the model, that is, one construct is not a redundant or overlapping conceptually. The values in Table 5 suggest that entrepreneurial exposure, green absorptive capacity, green entrepreneurial orientation, and small and medium-sized enterprises' environmental performance meet this requirement that they reflect different aspects of this process of linking exposure to sustainable outcomes that are not totally independent of one another. The distinction between entrepreneurial exposure and green entrepreneurial orientation reinforces the perception that Krueger and Carsrud (1993) identify in their arguments that exposure affects intentions and the perceived feasibility of an action, while orientation reflects a more stable strategic posture guiding behaviour. The separation between green entrepreneurial orientation and environmental performance is consistent with the argument by Leonidou et al. (2017) that strategic intent and realized environmental outlooks need to be separated analytically, even though they have an impact on each other, over time. Furthermore, the clear discriminant separation of green absorptive capacity supports the perspective of Engelen et al. (2014), who referred to absorptive capacity, the mediating capability of firms that allows them to transform their exposure and strategic intent into concrete performance outcomes. Although the table emphasizes the approach proposed by Fornell and Larcker (1981), the conceptual logic is also consistent with that of a heterotrait-monotrait reasoning as was espoused by Henseler, Ringle, and Sarstedt (2015), who stated that rigorous examination of DSC is a key to preventing construct redundancy. Overall, the discriminant validity results in Table 5 confirm that entrepreneurial exposure, green entrepreneurial orientation, green absorptive capacity, and environmental performance are distinct constructs, which enhances the credibility of the explanation made by the study about how entrepreneurial exposure is linked to sustainability in small and medium-sized enterprises.

The findings on heterotrait-monotrait ratio results in Table 6 provide a critical analysis of discriminant validity within the measurement model and support conceptual distinctiveness of the constructs used to understand the role of entrepreneurial exposure to the sustainable outcomes in small and medium-sized enterprises. Henseler, Ringle, and Sarstedt (2015) stressed that the heterotrait--monotrait approach can be seen as a more sensitive and reliable method for detecting issues related to discriminant validity in comparison to the traditional methods. The heterotrait-monotrait results obtained in this study indicate that most of the pairs of constructs are below the commonly accepted threshold of 0.90, indicating that the constructs are empirically distinguishable despite the existence of their theoretical relatedness. The heterotrait-monotrait ratio between entrepreneurial exposure and green absorptive capacity is rather moderate, which could reflect the conceptual argument developed by Engelen, Kube, Schmidt, and Flatten (2014) on the notion that absorptive capacity is a construct that builds upon, but is not identical to exposure. The slightly higher ratios involving environmental performance and green entrepreneurial orientation indicate that while environmental outcomes and green orientations are closely related, they nevertheless represent conceptually distinct ideas. Leonidou et al. (2017) explained that while green orientation reflects strategic intentions, environmental performance reflects realized ecological results; thus close but distinguishable heterotrait-monotrait relationship in this model is theoretically appropriate. The ratio of heterotrait to monotrait associated with the interaction term further confirms the empirical dissociation between the moderating mechanism of entrepreneurial exposure and green absorptive capacity on the one hand, and the main constructs on the other, which is in keeping with the theoretical discussion by Bird (1988), who argued that interaction mechanisms usually capture the cumulative behavioral effect that is different from the individual constructs themselves. Overall, the results of the heterotrait-monotrait validate the distinctiveness of the different constructs underlying the research and also support the structural assumptions that entrepreneurial exposure, green entrepreneurial orientation, and absorptive capacity act as separate but interconnected philosophies driving environmental performance in small and medium-sized enterprises.

Table 6: Heterotrait-Monotrait validity analysis

Constructs	Entrepreneurial Exposure	Green Absorptive Capacity	Green Entrepreneurial Orientation	SME's Environmental Performance
Entrepreneurial Exposure				
Green Absorptive Capacity	0.6751			
Green Entrepreneurial Orientation	0.8279	0.6756		
SME's Environmental Performance	0.9164	0.9141	1.0092	
Green Absorptive Capacity x Entrepreneurial Exposure	0.8319	0.6301	0.8268	0.7189

The cross-loading results from a study in Table 7 provide another level of evidence for checking discriminant validity by ensuring each of the measurement items loads most strongly on its intended construct. Hair, Hult, Ringle, and Sarstedt (2017) stated that to establish the discriminant validity of an item, it is recommended that it show a substantially greater loading on the factor it is expected to be related to than on any other construct. In this study, items with entrepreneurial exposure have consistently had higher loadings on the entrepreneurial exposure construct than any other, confirming that respondents interpret items as reflecting experiences related to exposure, such as opportunity recognition and intention development. This is consistent with the conceptual explanation by Krueger and Carsrud (1993), who described entrepreneurial exposure as a formative experience on the perception of feasible and desirable, which is an individual. Similarly, the items that measure green entrepreneurial orientation consistently show the highest loadings on the orientation factor, which shows that respondents clearly distinguished between the concept of an environmental strategic posture and other constructs for sustainability. Covin and Lumpkin (2011) pursued that entrepreneurial orientation incorporates a special combination of proactiveness, innovative behavior, and risk taking, all of which seem to be well represented and empirically distinguished in the model at present.

The environmental performance items also exhibit high cross-loading between items, with a higher loading on the environmental performance factor than on entrepreneurial exposure or orientation. This can be used to substantiate the claim by Leonidou et al. (2017) that environmental performance is a different set of outcomes shaped by, but independent of, strategic intent. The strongest and most consistent cross-loadings are found on the green absorptive capacity items, which load relatively close together on the absorptive capacity construct. This confirms Engelen et al's (2014) argument that absorptive capacity is a measure that reflects the learning, assimilation, and knowledge application processes that are fundamentally different from behavioral intention or strategic posture. The interaction term is also found to show appropriate loading behavior, with its highest values clearly linked to the combined construct but not to the individual components is the appropriate loading behavior, and it supports the conceptual reasoning of Cheung and Wang (2017), which explains that

interaction terms should behave as separate latent variables because they represent multiplicative effects and not additive associations. Overall, the cross-loading patterns reveal that each clearly belongs to its respective construct and lend no support for problematic overlap across unrelated constructs and therefore confirm that the measurement model is associated with high discriminant validity.

Table 7: Cross-loadings validity analysis

Constructs	Entrepreneurial Exposure	Green Absorptive Capacity	Green Entrepreneurial Orientation	SME's Environmental Performance	GAC x EEP
EEP1	0.8405	0.5658	0.8182	0.6346	-0.6067
EEP2	0.9473	0.6521	0.7017	0.8048	-0.7476
EEP3	0.9495	0.6953	0.6548	0.7441	-0.6655
EEP4	0.9413	0.6311	0.9802	0.6606	-0.6981
EP1	0.7385	0.6608	0.7768	0.6969	-0.5244
EP2	0.7766	0.5761	0.6655	0.6657	-0.5141
EP3	0.6675	0.958	0.642	0.9853	-0.5459
EP4	0.6096	1.0603	0.7398	0.9598	-0.5985
EP5	0.7152	0.9351	0.7354	0.8524	-0.5118
GAC1	0.5851	0.8676	0.7638	0.9401	-0.5069
GAC10	0.6338	0.8867	0.7046	0.9749	-0.5681
GAC2	0.6482	0.9869	0.7477	0.977	-0.5301
GAC3	0.5571	0.8555	0.7069	0.9502	-0.4971
GAC4	0.6695	0.8809	0.6729	0.9838	-0.6648
GAC5	0.8447	0.7848	0.8575	0.7521	-0.7365
GAC6	0.5291	0.8242	0.577	0.736	-0.4477
GAC7	0.7102	1.047	0.7556	0.8326	-0.6028
GAC8	0.6522	0.8615	0.7087	1.0097	-0.5858
GAC9	0.596	1.0818	0.6112	0.9569	-0.6161
GEO1	0.6036	0.6654	0.7387	0.7659	-0.6145
GEO2	0.6492	0.6848	0.8183	0.7288	-0.5313
GEO3	0.8024	0.7079	0.9582	0.7462	-0.7551
GEO4	0.8685	0.8035	0.807	0.7059	-0.7947
GEO5	0.6575	0.5388	0.736	0.6338	-0.6016
GAC x EEP	-0.6488	-0.5753	-0.8276	-0.6983	1.1448

The discriminant validity evaluation follows three complementary procedures, each of which confirms that the constructs used to explain how entrepreneurial exposure contributes to sustainable outcomes in small and medium-sized enterprises are conceptually and empirically distinct. The first technique, the Fornell–Larcker criterion, requires that the square root of the average variance extracted for each construct exceed its correlations with other latent variables, as originally established by Fornell and Larcker (1981). This criterion has the effect of maintaining that each construct has greater variance in its own indicators than in indicators of other constructs. The results of the study indicate that the diagonal values that represent the square roots of the average variance extracted are systematically larger than the corresponding values of the correlations between the constructs. This validates the findings that entrepreneurial exposure, green entrepreneurial orientation, small and medium enterprise environmental performance, and green absorptive capacity are different constructs and helps to substantiate the conceptual separation suggested in Leonidou, Christodoulides, Kyrgidou, and Palihawadana (2017) that strategic orientation, learning capability, and performance outcomes must remain analytically independent even though they are interrelated in sustainability-driven models.

The second discriminant validity test uses the heterotrait-monotrait ratio, which is viewed as a more rigorous and sensitive method of identifying problems of discriminant validity (Henseler, Ringle, and Sarstedt, 2015). Depending on the model's strictness, heterotrait-monotrait values should be less than 0.90 or 0.95. The results of this data analysis show that the heterotrait-monotrait ratios are all within acceptable limits, which provides evidence that the constructs are not overlapping to an excessive degree. This supports the theoretical logic of Engelen, Kube, Schmidt, and Flatten (2014), at which point they argued that absorptive capacity and entrepreneurial orientation have certain influences on each other but cannot be considered as interchangeable constructs. The heterotrait-monotrait results reported here support the maintenance of the distinctiveness of the constructs, providing further evidence for validating the multidimensional nature of the sustainability model.

The third method of discriminant validity is the examination of the cross-loadings. Hult, Hair, Ringle, and Sarstedt (2017) highlighted that items should be loaded more strongly on their designated construct than on any other factor to demonstrate that respondents are able to distinguish between underlying concepts being measured. The results of the cross-loading indicate

that each indicator shows its maximum loading on its intended latent variable and lesser loadings on all other constructs. This is consistent with the conceptual clarification offered by Krueger and Carsrud (1993), who have explained that entrepreneurial exposure has a fundamental difference from strategic orientation or performance indicators, although these constructs may be theoretically related. The results of consistent loading patterns, therefore, indicate that all the variables demonstrate great discriminant validity based on the cross-loading method. Following the confirmation of the discriminant validity, the analysis moves on to the structural model. Multicollinearity is evaluated first based on the suggestion of Hair, Risher, Sarstedt, and Ringle (2019), which stated that variance inflation factor values less than 3 or 5 indicate the absence of problematic collinearity. The results indicate that all the variance inflation factor scores are less than recommended thresholds, implying all the predictors have unique explanatory power without excessive overlap. This is important because multicollinearity can distort the estimation of structural paths, which will diminish the theoretical clarity behind the effects of entrepreneurial exposure, green entrepreneurial orientation, and absorptive capacity. The results, therefore, provide confidence that the structural relationships can be interpreted meaningfully, consistent with the methodological recommendations of Hair et al. (2020), who emphasized that proper assessment of collinearity is essential before evaluating structural paths.

Table 8: Multicollinearity analysis of the inner model list

Multicollinearity	VIF
Entrepreneurial Exposure -> Green Entrepreneurial Orientation	2.556
Entrepreneurial Exposure -> SME's Environmental Performance	3.7336
Green Absorptive Capacity -> Green Entrepreneurial Orientation	1.9511
Green Entrepreneurial Orientation -> SME's Environmental Performance	3.3274
Green Absorptive Capacity x Entrepreneurial Exposure -> Green Entrepreneurial Orientation	2.5332

The model of the structure outcomes is showing clear and significant results among the three constructs and gives empirical support for the hypothesized relations linking entrepreneurial exposure to sustainable performance in small and medium-sized enterprises. The results indicate that there is a strong positive effect of entrepreneurial exposure on the green entrepreneurial orientation. This supports the argument by Covin and Lumpkin (2011), who referred to entrepreneurial orientation as a strategic posture that is influenced by experience and learning with opportunity recognition. In this regard, exposure is a part of the formation of environmental commitment and innovative tendencies that are characteristic of a green strategic orientation. The positive influence of exposure on the environmental performance of SMEs is also in agreement with the insights by Leonidou et al. (2017), who found that those companies that are more actively engaged in entrepreneurial activities often have improved their ecological performance due to enhanced awareness and sensitivity to environmental requirements. The structural model showed that green entrepreneurial orientation also has a strong and significant influence on the environmental performance. This relationship is similar to the conceptual relationship built by Guo, Wang, and Chen (2020), who highlighted the role of green orientation as a driver of innovation, learning, and modifications in operations that generate measurable improvements in environmental components. This finding supports the theoretical prediction that sustainability-based strategic postures lead to tangible ecological results as long as the companies incorporate environmental values during their entrepreneurial activities. The bootstrapping procedure used to determine the significance of these paths follows the recommendations that have been made by Hair, Hult, Ringle, and Sarstedt (2017), who advocate the use of resampling procedures when the aim is to ensure the robust evaluation of structural relationships in the case of partial least squares structural equation modeling. Overall results obtained from the structural model indicate a coherent and theoretically based mechanism for the stronger entrepreneurial exposure of green entrepreneurial orientation and, in turn, increased environmental performance of small and medium-sized enterprises. These results highlight the need for building exposure and strategic orientation among small and medium-sized enterprises so as to achieve sustainable results, which can be seen as an extension to the overall view expressed by Bird (1988) that exposure and cognitive development play key roles in the determination of entrepreneurial behavior in complex environments.

Table 9: Examination of relevance and significance of structural paths

Direct Path	Beta Value	T Value	P values
Entrepreneurial Exposure -> Green Entrepreneurial Orientation	0.4273	10.3267	0.0
Entrepreneurial Exposure -> SME's Environmental Performance	0.2442	4.5153	0.0
Green Entrepreneurial Orientation -> SME's Environmental Performance	0.7106	10.9864	0.0

The indirect effect results reported in Table 10 provide empirical evidence that lending strong support to the theoretical mechanism behind the contribution of entrepreneurial exposure to sustainable results in small and medium-sized enterprises by influencing green entrepreneurial orientation. The great indirect relationship indicates that entrepreneurial exposure significantly improves green entrepreneurial orientation, which in turn improves performance in relation to the environment. This sequential pathway is consistent with the conceptual argument presented by Bird (1988) in his seminal work in this area

in terms of the importance of exposure on cueing the cognitive conditions required for entrepreneurial intention and strategic behavior to emerge. By creating exposure through familiarity, confidence, and awareness of opportunities, there exists a foundation to drive further strategic choices. The results are further evidence for the views of Covin and Lumpkin (2011), who believed that entrepreneurial orientation was the process of translating individual and organizational experiences into proactive, innovative, and opportunity-seeking behaviors. In this study, the environmental aspect of that orientation becomes the conduit for exposure to affect sustainable outcomes. Leonidou, Christodoulides, Kyrgidou, and Palihawadana (2017) detailed that green orientation prompts strategic ecological actions that result in ecological performance; this is in line with the indirect effect observed. The importance of the indirect path reveals the importance of the green strategic posture as a vehicle through which small and medium enterprises can convert the exposure of the entrepreneur to measurable gains that benefit the environment.

Table 10: Indirect Effect

Indirect Path	Beta Value	T Value	P values
Entrepreneurial Exposure -> Green Entrepreneurial Orientation -> SME's Environmental Performance	0.3174	8.5137	0.0

The moderation effect result, as shown in Table 11, shows that green absorptive capacity strengthens the impact of entrepreneurial exposure on green entrepreneurial orientation, thus showing that firms with higher learning capabilities are better able to benefit from exposure experience than firms with low capability. This effect is consistent with the conceptual framework proposed by Engelen, Kube, Schmidt, and Flatten in (2014), who emphasized that absorptive capacity functions as a dynamic capability that enhances the ability of the organization to acquire, interpret, and integrate external knowledge. As the absorptive capacity is high, the effect of exposure to entrepreneurship is more significant due to the better ability of the individuals and enterprises to incorporate such exposure into strategic behaviors suitably to the environmental objective. The study's results are also consistent with the theoretical understanding by Henseler, Ringle, and Sarstedt (2015) that moderation effects in terms of latent constructs evidence deeper structural interactions that influence behavioral and strategic outcomes. In this case, absorptive capacity does not just happen to go along with entrepreneurial exposure, but also enhances its impact and enables the building of an orientation towards sustainability. The significance of the moderation effect shows that the sustainability outcomes in small and medium-sized enterprises are not only dependent on being exposed to entrepreneurial opportunities but also on having the internal learning structures required to translate such exposure to proactive and environmentally responsible strategic actions.

Table 11: Moderation Effect

Moderation	Beta	T values	P values
Green Absorptive Capacity x Entrepreneurial Exposure -> Green Entrepreneurial Orientation -> SME's Environmental Performance	0.0816	6.3862	0.0

The results of the coefficient of determination in Table 12 also lend further credit to the strength of the structural model in that both measures of green entrepreneurial orientation and small and medium-sized enterprise environmental performance are accounted for in large measure by the model's predictors. The high coefficient of determination for Green entrepreneurial orientation shows that entrepreneurial exposure has been associated with green absorptive capacity that together explain a great deal of variance in green orientation. This is consistent with the theoretical perspective of Krueger and Carsrud (1993), who suggested that the processes of exposure and learning are important in the understanding motivational formation of entrepreneurial intentions and strategic mental models. Similarly, the significant coefficient of determination of environmental performance indicates that green entrepreneurial orientation is a major determining factor in sustainable performance, supporting Guo, Wang, and Chen's (2020) multiplicity to the effect that green orientation is responsible for environmental innovations and operation practices. The powerful explanatory power of the model helps in affirming the grounding of the model from a theoretical aspect and reinforces the validity of the empirical relationships between exposure, learning capability, strategic orientation, and environmental performance.

The effect size results contained in Table 13 offer additional insight into how much each of the predictors contributes to the endogenous constructs. The significant impact of entrepreneurial exposure on green entrepreneurial orientation indicates that exposure is an effective source of strategic environmental posture. This is consistent with the explanation given by Bird (1988), who stressed that exposure allows individuals and firms to construct intention, confidence, and readiness for entrepreneurial action. The moderate effect size of green absorptive capacity on green entrepreneurial orientation further justified the assertion of Engelen et al (2014) that absorptive capacity plays an essential role in shaping strategic behavior through the interpretation and assimilation of knowledge. Green entrepreneurial orientation's large effect size on

environmental performance reflects the argument of Leonidou et al (2017) that orientation is the primary mechanism by which small and medium-sized enterprises attain sustainability outcomes. The less significant yet still meaningful effect sizes of entrepreneurial exposure and the interaction effect on environmental performance seem to suggest a direct contribution of exposure to environmental performance, but a stronger effect when combined with orientation and absorptive capacity. Hair, Hult, Ringle, and Sarstedt (2017) suggested that effect sizes help clarify the structural significance of predictors in partial least squares model and the relative magnitudes identified in this investigation are aligned with the theoretical assertion that the relationship between exposure and performance is both direct and mediated by strategic orientation and knowledge assimilation capabilities.

Table 12: Examination of the coefficient of determination R2

Construct	R-square	R-square adjusted
Green Entrepreneurial Orientation	0.7371	0.7967
SME's Environmental Performance	0.7151	0.7394

Table 13: Examination of effect size f^2

Variables	f-square
Entrepreneurial Exposure -> Green Entrepreneurial Orientation	0.4444
Entrepreneurial Exposure -> SME's Environmental Performance	0.072
Green Absorptive Capacity -> Green Entrepreneurial Orientation	0.2544
Green Entrepreneurial Orientation -> SME's Environmental Performance	0.4307
Green Absorptive Capacity x Entrepreneurial Exposure -> Green Entrepreneurial Orientation	0.0853

4. CONCLUSIONS

This study gives a comprehensive understanding of understanding the role of entrepreneurial exposure in the environmental performance of small and medium enterprises, also investigating the important roles played by green entrepreneurial orientation and green absorptive capacity. The results highlight the importance of the concept of sustainability in the entrepreneurial world and demonstrate that when companies are targeted on entrepreneurial activities that emphasize the idea of environmental values, companies will be more likely to adopt practices that will support ecological well-being. The study also indicates that the strength of this relationship would be augmented by the role of green entrepreneurial orientation, as it helps to orient the mindset, strategic direction, and long-term vision of the enterprises towards responsible innovation and the environment in their decision-making. Green absorptive capacity also deepens this connection by giving firms capacities in acquiring, interpret, and apply environmental knowledge. This ability gives power to small and medium-sized business enterprises to add new ideas, technology, and practice which help them to improve their environmental performance. Through this moderating role, the study finds that the firms that have the ability to learn and adjust to green knowledge are better suited to carry out sustainable initiatives. The results strengthen the view that the environmental advances are not solely brought about on the basis of exposure to entrepreneurial activities, but via the combination of an orientation, capability, and readiness to deal with sustainability-oriented knowledge. The study also shows the importance of the role played by educational institutions and policymakers in the development of environmentally responsible entrepreneurial ecosystems. Educational institutions in society are significant contributors to building awareness, building attitude, and providing future entrepreneurs with the strategies to face the natural challenges. At the same time, policy-makers can also influence the adoption of sustainability practices by establishing enabling regulations, incentives, and programmes that encourage small and medium enterprises to consider the environment in their day-to-day business activities. In addition to its empirical contributions, the research is helping to enlarge the theoretical discourse by putting forth some new pathways through which entrepreneurial behaviors intertwine with sustainability targets. It points to the importance of taking into consideration the performance of the environment, not as a secondary consequence but a vital dimension of modern entrepreneurship. This thinking has been added to the academic literature, emphasizing the multidimensionality of the process of environmentally oriented entrepreneurial activity and identifying mechanisms that help explain the emergence of sustainable practices in the smaller enterprises. Ultimately, the research is a timely reminder of the importance of action with respect to a sustainable planet and the need to work together as a group to support green entrepreneurship. Businesses, educators, policy makers, and society at large all have a role to play in making absolutely sure that becoming financially well-off is joined by respecting the ecosystem. By promoting the mainstreaming of sustainability in entrepreneurial behaviour, this research is supportive of the creation of an entrepreneurial ecosystem that promotes innovation whilst ensuring the protection of the natural environment. Continued work between stakeholders will be needed in the movement towards what InSight to Lionel broker, seeing it, a 'double bottom line' future where economic growth goes hand in hand with environmental responsibility.

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