

Examining The Effects Of The Entrepreneurial Ecosystem On The Success Of University Startups Via The Mediating Role Of Knowledge Sharing

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ABSTRACT

Innovation and economic development are greatly influenced by the success of university startups. This article delves into the relationship between university startups and the entrepreneurial environment, specifically looking at how knowledge exchange acts as a mediator between the two. The building blocks for a startup's growth are the entrepreneurial ecosystem, which includes things like government legislation, funding, mentoring, and networking opportunities. There is a strong correlation between the success or failure of a business and the extent to which its members share their expertise throughout the ecosystem in question.

The purpose of this mixed-methods research is to investigate the role of entrepreneurial ecosystems in influencing the success of university startups via the mediation of information exchange. In order to evaluate the impact of ecosystem components and the function of knowledge sharing, data was gathered from incubation programs, university-affiliated businesses, and players in the ecosystem. Knowledge sharing mediates the relationship between an entrepreneurial environment and startup success by encouraging creativity and new approaches to old problems.

The findings of this study may help academic institutions, government agencies, and business owners improve their support networks and foster an atmosphere that encourages the exchange of information. In order to ensure the success and longevity of startups, it is crucial to cultivate collaborative networks within entrepreneurial ecosystems.

Keywords: *Entrepreneurial ecosystem, university startups, knowledge sharing, startup success, innovation, collaboration.*

1. INTRODUCTION

There has been a lot of focus on university startups as a source of new ideas and growth in the economy in recent years. Having said that, there are a lot of moving parts that contribute to their success. One of the most important factors in the success of new businesses is the entrepreneurial ecosystem, which consists of a web of relationships between various stakeholders such as financial backers, government agencies, and individual entrepreneurs. One of the most important processes inside this ecosystem that may help entrepreneurs get from idea to success is the exchange of information. This article delves into the function of knowledge sharing as a mediator in the connection between university startups and the entrepreneurial environment. It emphasises how sharing information and working together may impact the success of businesses. Universities and legislators can better back startup projects and make them more sustainable in a cutthroat market if they grasp this dynamic (Chen & Jhang, 2020).

2. BACKGROUND OF THE STUDY

The role of university startups in driving innovation and economic development has become more important in today's fast-paced economic environment. These firms have special difficulties in turning academic concepts into successful enterprises, despite the fact that they originate from innovative research and the entrepreneurial drive of both students and teachers. The local entrepreneurial ecosystem, which consists of a web of organisations, individuals, and procedures that provide guidance, funding, and other resources to university entrepreneurs, is a major component in the development of these businesses.

Incubators, accelerators, mentoring programs, government laws that encourage entrepreneurship, and partnerships between universities and businesses are all parts of the entrepreneurial ecosystem. The importance of information exchange within this ecosystem is becoming more and more acknowledged, even if these factors are already known to be important success factors for startups. By allowing people and businesses to freely share ideas, information, and skills, knowledge sharing promotes growth and development (Guo & Hu, 2021).

While the elements of entrepreneurial ecosystems have been the subject of much research, the role of information sharing as a mediator between ecosystem variables and company success has received less attention. Sharing information might help university-based firms make the most of the ecosystem, encourage innovation, and overcome resource limitations because of how collaborative they are. It also aids entrepreneurs in speeding up their commercialisation processes by connecting academic research with market demands (Wu & Wang, 2022).

Examining how information sharing mediates the connection between components of entrepreneurial ecosystems and the success of startups at universities is the primary goal of this research. Academics and policymakers must grasp this connection in order to devise methods to enhance the entrepreneurial environment and boost startup success rates. This research will help us understand what makes university companies successful in the long run by revealing how the entrepreneurial environment affects knowledge sharing (Zhang & Huang, 2019).

3. PURPOSE OF THE RESEARCH

To better understand how China's entrepreneurial environment affects the success of Chinese university companies, this study aims to examine the mediating effect of information exchange. This study aims to shed light on how knowledge exchange contributes to entrepreneurial growth by exploring the dynamic relationships between key components of the entrepreneurial ecosystem and knowledge-sharing practices within academic and startup environments. These components include resources, support networks, and institutional policies. This study aims to shed light on the specific circumstances of China's dynamic entrepreneurial scene in order to provide theoretical and practical recommendations for supporting university-based companies.

4. LITERATURE REVIEW

The importance of the entrepreneurial environment (EE) in promoting innovation and startup success, especially in academic settings, is becoming more acknowledged. It is well-known that universities play a crucial role in fostering entrepreneurial endeavours and in generating new information. Academic institutions, government programs, and an entrepreneurial spirit in China have all contributed to the startup culture's meteoric rise. On the other hand, knowledge sharing mediates the flow of resources, information, and expertise between the university's entrepreneurial environment and the success of startups. Financial backing, mentoring, talent availability, and market opportunity are some of the aspects that entrepreneurial ecosystems have been shown to influence company success. On the other hand, information sharing's mediating function has received less attention. Networks, both official and informal, allow students, teachers, entrepreneurs, and other players in university ecosystems to share and receive information. By fostering teamwork, creative problem-solving, and the sharing of successful strategies, this method boosts creativity. According to current research, entrepreneurs may greatly benefit from information exchange when it comes to tackling innovation, market entrance, and scaling issues (Wang & Zhang, 2020).

With the help of regulations that encourage cooperation between universities and businesses and the transfer of technological know-how, China's educational institutions play a pivotal role in developing the country's entrepreneurial environment. The success of university companies is driven, in large part, by knowledge transfer and intellectual capital, according to many studies. For example, new businesses' technical and financial feasibility are both increased when university researchers and startup entrepreneurs share their expertise. Given China's government's push for innovation-driven growth and the emergence of tech entrepreneurs, this dialogue takes on added significance.

Even in studies examining entrepreneurial networks and social capital, the mediation function of information sharing is clear. In entrepreneurial ecosystems, social capital—the connections and webs of knowledge that allow for the sharing of resources—is essential. Entrepreneurs are able to make better use of the resources and knowledge accessible to them via the knowledge sharing that takes place within these networks. Knowledge sharing in these networks improves startup performance, according to studies, since it speeds up learning and makes decisions with less uncertainty. The research also stresses that a supportive organisational culture is critical for fostering knowledge sharing. More fruitful information sharing is often the result of university cultures that are entrepreneurial in nature, and which promote open communication, cooperation, and invention. As a result, entrepreneurs benefit from this as they are able to get access to state-of-the-art research, technical know-how, and industry relationships (Liu & Chen, 2021).

The availability of resources within the entrepreneurial ecosystem also influences the link between knowledge sharing and startup success. By actively seeking out external expertise and help, startups that participate in knowledge sharing are better able to deal with resource restrictions. In China, where limited resources may impede startup development, information exchange is an invaluable tool for overcoming these obstacles.

Additionally, prior studies have shown that startups' absorptive capacity—their capability to detect, absorb, and use external information—is enhanced by knowledge sharing. In contexts like the Chinese startup scene, where competition is fierce and rules are always evolving, the ability to absorb new information quickly becomes paramount. The odds of success for startups increase when they have a strong absorptive capacity since they are better equipped to use the resources that are accessible within the entrepreneurial ecosystem (Li & Liu, 2018).

Lastly, when it comes to the connection between China's entrepreneurial environment and the success of university startups, information exchange is a key mediator. Knowledge sharing improves creativity, problem-solving, and decision-making by easing the flow of data, tools, and knowledge. Fostering a culture of cooperation and open communication inside university ecosystems is crucial, since it boosts the performance and development potential of university startups. Research into the dynamics of information exchange in entrepreneurial ecosystems is warranted, according to the current literature, especially in light of the dynamic nature of China's startup scene (Huang & Qian, 2020).

5. RESEARCH QUESTIONS

- In what manner does knowledge sharing influence the effect of the entrepreneurial environment on the success of university startups in China?

6. METHODOLOGY

6.1 Research Design

The objective of quantitative research is to identify statistically significant correlations between variables by gathering numerical data on those variables and inputting it into statistical models. Quantitative studies seek to get a more comprehensive understanding of society. Researchers often use quantitative methodologies to investigate phenomena that have human implications. Quantitative investigations provide empirical data presented in the form of tabular and graphical representations. Quantitative research significantly depends on numerical data, requiring a systematic approach to acquire and analyse the data. It may be used in several ways, including calculating the average of data, predicting future outcomes, examining relationships, and extending findings to larger groups. Quantitative studies are fundamentally different from qualitative studies, since they are based on numerical data analysis rather than in-depth interviews and observations using various mediums such as text, video, or audio. A multitude of academic disciplines depend on quantitative research methodologies. This encompasses a wide range of disciplines, such as marketing, sociology, chemistry, psychology, economics, and biology.

6.2 Sampling

The questionnaire had a preliminary test with 20 Chinese consumers, and subsequently, a final sample of 649 customers was used to conduct the study. 800 questionnaires were sent to customers selected by random sampling. The researcher excluded 25 questionnaires that was not completed for the study.

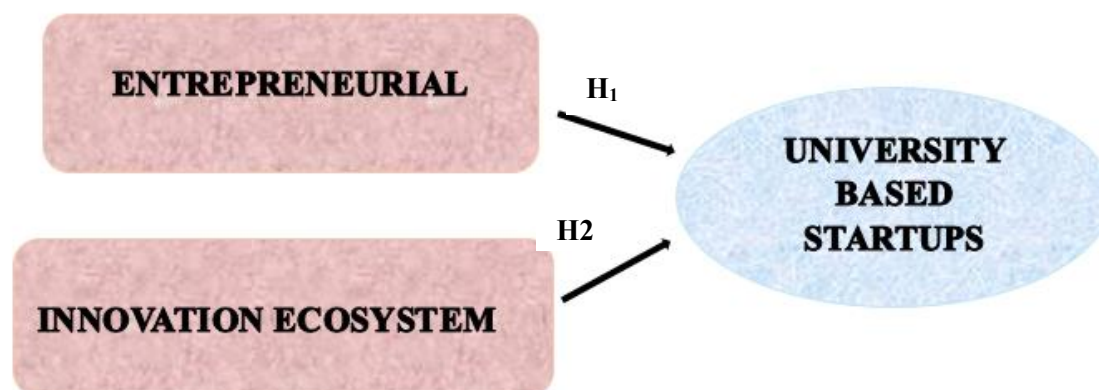
6.3 Statistical Software

For statistical analysis, SPSS 25 and MS Excel were used.

6.4 Statistical tools

The fundamental character of the data was understood through descriptive analysis. Factor analysis was used to assess validity.

7. CONCEPTUAL FRAMEWORK

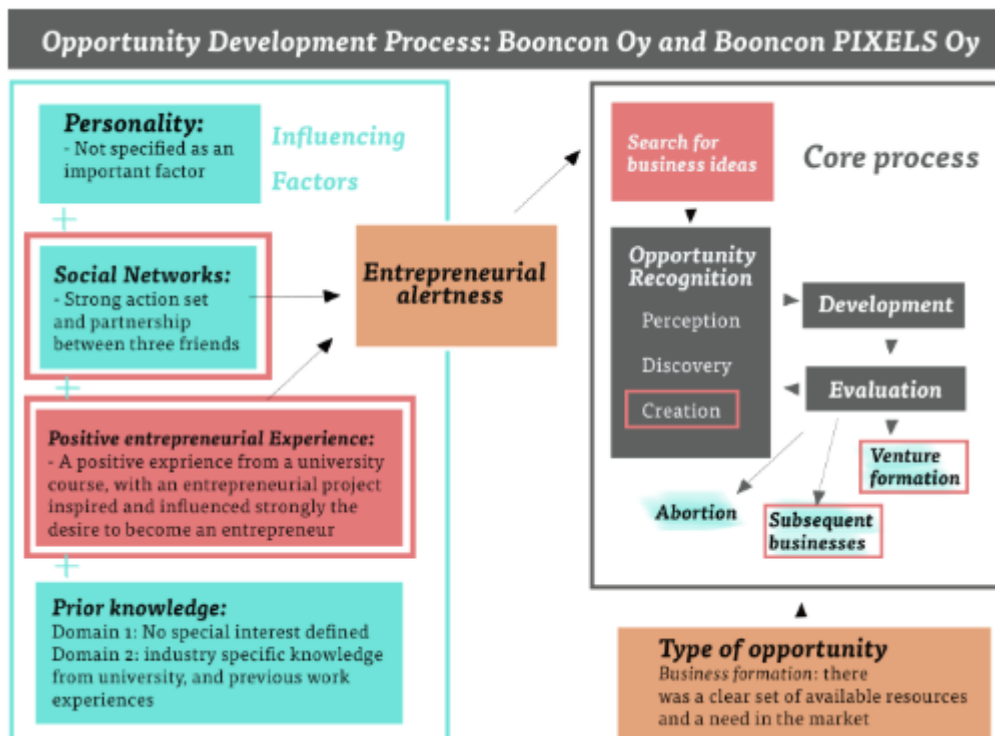


8. RESULT

Three friends with shared aspirations and motivation, as well as a positive entrepreneurial experience at the Aalto University Mikkeli Campus, were the driving elements behind starting the firm. During his exchange year at Aalto University Campus, Tobias took the stellar "Business Consulting in the Global Economy" course. For clarification, he says that for the three weeks, they worked on a case study for a consulting business that was helping a Finnish company get into the Russian market. Inspiringly, researchers worked on this project as a worldwide team. Tobias claims that the entrepreneurial spirit flourished there. - When you're working on a project, you're really enthusiastic about with a team of brilliant individuals, incredible things may happen. Even after returning to Italy after his exchange, the researcher couldn't help but dwell on the experience. After some time had passed, the three friends started talking about how they had similar experiences and lifestyles and how they may go out on their own. Since they had all lived in various countries, they laid out the map and considered potential locations for their business. Their paths crossed thanks to the connections Tobias had formed in Finland and at Aalto University; they eventually settled in Otaniemi, Finland, and moved to Design Factory. After reserving an office inside the Design Factory's infrastructure and community, the team went out to generate ideas for possible businesses. The three friends, who had varied occupations, came to the conclusion that they would complement one another well working for a consulting firm that specialises in app development for companies. In addition to Lukas's exceptional programming skills, Sven had a degree in business administration and had learnt the ins and outs of managing a family company in Italy. Product development and conversation. As a trio, they worked on their firm for a

year at Design Factory. Based on this idea, Booncon PIXELS Oy was born as a daughter company that specialises in branding and marketing. Figure 1 shows the development path plan for the enterprise.

Figure 1: The steps taken by Booncon Oy and Booncon PIXELS Oy to provide opportunities



The growth of Booncon Oy and its sister company Booncon PIXELS Oy may be seen in Figure 1 up there. It is important to note that their path differs from the theoretical model proposed in the Ardichvili et. al. framework. First of all, this case introduces a new form of influencing factor. An important factor that impacted the founders' entrepreneurial vigilance was their "positive entrepreneurial experience." Second, an obstacle in creating opportunities is that the entrepreneurs came to Design Factory completely uninformed about their offering. "Search for business ideas" that took into account their functional backgrounds and professional expertise was their first step. The company's founders didn't look for a need; they sought for a need that they could satisfy with their skills and abilities. They didn't try to match consumer demands with available resources.

9. DISCUSSION

The importance of information sharing as a mediator between China's entrepreneurial environment and the success of university startups is shown when one looks at the dynamics between the two. Knowledge sharing is not only encouraged but required in entrepreneurial ecosystems due to the dynamic nature of these systems, which are defined by linked entities including universities, government organisations, and industrial partners. Collaboration and creativity, fostered by this exchange of information, are crucial for businesses aiming to succeed in competitive marketplaces.

A strong entrepreneurial ecosystem improves access to resources, mentors, and networking opportunities, according to research. Startups rely on these factors to help them negotiate the challenges of entering and growing in the market. Knowledge sharing helps entrepreneurs, academics, and investors exchange information and best practices, which in turn reduces the uncertainty that typically comes with new businesses. It enables university entrepreneurs to make the most of current knowledge and technology, which boosts their performance and makes them more sustainable.

The cultural subtleties of China also have a role in shaping the ways in which information is shared. Chinese culture places a strong focus on collectivism, which promotes collaborative behaviours and views knowledge sharing as both a social responsibility and a rewarding activity. Given this cultural context, it is clear that sharing information is crucial for boosting startup resilience and capacities. Startups may improve their ability to innovate, respond to changes in the market, and seize new possibilities by participating in knowledge exchanges.

Knowledge exchange can only be successful if the entrepreneurial environment has the necessary regulations and procedures in place. For example, by encouraging partnerships and financial investments in R&D, enabling government policies may provide a setting that is favourable to the flow of information. On the other side, startup success may be hindered by obstacles like inflexible institutional frameworks or a lack of trust among players, which can impede the flow

of information. So, for those involved in trying to foster a thriving entrepreneurial environment that backs up university businesses, knowing these mediating elements is crucial.

Collaborating, being culturally sensitive, and having supporting regulations in place are all crucial to the success of university startups in China, and knowledge sharing plays a mediating role in the link between these factors. In order for university startups to thrive in this ever-changing world of entrepreneurship, it is essential to promote a culture of sharing information. Not only does this knowledge enrich the literature on entrepreneurship, but it also has real-world consequences for academic institutions, governments, and business owners. Stakeholders can improve the entrepreneurial ecosystem as a whole and propel Chinese university startups to success by placing a premium on information exchange.

10. CONCLUSION

Finally, the success of Chinese university companies is greatly influenced by the relationship between information sharing and the entrepreneurial environment. The potential for innovation and entrepreneurial development is becoming more apparent as institutions strive to create settings that promote cooperation and idea sharing. By encouraging a spirit of enterprise, this dynamic improves the capacities of new businesses and adds to the overall economic environment. In order to help policymakers and educational leaders in the area boost startup success, it is vital to understand how information exchange aids this process. University efforts to foster an entrepreneurial spirit in China may have a greater influence on company success by making information exchange a top priority within the entrepreneurial ecosystem.

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