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The pillars of entrepreneurial and managerial success in vibrant environments: Editorial

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The break of war in Europe, high-level inflation, disturbed energy markets, worldwide political uncertainty, game changers like digital transformation, and climate-induced incentives shape the organizational environment of today, challenging the business survival and growth. As the uncertainty, hostility, complexity and dynamism of the organizational environment increase, the sources of competitive advantage become more volatile and unstable. Consequently, companies readjust their activities, and shift from looking for competitive advantages into looking for opportunities, which forces them to increase the level of entrepreneurship. Entwining entrepreneurship into corporate strategies is often seen as a remedy for organizations that - after many years of functioning - lose flexibility, responsiveness, and agility, exhibit destructive routines and inertia, which decreases the skill of building dynamic capabilities. As a result, responses to sudden and unexpected anomalies or crises are not effective. While entrepreneurship involves sensing and seizing opportunities, it also requires strategic thinking, especially in the dynamic times, to allow organizations better adapt to the environment, transform business models to exploit opportunities effectively, and eventually to create value and increase firm performance. In short, to avoid the organizational inertia, businesses are modifying or sustaining their entrepreneurial orientation by tuning the levels of innovativeness, proactiveness, risk-taking, autonomy, and competitive aggressiveness. This allows them to develop adaptability, or the capacity to create and capture value from novel and risky activities.

So far, strategic management has identified a number of various sources of value creation, e.g. (a) taking capital-related decisions based on pricing strategies and cost reduction operations; (b) commercializing innovative goods or services, either by introducing novel solutions or by imitating competitive moves, (c) offering unique selling propositions and idiosyncratic use-value for customers, (d) entering market coalitions, to access complementary resources necessary for launching high technologies; and (e) sensing and seizing opportunities, developing dynamic capabilities to better interact with the environment, orchestrating resources for efficient opportunity exploitation, and developing strategic support for unique competences or resources. The last one is probably most suitable for times of uncertainty. It, however, requires developing proper strategic potential based on valuable resources, unique managerial competences, strategic processes supporting not only opportunity-recognition, but also responsiveness to environment, and innovation abilities. Thus, strategic management has become sensitive to the dynamic relations between businesses and their environment to sense and exploit opportunities most effectively on the strategic levels.

Although scholarly discussion scrutinized the subject of strategic entrepreneurship and entrepreneurial strategies, the anomalies and uncertainties appearing in recent years, as well as their consequences, make it necessary to revise and update the theoretical propositions and empirical research in this area. This JEMI thematic issue encompasses research that offers novel insights into entrepreneurship by identifying strategies that both entrepreneurs and companies formulate and implement. The issue covers theoretically and empirically sound papers that broaden the understanding of relations

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between contextual factors (environmental characteristics), entrepreneurial variables (entrepreneurial strategies, intents, abilities), managerial variables (social capital, decision making, flexibility, managerial competences, leadership) and organizational outcomes (performance, value creation, innovativeness, organization's growth, etc.).

Through various empirical analyses, the papers in this issue answer many significant, to-date, and fascinating questions, for example:

- What are the strategic responses of firms in times of crises?
- How do organizations modify their entrepreneurial orientation in various phases of crises, and is it worth it?
- What is the role of business ecosystems and stakeholders in fostering the growth of specific forms of entrepreneurship?
- Which managerial attitudes and characteristics are required in stimulating entrepreneurship?
- How important are flexibility and agility in increasing entrepreneurship and firm performance?
- What are the current sources of entrepreneurial success, and how to avoid failures?
- What are the key organizational and leadership capabilities in times of uncertainty?
- What drives the relationship between entrepreneurship and firm performance?

The thematic issue starts with the paper by Suder (2024) and it poses an interesting problem of entrepreneurial reorientation. The study analyses whether it is worth modifying the entrepreneurial strategy in the face of crises. To answer this question, quantitative research carried out among 126 small businesses operating in Poland during three periods of the Covid-19 pandemic is demonstrated. Not only do the results indicate which dimensions of entrepreneurial orientation were modified, but they identify four types of entrepreneurial strategy modifications, and determine which of them lead to increasing firm performance when external environment changes. Which strategies were used by the researched organizations during various phases of the pandemic? Have the companies modified their entrepreneurial orientation and its dimensions along with the changes in the external environment? Has the increase in entrepreneurial orientation always led to improving firm performance? When should EO modifications be avoided? All is revealed in the first paper.

The second paper of the issue, prepared by Candelario-Moreno and Sánchez-Hernández (2024) explores a specific form of entrepreneurship, namely rural entrepreneurship. The study examines the concept of rural entrepreneurship, identifies key aspects that differentiate it from non-rural entrepreneurship, and focuses on the significance of the local entrepreneurial ecosystem in establishing and developing ventures in rural areas. The carried-out research attempts to measure the degree of rurality of companies and assesses the influence of local entrepreneurial ecosystems on rural firms. Quantitative analyses test a sample of 89 firms from Extremadura, a landlocked autonomous community of Spain. The analyses, among others, indicate, that geographical location in a rural area, or focus on primary sector activities are not necessarily the only determinants of enterprise rurality. Moreover, the article highlights the significance of local social capital, ie. building and developing relations with local stakeholders, as well as the ability of creating value by rural ventures. The added value of this paper is focusing attention on the role of business ecosystems in fostering the growth of rural entrepreneurship and offering insights for policymakers to implement effective measures in rural environments.

The third paper from Lajçi, Berisha, and Krasniqi (2024) looks at the entrepreneurship-ethics nexus and explores whether managers with stronger attitudes toward unethical behaviors, such as bribery, deception, or passing blame, demonstrate higher entrepreneurial intentions. The paper addresses the relationships between managers' attitudes toward unethical actions and the level of their entrepreneurial intention in the context of decision-making speed and risk-taking. Empirical data were collected from 214 managers employed in companies from different industries operating in Kosovo - a transitioning country with fast-growing economy in the Western Balkans. Among many intriguing results, the paper demonstrates one interesting finding: it seems that managers who are quick decision-makers and risk-takers express higher level of entrepreneurial intentions. The messages from this research are straightforward. First, if managers desire outcomes, they need to develop entrepreneurial-friendly environment in organizations that complies with ethical standards. Second, entrepreneurship needs to be taught and thought of as a process that strengthens the ethical awareness. Third, proper decision-making and risk-taking are required in fostering entrepreneurship.

The next paper from Haylemariam, Oduro, Tegegne (2024) scrutinizes the relationship between entrepreneurial agility and organizational performance of 411 companies operating in the IT sector in Italy. Authors shed light on the role of open innovation and environmental dynamism in this relationship. It is probably the first research on the interplay between entrepreneurial agility, open innovation, environmental dynamism, and firm performance in the IT sector. Interestingly, the research results suggest that the relationship between entrepreneurial agility and firm performance gets stronger in a more dynamic environment. The carried-out analyses demonstrate that in times of uncertainty companies should

develop their agility to quickly identify opportunities and respond to problems that appear. Adopting open innovation strategies, developing relationships with stakeholders, as well as building diverse and inclusive teams with employees offering various perspectives can contribute to organizational flexibility and value creation.

So far, the focus has been on success factors that translate to a higher level of entrepreneurship or firm performance, such as modifying the entrepreneurial orientation, relations with stakeholders, the ability to create value, speed of decision-making and risk-taking, or organizational agility. Not surprisingly, when researching antecedents of entrepreneurial success, learning by failures is often overlooked. The next paper in this issue tackles the problem of start-up failures and intends to assess the key components and contextual factors responsible for the unsuccessful start-ups in the context of India. As a result, Pathania and Tanwar (2024) identify, model, and categorize eleven critical failure factors of start-ups and show their interconnections through a structural framework. The model demonstrated in the study shows that lack of entrepreneurial efficiency, external environmental challenges, and poor management are the primary variables contributing to the failure of start-ups. The paper brings value to stakeholders, who – by looking into presented relations between failure factors can develop more tailored risk mitigation strategies, optimize decision making and strategically support resources that create value. But most importantly, these are management competences and entrepreneurial efficiency that matter.

Uncertain times shaped by environmental dynamism, unexpected crises, digital transformation and ecological trends put a pressure on organizations to be more flexible, adaptable, and ready to develop dynamic capabilities. The need to quickly respond to opportunities that appear and minimize environmental threats promotes agile leadership, which can improve innovativeness and performance. The next paper from Porkodi (2024) addresses the research problem of agile leadership in uncertain times. The study provides a meta-analytic review of the influence of agile leadership on various organizational outcomes; not only financial, but also social, operational, employee- team- and customer-oriented. The findings from the research, based both on bibliometric literature analysis and meta-analysis, indicate the following: first, the topic of agile leadership gains a lot of attention recently; second, it is studied on far broader terms than just financial performance - agile leadership can have a strong impact on interpersonal trust, overall firm performance, innovation management or individual career; third, agile leadership attributes such as ability to innovate, building trust, competencies, wisdom, or result orientation can contribute to business growth.

The final paper from Górska-Warsewicz (2024) seeks to find the relationship between entrepreneurial orientation, innovative co-branding partnership, and firm performance. Unlike the first paper, this study takes into consideration five elements of entrepreneurial orientation: innovativeness, proactiveness, risk-taking (c.f., the first paper of the issue), competitive aggressiveness, and autonomy. The study presented here verifies the positive influence of three EO dimensions (innovativeness, proactiveness, and competitive aggressiveness) on business performance and three EO dimensions (innovativeness, competitive aggressiveness, and autonomy) on undertaking activities within an innovative co-branding partnership. Furthermore, innovative co-branding partnership activities have been found to influence firm performance. The study suggests that entrepreneurial orientation remains a valid and promising construct in entrepreneurship research. It also points out that organizations should undertake constant efforts to increase innovativeness and competitiveness, taking into consideration creating value both for organizations and for customers.

It is not possible to synthesize all the interesting papers into one model. Nevertheless, if a framework existed that could capture the most significant constructs and variables emerging in the research presented throughout this thematic issue, it might look like in Figure 1.

For space and parsimony reasons, only three levels of variables are presented: contextual variables (environmental dynamism in uncertain times), independent variables (that reflect the pillars of entrepreneurial and managerial prerequisites that impact organizational outcomes), and the dependent variables that echo through the papers (firm performance, innovativeness, value creation, organizations' growth, the level of entrepreneurship). Naturally, the framework is not comprehensive or exhaustive. It just serves as an illustration of which key variables were covered by the articles, which can serve as an incentive to further research in this area.

Acknowledgments

I would like to thank the Authors for contributing their papers to this thematic issue of JEMI, as they expand our knowledge on entrepreneurship, management, and innovation. Thorough theoretical underpinnings, state-of-the-art research methods, compelling research results and significant implications make this issue special indeed!

I would also like to thank the reviewers for their effort, time, and continuous support during the editorial process. I firmly believe that the outcome of your commitment – seven interesting papers demonstrating novel research in entrepreneurship from various parts of the world – will inspire the readers and energize future research in the topic.

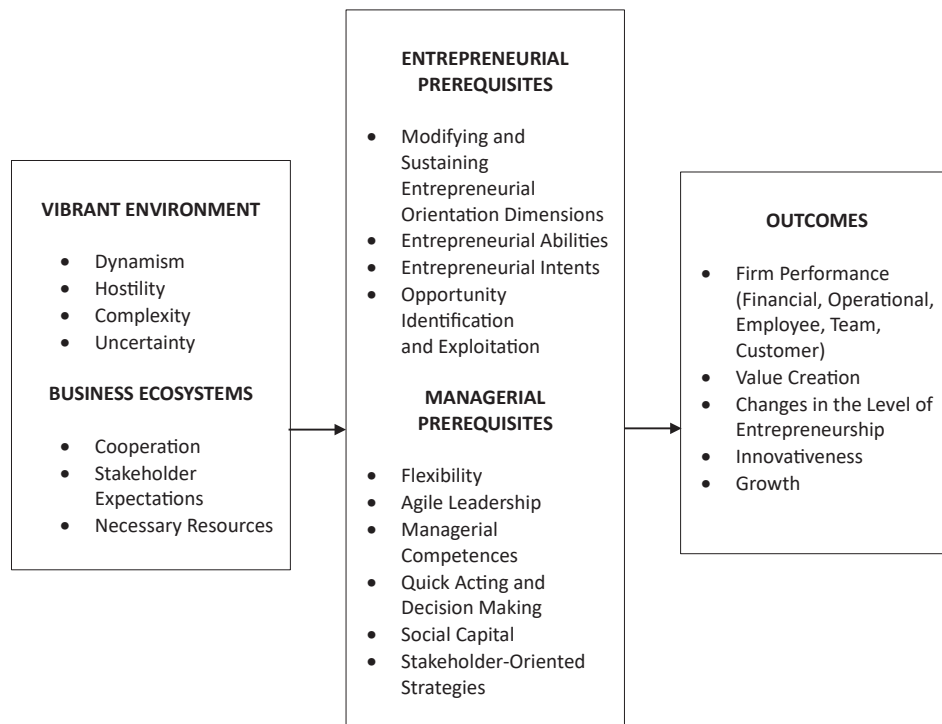


Figure 1. Entrepreneurial and managerial pillars of success in uncertain times

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Biographical note

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