Roles of Multiple Entrepreneurial Environments and Individual Risk Propensity in Shaping Employee Entrepreneurship: Empirical Investigation From China

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While prior literature has widely acknowledged that the entrepreneurial environment significantly fertilizes entrepreneurship, the impact of workplace receives limited attention, and the vital role of organizations in linking social entrepreneurial environment and employee entrepreneurship has been largely ignored. Therefore, this study aims to unfold how multiple entrepreneurial environments (i.e., social, organizational, and interpersonal factors) shape employee entrepreneurship and then further reveal how such relationships vary with employees’ risk propensity. Drawn on the theoretical lens of mindsponge process, which offers an explanation of why and how organizations and individuals adopt new values through the cost-benefit analysis, we proposed a research model to explain the influence mechanisms of the social entrepreneurial environment on the cost-benefit analysis of both organizations and individual employees. Specifically, given that organizations deeply embedded in the society need to balance the costs and benefits under the pressure of the social entrepreneurial environment, the social entrepreneurial environment affects the organizational entrepreneurial environment (i.e., organizational hostility toward employee entrepreneurship). Similarly, employees’ cost-benefit analysis under the pressure of organizational hostility will influence their entrepreneurial intentions. Through analyzing the data collected from a two-wave survey with 220 employees, we showed that organizational hostility toward employee entrepreneurship plays a mediating role between social entrepreneurial environment and employees’ entrepreneurial intentions. In addition, such mediation relationship is moderated by coworkers’ unethical behaviors during their entrepreneurship and employees’ risk propensity, which are expected to influence organizations’ and employees’ cost-benefit analysis, respectively.

Keywords: employee entrepreneurship, entrepreneurial environment, organizational hostility, unethical behavior, risk propensity
INTRODUCTION

Employee entrepreneurship, referring to the phenomenon that employees quit their jobs to start their own new ventures (Ganco, 2013; Ye et al., 2021b), is not uncommon all around the world (Franco, 2005). Due to the mass entrepreneurship and innovation policy in China, there is an increasing number of employees leaving their original organizations to create new ventures (Kaul et al., 2021; Wang et al., 2021). In the existing literature, the important roles of social entrepreneurial environments (e.g., institutional, regional, and industrial factors) in driving entrepreneurship have been well-documented (e.g., Klepper and Thompson, 2010; Lan and Luc, 2020; Wu et al., 2020; Latif and Ali, 2021; Ricciardi et al., 2021). However, the organizational entrepreneurial environment receives limited attention (Wang B. et al., 2021), and less is known about the vital role of organizations in linking social entrepreneurial environment with employee entrepreneurship (Rasool et al., 2021). According to previous studies, employee entrepreneurship is inevitably affected by the original organizations (Agarwal et al., 2004; Agarwal and Shah, 2014; Shah et al., 2019). Furthermore, studies show that the original organizations may play a decisive and dominant role in directly influencing employee entrepreneurship (Gambardella et al., 2015; Agarwal et al., 2016b), while social and interpersonal environments influence employee entrepreneurship in an indirect way. Thus, it is crucial to answer the question that how multiple entrepreneurial environments shape employee entrepreneurship. With the development of emerging research on employee entrepreneurship, scholars have highlighted the significant influences of organizational factors on employee entrepreneurship (Agarwal and Shah, 2014; Kaul et al., 2021). However, prior studies paid more attention to the influences of objective characteristics, for instant, organizational age and size (Agarwal et al., 2016a). It is still unclear whether and how subjective factors (i.e., organizations’ subjective attitudes toward employee entrepreneurship) also shape employee entrepreneurship (Campbell et al., 2012; Walter et al., 2014).

In addition, although previous studies have either explicitly or implicitly shown that the influence of organizations’ attitudes toward employee entrepreneurship on entrepreneurship is positive or neutral (e.g., Klepper and Sleeper, 2005; Zhuang et al., 2020), and how, in reality, its influence on employee entrepreneurship could be different compared with other forms of entrepreneurship. Research has shown that employee entrepreneurship is likely to bring indirect damage to the established organizations (i.e., entrepreneurs’ original organizations) and inhibit their development and survival (Campbell et al., 2012). Therefore, organizations’ attitudes toward employee entrepreneurship can be hostile, which is termed as organizational hostility—the degree to which a company does not appreciate employee entrepreneurship (Walter et al., 2014; Vaznyte et al., 2021). Hostility would cause the established organization to unite with its coalition partners to resist the new ventures created by its employees (Walter et al., 2014), resulting in an increase in employee entrepreneurship’s cost and a decrease in employee entrepreneurship’s benefit (Klepper and Thompson, 2010). According to the mindsponge process, whose underlying themes of multi-filtering information process and inductive attitude offering an explanation of why and how individuals and organizations adopt new values through the cost-benefit analysis. Individuals adsorb external environmental values into their mindset after making the cost-benefit analysis and take the values personal (Vuong and Napier, 2015; Vuong, 2016). Therefore, the organizational entrepreneurial environment (i.e., organizational hostility) would shape employees’ cost-benefit analysis and further influence employees’ entrepreneurial intentions.

Similar to employees who are deeply embedded in their organizational environments, organizations are heavily stuck in their social environment, and thus, the social entrepreneurial environment is an important factor that takes shape in an organizational entrepreneurial environment. Social entrepreneurial environment embodies the whole society’s attitude toward entrepreneurship, which refers to the laws, regulations, and government policies toward entrepreneurship, local people’s knowledge and skills about creating and operating new ventures, and residents’ respect and support for entrepreneurs and entrepreneurial activities in the entrepreneurs’ location (Busenitz et al., 2000). According to the perspective of mindsponge process, organizations embedded in the social entrepreneurial environment absorb the values of external environment through the cost-benefit analysis and take the values as their own (Vuong and Napier, 2015; Vuong, 2016). Actually, organizational hostility is also a result of the cost-benefit analysis process (Agarwal et al., 2004; Finch et al., 2015), in which organizations weigh the costs and benefits that employee entrepreneurship may bring to them under the influence of the social entrepreneurial environment. On the one hand, a favorable social entrepreneurial environment would make new ventures easier to obtain their legitimacy (Zimmerman and Zeitz, 2002; Bitkentine, 2011; Wang and Zhou, 2020), which indicates that the society is more tolerant of the damage that employee entrepreneurship brings to the established organizations (Kibler and Kautonen, 2016). Therefore, hostile attitudes and behaviors from the established organizations would be less likely to be accepted by society, and organizational hostility is bound to face greater costs and resistance. On the other hand, in a conducive social entrepreneurial environment, established organizations and new ventures are more likely to form an amicable relationship. Such relationship not only prompts the organizations to recognize the legitimacy of new ventures (Tost, 2011; Huy et al., 2014), but also contributes to the backflow of cutting-edge knowledge from new ventures to the organizations (Kim and Steensma, 2017), which also bring about potential benefits for established organizations. Therefore, a favorable social entrepreneurial environment can directly shape organizations’ attitudes toward employee entrepreneurship and reduce organizational hostility (Roxas and Coetzer, 2012). Accordingly, from the perspective of mindsponge process, organizations play an indispensable role in linking the social entrepreneurial environment with employees’ entrepreneurial intentions. We discussed such mechanism in detail and further detected other important factors (i.e., coworkers’ unethical
behaviors during their entrepreneurship and employees’ risk propensity) that may influence the cost-benefit analysis of either organizations or employees.

The above discussion leads to the following research questions (RQ):

RQ1. How do multiple entrepreneurial environments shape employee entrepreneurship?

RQ2. Why does organizational hostility toward employee entrepreneurship play a mediating role between social entrepreneurial environment and employee entrepreneurship?

The structure of this study is as follows. In the next section, the theoretical basis is introduced, and each hypothesis is elaborated. Then in the “Materials and Methods” section, the participants and measurement of this study are presented. Subsequently, statistical results and hypothesis testing are shown. Finally, the theoretical and practical contributions are discussed.

THEORY AND HYPOTHESES

Social Entrepreneurial Environment and Employees’ Entrepreneurial Intentions

The social entrepreneurial environment refers to the sum of various factors that entrepreneurs must face and can use in the process of carrying out entrepreneurial activities. It mainly includes three dimensions, namely, regulatory one containing preferential policies and incentive measures that the government provides for entrepreneurial activities; cognitive one referring to people’s in-depth cognition and professional knowledge of entrepreneurial activities; and normative one standing for the society’s tolerance of entrepreneurial failure and respect for entrepreneurs (Busenitz et al., 2000). All those dimensions are conducive for employees to leave their jobs and start their own businesses (Urbano et al., 2020; Ye et al., 2021a). From the perspective of mindsponge process, a favorable social entrepreneurial environment makes employees perceive that the potential benefits of leaving the company outweigh their possible costs (Kibler and Kautonen, 2016). First, from the perspective of resource dependence, the regulatory dimension reflects the abundance and certainty of the market resource. An ideal regulatory environment provides diverse and sufficient resource acquisition channels for employees, thus laying the foundation for entrepreneurial activities (Shah et al., 2019; Lazar et al., 2020). Second, the cognitive dimension would shape employees’ positive perceptions toward entrepreneurial activities and magnify the tangible benefits obtained from entrepreneurship (Lim et al., 2010). The mindsponge process implies that employees’ cognition of entrepreneurship is shaped by cultural environment, thereby a favorable cultural environment leads to employees’ positive cognition toward employee entrepreneurship (Vuong and Napier, 2015; Wang et al., 2019). Finally, a good normative dimension indicates a positive attitude toward entrepreneurial activities from the whole society, that is, the society would offer enough support and encouragement for entrepreneurs (Busenitz et al., 2000), which further brings about intangible benefits, such as social honors, for the employees who quit to start new ventures. Moreover, other empirical studies have also shown that an entrepreneurial environment can enhance employees’ entrepreneurial intentions (Gupta et al., 2014; Herrmann, 2019). Therefore, we proposed the following hypothesis:

Hypothesis 1: Social entrepreneurial environment is positively related to employees’ entrepreneurial intentions.

Mediating Role of Organizational Hostility

From the perspective of an established organization, their attitudes toward employee entrepreneurship ultimately depend on their judgments on the legitimacy of new ventures (Finch et al., 2015). An important criterion of such legitimacy judgment comes from organizations’ own cost-benefit analysis under the pressure of the social entrepreneurial environment (Suchman, 1995) as the legitimacy of new ventures actually refers to the degree to which new ventures fit the social entrepreneurial environment. The social entrepreneurial environment reflects whether new ventures will have difficulty in obtaining the legitimacy of their entrepreneurship and thus, plays a key role in the formation of established organizations’ attitudes toward employee entrepreneurship (Roxas and Coetzer, 2012; Wang and Zhou, 2020). A favorable social entrepreneurial environment stands for the whole society’s encouragement and support for new ventures (Suchman, 1995; Busenitz et al., 2000). Therefore, organizational hostility toward employee entrepreneurship might be considered unacceptable and make those established organizations suffer from great costs (e.g., resistance by the society). Rather, if the organizations adopt a positive attitude toward employee entrepreneurship, the sufficient resources offered by the social environment may eventually generate potential benefits for established organizations in other forms, such as resource spillover or backflow (Rabbiosi and Santangelo, 2013; Kim and Steensma, 2017). Thus, hostility is bound to increase organizations’ costs and decrease potential benefits. Accordingly, a favorable social entrepreneurial environment can relieve organizational hostility toward employee entrepreneurship.

As for organizational hostility, it has been argued to inhibit employees’ entrepreneurial intentions and behaviors. Generally, start-ups created by employees are more or less in competition with the established organizations. For example, new ventures created by employees are very likely to enter the same industry as the established organizations (Klepper and Thompson, 2010). Research has shown that the social network of established organizations is an important channel for new ventures created by employees to acquire useful resources. Under the competition situation mentioned above, organizational hostility would drive the established organizations not only to seal off their own social networks from the new ventures, so that the new ventures are unable to utilize those resources in the organization’s social network, but also to unite with its coalition partners in their social network to resist and suppress the new ventures created by its employees (Walter et al., 2014). Thus, organizational
hostility would increase employees’ costs and decrease benefits of engaging in entrepreneurial activities. The decision of employee entrepreneurship is a result of subjective judgment (Kaul et al., 2021), thus reducing employees’ entrepreneurial intentions. In summary, we proposed the following hypothesis:

Hypothesis 2: Organizational hostility plays a mediating role in the relationship between social entrepreneurial environment and employees’ entrepreneurial intentions.

Moderating Role of Unethical Behavior and Risk Propensity

When coworkers commit unethical behaviors that violate social norms during the process of employee entrepreneurship, their entrepreneurial actions will bring direct damage to the established organization (McKendrick et al., 2009). Given that the cost-benefit analysis is an important criterion for judging legitimacy (Suchman, 1995), organizations are more likely to overlook the legitimacy of new ventures generated by the social entrepreneurial environment (Bittekine, 2011). That is because coworkers’ unethical behaviors during their entrepreneurship have directly caused substantial damage to the established organizations, which violates the moral legitimacy judgment of those organizations (Bittekine and Haack, 2015; Kibler and Kautonen, 2016). In addition, such moral legitimacy judgment would further drive the established organizations to shift the legitimacy of new ventures generated by the social entrepreneurial environment (Huy et al., 2014). Thus, we proposed the following hypothesis:

Hypothesis 3: Coworkers’ unethical behaviors during their entrepreneurship positively moderate the negative relationship between social entrepreneurial environment and organizational hostility. The more serious unethical behaviors are, the weaker the negative influence of the social entrepreneurial environment on organizational hostility becomes.

Hypothesis 4: Coworkers’ unethical behaviors during their entrepreneurship negatively moderate the mediating role of organizational hostility. The more serious unethical behaviors are, the weaker the mediating effect of organizational hostility becomes.

Risk propensity plays an important role in the formation of employee entrepreneurship (Nieß and Biemann, 2014). Employees with high-risk propensity would selectively overestimate the probability of entrepreneurial success and positive outcomes. At the same time, employees with high-risk propensity would underestimate the risks and losses of entrepreneurial failure (Sitkin and Weingart, 1995). Therefore, employees with high-risk propensity would tend to make a positive evaluation of their own situation and capabilities. Specifically, higher risk propensity would reduce employees’ sensitivity to the adverse conditions and mitigate their perception of entrepreneurial risk brought by the organizational hostility (Sitkin and Weingart, 1995). Besides, the inertia of decision-making might also drive employees to make more radical actions (Hoskisson et al., 2017), which makes the employees more willing to attempt entrepreneurial activities. Thus, we proposed the following hypothesis:

Hypothesis 5: Employees’ risk propensity positively moderates the negative relationship between organizational hostility and employee entrepreneurship. The more risk employees are willing to take, the weaker the negative influence of organizational hostility on employees’ entrepreneurial intentions becomes.

Hypothesis 6: Employees’ risk propensity negatively moderates the mediating strength of organizational hostility. When employees have higher levels of risk propensity, the mediating effect of organizational hostility is weak.

Hypothesis 7: Coworkers’ unethical behaviors and employees’ risk propensity play a joint moderating role in the mediating role of organizational hostility.

In summary, the conceptual model proposed in this study is shown in Figure 1.

MATERIALS AND METHODS

Participants

This study adopted a questionnaire survey, which is a common and extensively used research approach to collect data for large-scale participants (Rasool et al., 2019; Samma et al., 2020). The survey targeted companies where employee entrepreneurship occurred. These companies are mainly located in southeast China, which is a region that is very representative of current employee entrepreneurship, and they are mainly in the internet, education, service, and manufacturing industries, where employees are most likely to leave to start new businesses. The snowball sampling method was used for survey distribution. Besides, to ensure an adequate recovery rate of the survey, we contacted 30 research agents in advance, all of whom were in companies that met the above requirement. Each agent was required to look for 10–15 former coworkers or other participants who worked in the companies who would be interested in completing the survey. Participants were employees who were familiar with their former coworkers who left the organizations to create new ventures. To reduce the common method bias, data were collected through a two-time-point survey with an interval of 3 weeks. The whole time period of the survey distribution process was approximately 5 weeks. All the employees participating in the survey were numbered to match the data between Time 1 and Time 2 questionnaires. In the first round, data on the social entrepreneurial environment, unethical behavior, and organizational hostility were collected. In the second round, we collected data on employees’ risk propensity and employees’ entrepreneurial intentions. In Time 1 survey, a total of 365 questionnaires were distributed, and 342 valid questionnaires were returned. Time 2 survey was targeted at the participants who provided valid questionnaires in the first round. A final total of 220 valid matched questionnaires were obtained.

Measures

A five-point Likert-type scoring method was used in all the scales, ranging from 1 = “completely disagree” to 5 = “completely agree.”
TABLE 1 | Results of confirmatory factor analysis.

| Model                        | χ²  | df  | χ²/df | RMSEA | RMR  | CFI  | GFI  | IFI  | TLI |
|------------------------------|-----|-----|-------|-------|------|------|------|------|-----|
| Five-factor model            | 222.85 | 125 | 1.78  | 0.06  | 0.06 | 0.95 | 0.90 | 0.95 | 0.94|
| Four-factor model A          | 340.52 | 129 | 2.64  | 0.09  | 0.07 | 0.89 | 0.84 | 0.89 | 0.87|
| Four-factor model B          | 338.05 | 129 | 2.62  | 0.09  | 0.07 | 0.89 | 0.85 | 0.90 | 0.88|
| Four-factor model C          | 495.50 | 129 | 3.84  | 0.11  | 0.12 | 0.82 | 0.78 | 0.82 | 0.78|
| Four-factor model D          | 719.29 | 129 | 5.58  | 0.15  | 0.16 | 0.70 | 0.73 | 0.71 | 0.65|

The sample size N = 220.

aCombining social entrepreneurial environment with employees’ entrepreneurial intentions.
bCombining social entrepreneurial environment with organizational hostility.
cCombining unethical behavior with organizational hostility.
dCombining organizational hostility with employees’ entrepreneurial intentions.

TABLE 2 | Means, SDs, and correlations.

| Variables                                  | M      | SD     | 1     | 2     | 3     | 4     | 5     | 6     | 7     | 8     | 9     | 10    |
|--------------------------------------------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1. Gender                                  | 1.50   | 0.50   |       |       |       |       |       |       |       |       |       |       |
| 2. Age                                     | 30.71  | 5.76   | −0.10 |       |       |       |       |       |       |       |       |       |
| 3. Organizational tenure                   | 4.27   | 3.79   | −0.17**| 0.62***|       |       |       |       |       |       |       |       |
| 4. Education level                         | 2.98   | 0.69   | −0.03 | 0.04  | −0.03 |       |       |       |       |       |       |       |
| 5. Numbers of coworkers leaving to start business | 2.34   | 2.58   | −0.06 | 0.15* | 0.05  | −0.07 |       |       |       |       |       |       |
| 6. Social entrepreneurial environment      | 3.48   | 0.56   | −0.12 | −0.09 | −0.00 | −0.03 | 0.01  |       |       |       |       | (0.89) |
| 7. Coworkers’ unethical behaviors          | 2.05   | 0.81   | −0.08 | −0.10 | 0.05  | −0.03 | 0.11  | 0.09  |       |       |       | (0.88) |
| 8. Organizational hostility                | 2.76   | 1.00   | −0.00 | 0.02  | 0.06  | 0.08  | 0.03  | −0.17*| 0.52***|       |       | (0.87) |
| 9. Employees’ risk propensity              | 3.29   | 0.74   | −0.16*| −0.09 | −0.03 | 0.02  | 0.07  | 0.22**| 0.15* | −0.05 |       | (0.81) |
| 10. Employees’ entrepreneurial intentions  | 2.86   | 0.98   | −0.06 | −0.05 | 0.05  | −0.09 | 0.10  | 0.21**| 0.13  | −0.21**| 0.45***| (0.93) |

N = 220; ***p < 0.001; **p < 0.01; and *p < 0.05.

Social Entrepreneurial Environment (Time 1)
The social entrepreneurial environment scale developed by Busenitz et al. (2000) was used. It had a total of 13 items, which were divided into regulatory environment, cognitive environment, and normative environment. Example item includes “Local and national governments have special support available for individuals who want to start a new business.” The reliability of the scale was 0.89.

Unethical Behavior (Time 1)
The unethical behavior scale was adapted from the scale developed by Singhapakdi et al. (1996) that is based on the concept of moral strength proposed by Jones (1991) to fit our context of employee entrepreneurship, with a total of six items. An example is “In general, most people would agree that the behavior of employee entrepreneurship is wrong.” The reliability of the scale was 0.88.

Organizational Hostility (Time 1)
Organizational hostility scale developed by Walter et al. (2014) was used, with three items in total. An example is “The management of my organization does not appreciate employee entrepreneurship.” The reliability of the scale was 0.87.

Employees’ Risk Propensity (Time 2)
The risk propensity scale developed by Zhao et al. (2005) was used, with a total of six items. An example is “I am willing to take...
a significant risk if the possible rewards are high enough.” The reliability of the scale was 0.81.

**Employees’ Entrepreneurial Intentions (Time 2)**
Employees’ entrepreneurial intentions were adapted from the six-item scale developed by Liñán and Chen (2009) to fit our context of employee entrepreneurship. An example is “I have very seriously thought of leaving my job to start a firm.” The reliability of the scale was 0.93.

**Control Variables**
In previous studies, demographic variables had a certain degree of influence on employee entrepreneurship (Agarwal et al., 2016a). Therefore, we took the employees’ gender, age, organizational tenure, and education level. Besides, the numbers of coworkers leaving to start a business were also controlled as it may influence employees’ entrepreneurial intentions.

**RESULTS**

**Measurement Model**
We used Amos 21.0 for confirmatory factor analysis. The balance method was used to package unethical behavior and entrepreneurial intentions, and the average value of each dimension of entrepreneurial environment was used as the measurement index for the corresponding dimension. The results showed that the five-factor model fits the data well: $\chi^2(125) = 222.85$, $\chi^2/df = 1.78$, root mean square error of approximation (RMSEA) = 0.06, root mean square residual (RMR) = 0.06, comparative fit index (CFI) = 0.95, goodness of fit index (GFI) = 0.90, incremental fit index (IFI) = 0.95, and Tucker-Lewis index (TLI) = 0.94. Thus, the convergent validity was verified. In addition, the five-factor model had better fitting indicators than other models, thus verifying the discriminant validity. Results are presented in Table 1.

**Descriptive Statistics**
Table 2 presents the mean, SD, correlation, and reliability coefficients of the variables. As shown in Table 2, the social entrepreneurial environment was positively correlated with the employees’ entrepreneurial intentions ($r = 0.21$, $p < 0.01$). The descriptive statistics of the data preliminarily showed that, from a socioeconomic point of view, a sound entrepreneurial environment can provide a micro-dynamic basis for socioeconomic development by promoting employee entrepreneurship. In addition, social entrepreneurial environment was negatively correlated with organizational hostility ($r = -0.17$, $p < 0.05$). The descriptive statistics of the data preliminarily showed that, from a socioeconomic perspective, the contribution of a sound entrepreneurial environment to the socioeconomic development exceeds the negative impact that employee entrepreneurship may have on the original organization. Meanwhile, organizational hostility was negatively correlated with the employees’ entrepreneurial intentions ($r = -0.21$, $p < 0.01$). The preliminary data analysis showed that the socioeconomic benefits brought by employee entrepreneurship may not be as good as the costs brought by potential conflicts with the original organization. The descriptive statistics provided a preliminary verification of our theoretical hypotheses.

**Hypothesis Test**

**Main Effect and Indirect Effect of Organizational Hostility**
SPSS 21.0 was used for analysis. The results of regression were shown in Table 3. Model 6 showed that social entrepreneurial environment was positively related to employees’ entrepreneurial intentions ($\beta = 0.19$, $p < 0.01$, M6), thus Hypothesis 1 was supported. The data analysis results supported that social entrepreneurial environment provides a driving force for the overall socioeconomic development. A three-step regression analysis was used, and the results of Model 2 and Model 7 suggest that there was a partially mediating effect of organizational hostility between social entrepreneurial environment and employees’ entrepreneurial intentions. Besides, the result of the bootstrap analysis on the mediation effect was significant, and the indicators are as follows: effect = 0.06, SE = 0.04, and CI [0.007, 0.152]. Therefore, Hypothesis 2 was supported. The results of data analysis showed that organizations connect the macro socioeconomic environment with the micro individual socioeconomic decision-making.

**Moderating Effect of Coworkers’ Unethical Behaviors**

**and Employees’ Risk Propensity**
The analysis results of moderating effect were shown in Table 3. The interaction between social entrepreneurial environment and
coworkers’ unethical behavior during their entrepreneurship was positively correlated with organizational hostility ($\beta = 0.24$, $p < 0.001$, M4). In addition, the interaction between organizational hostility and the employees’ risk propensity was positively correlated with the employees’ entrepreneurial intentions ($\beta = 0.33$, $p < 0.001$, M9). The moderating mode of unethical behavior was in Figure 2. When coworkers’ unethical behavior was weak, the social entrepreneurial environment had a significantly negative influence on organizational hostility ($\beta = -0.75$, $p < 0.001$). Meanwhile, when coworkers’ unethical behavior was strong, the social entrepreneurial environment had an insignificantly negative influence on organizational hostility ($\beta = 0.17$, $p > 0.05$). The regression analysis result and the moderating trend in Figure 2 were consistent with the hypothesis. Thus, Hypothesis 3 was supported. In addition, the moderating mode of risk propensity was shown in Figure 3. When employees’ risk propensity was weak, the organizational hostility had a significantly negative influence on employees’ entrepreneurial intentions ($\beta = -0.53$, $p < 0.001$). Meanwhile, when the employees’ risk propensity was strong, the organizational hostility had an insignificantly negative influence on the employees’ entrepreneurial intentions ($\beta = 0.10$, $p > 0.05$). The regression analysis result and the moderating trend in Figure 3 showed that Hypothesis 5 was supported.

### Moderating Mediation Effect

The SPSS-based PROCESS plug-in program was used for moderating the mediation effect test, and the results of analysis are shown in Table 4. When coworkers’ unethical behavior was weak, the mediating effect of organizational hostility was significant (effect = 0.14, $p < 0.05$). Meanwhile, when coworkers’ unethical behavior was strong, the mediating effect became insignificant (effect = -0.03, $p > 0.05$). Thus, Hypothesis 4 was supported. When employees’ risk propensity was low, the indirect effect of organizational hostility was significant (effect = 0.17, $p < 0.05$). When the employees’ risk propensity was high, the

### Table 3: Results of regression.

| Control variables | Organizational hostility | Employees’ entrepreneurial intentions |
|-------------------|--------------------------|--------------------------------------|
|                   | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 |
| Gender            | 0.01 | -0.01 | 0.03 | 0.03 | -0.05 | -0.03 | -0.03 | 0.04 | 0.03 |
| Age               | -0.05 | -0.07 | 0.06 | 0.06 | -0.15 | -0.12 | -0.14 | -0.06 | -0.08 |
| Organizational tenure | 0.09 | 0.10 | 0.00 | -0.01 | 0.12 | 0.11 | 0.13 | 0.10 | 0.09 |
| Education level   | 0.09 | 0.08 | 0.09 | 0.10 | -0.07 | -0.07 | -0.05 | -0.05 | -0.03 |
| Numbers of coworkers leaving to start business | 0.04 | 0.04 | -0.03 | -0.02 | 0.10 | 0.11 | 0.11 | 0.06 | 0.03 |

### Table 4: Results of moderating mediation effect test.

| Model       | Coworkers’ unethical behaviors | Employees’ risk propensity | Conditional indirect effect | Boot SE | Boot LLCI | Boot ULCI |
|-------------|--------------------------------|---------------------------|----------------------------|---------|-----------|-----------|
| Model 1     | 1.24                           |                           | 0.14*                      | 0.06    | 0.044     | 0.265     |
|             | 2.86                           |                           | -0.03                      | -0.07   | -0.129    | 0.025     |
| Model 2     | 2.55                           |                           | 0.17*                      | 0.08    | 0.036     | 0.358     |
|             | 4.03                           |                           | -0.03                      | -0.11   | -0.111    | 0.005     |
| Full Model  | 1.24                           |                           | 0.40*                      | 0.06    | 0.204     | 0.627     |
|             | 2.86                           |                           | -0.07                      | 0.10    | -0.192    | 0.024     |
|             | 2.55                           |                           | -0.09                      | 0.10    | -0.309    | 0.082     |
|             | 4.03                           |                           | -0.02                      | 0.02    | -0.012    | 0.093     |

### Notes:

- N = 220; ***p < 0.001; **p < 0.01; and *p < 0.05.
indirect effect became insignificant (effect = −0.03, \( p > 0.05 \)). Thus, Hypothesis 6 was supported.

The two moderating variables were incorporated into the PROCESS program concurrently, and the results are shown in the full model in Table 4. When both coworkers’ unethical behavior and employees’ risk propensity were low, the mediating effect of organizational hostility was positively significant (effect = 0.40, \( p < 0.05 \)). Meanwhile, when coworkers’ unethical behavior and employees’ risk propensity were high, the mediating effect of organizational hostility became insignificant (effect = 0.02, \( p > 0.05 \)). Therefore, Hypothesis 7 was supported.

CONCLUSION

Our research draws several conclusions. First, a social entrepreneurial environment can alleviate an organization’s hostile attitudes toward employee entrepreneurship. From the perspective of mindsponge, an organization absorbs the values of a social entrepreneurial environment into mindset and then replaces waning values of hostility. This conclusion is consistent with previous studies that portray how organizations evaluate the cost-benefit of holding or ejecting a value to change their attitudes (Vuong and Napier, 2015; Vuong, 2016). From a socioeconomic perspective, a sound social entrepreneurial environment can promote socioeconomic development. But at the same time, it will also contribute to employee entrepreneurship and harm the organization. Therefore, for organizations, whether social entrepreneurial environment can inhibit organizational hostility lies in whether the sound entrepreneurial environment brings greater benefits than the socioeconomic loss cost caused by employee entrepreneurship. Second, organizational hostility inhibits employees’ entrepreneurial intentions, which is similar to the results of Walter et al. (2014). Based on the perspective of mindsponge process, employees take their organizations’ values personally and eject the original values of employee entrepreneurship. This conclusion echoes the theoretical rationale of mindsponge process, which proposes how individuals accept or reject some values of the external environment by making cost-benefit analysis, and finally change their mind (Vuong and Napier, 2015; Vuong, 2016). From the perspective of social economy, employee entrepreneurship can promote the social economy, but at the same time, they should also bear the loss cost caused by the potential conflict between employees and the original organization. Therefore, for employees, the key to whether to quit and start a business is whether the socioeconomic benefits brought by entrepreneurship exceed the costs brought by the potential conflict with the original organization. Third, organizational hostility plays a mediating role between the social entrepreneurial environment and the employees’ entrepreneurial intentions, which echoes the multilevel model of legitimacy judgment (Tost, 2011; Bitektine and Haack, 2015). Also, the mindsponge perspective and socioeconomic perspective both imply that organizations are a mediator that links the macro entrepreneurial environment and the micro employee entrepreneurship. The conclusion further promotes our understanding of the role of organizational attitude in the above two perspectives. Fourth, coworkers’ unethical behavior plays a moderating role in the mediating relationship. Unethical behavior is an important moderating variable that influences organizations’ legitimacy judgment toward employee entrepreneurship, which is consistent with the legitimacy judgment literature (Bitektine and Haack, 2015). Fifth, the employees’ risk propensity plays a moderating role in the indirect effect of social entrepreneurial environment and employees’ entrepreneurial intentions via organizational hostility. This conclusion emphasizes that employee entrepreneurship is truly a risky decision after the cost-benefit analysis, and employees’ risk propensity is the key to shift the criterion of this cost-benefit analysis.

Theoretical and Practical Contributions

The theoretical contribution of this study is threefold. First, this study helps to clarify the process and mechanism that how multiple entrepreneurial environments and individual risk propensity shape employees’ entrepreneurial intentions in the workplace. Based on the theoretical lens of mindsponge process analysis, we proposed that organizations’ attitudes toward new ventures (i.e., organizational hostility) under the pressure of social entrepreneurial environment and employees’ decision to quit and then to start their own businesses (i.e., employees’ entrepreneurial intentions) under the pressure of organizational entrepreneurial environment are results of the cost-benefit analysis conducted by organizations and employees, respectively. Second, this research also extends the existing literature by highlighting the importance of organizational legitimacy judgment toward employee entrepreneurship. Although previous studies have mainly focused on how new ventures can obtain legitimacy in the competitive market (Bitektine, 2011; Bitektine and Haack, 2015), this research points out that the key source of legitimacy obtained by new ventures comes from the established organizations, and organizations’ judgment on the legitimacy of start-ups further determines the organizations’ attitude toward employee entrepreneurship. Third, we also detected the impacts of other important factors (i.e., coworkers’ unethical behaviors during their entrepreneurship and employees’ risk propensity) on the cost-benefit analysis of either organizations or employees, which offer a fine-grained picture of the complex relationship between social entrepreneurial environment and employees’ entrepreneurial intentions.

There are three main practical contributions of this study. First, given that organization may suffer from employee entrepreneurship, thus, if the organization does not agree with employees to leave to start a business, it should show visible hostility by formulating corresponding policies and taking actions to create a healthy work environment (Zhou et al., 2021). Second, since employee entrepreneurship is driven by multiple entrepreneurial environmental factors (i.e., social, organizational, and interpersonal), the employee entrepreneurs are suggested to launch their new business in a positive entrepreneurial environment to avoid unnecessary costs and pursue a longer-term development (Zhou et al., 2020). Finally, considering that
the unethical behavior of focal employees in the process of employee entrepreneurship will aggravate the hostility of the original organization, employee entrepreneurs should try to avoid unethical behavior during the process of entrepreneurship to seek sustainable development and entrepreneurial performance (Rasool et al., 2020).

**DATA AVAILABILITY STATEMENT**

The raw data supporting the conclusions of this article will be made available by the authors, without undue reservation.

**ETHICS STATEMENT**

The studies involving human participants were reviewed and approved by Secretariat of Academic Committee, Zhejiang University of Technology. The patients/participants provided their written informed consent to participate in this study.

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**AUTHOR CONTRIBUTIONS**

KZ designed the study, collected and analyzed the data, and drafted the manuscript. DW designed the study and provided resources to administer the project. ZL strengthened and revised the manuscript. XY reviewed and revised the manuscript. XZ reviewed and edited the manuscript. All authors contributed to the article and approved the submitted version.

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