

Abstract

There is growing interest in ecosystems as an approach for understanding the context of entrepreneurship at the macro level of an organizational community. It consists of all the interdependent actors and factors that enable and constrain entrepreneurship within a particular territory (Stam, 2015; Adner, 2017; Stam & Spigel, 2018).

Although growing in popularity, the entrepreneurial ecosystem concept remains loosely defined and measured. This paper shows the value of taking a systems view of the context of entrepreneurship. We develop a systems framework for studying entrepreneurial ecosystems, develop a measurement instrument of its elements, and use it to examine the quality of entrepreneurial ecosystems in 12 regions of the Netherlands. We measure the quality of entrepreneurial ecosystems with an index value comprising 10 ecosystem elements and measure entrepreneurial outputs with the prevalence of high-growth firms. We find that the quality of entrepreneurial ecosystems is strongly related to entrepreneurial outputs. Strong interrelationships among the ecosystem elements also reveals their interdependence and need for a systems perspective.