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. 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: understanding entrepreneurial economies from a systems perspective. We use a systems framework for studying entrepreneurial ecosystems, develop a measurement instrument of its elements, and use this to compose an entrepreneurial ecosystem index to examine the quality of entrepreneurial ecosystems in the Netherlands. We find that the prevalence of high-growth firms in a region is strongly related to the quality of its entrepreneurial ecosystem. Strong interrelationships among the ecosystem elements reveal their interdependence.