Abstract— The purpose of this research is to review the existing literature on the entrepreneurial networking in the last twelve years and deeply analyses the contribution and default of the existing research, then propose prospects about entrepreneurial network in future. For this purpose, the paper critically examines a selection of empirical research articles from 2000 to 2012 on networks in entrepreneurship research in order to convey the key concept, main findings, key contribution and the methodology. The main finding of the studies reviewed is that majority of research has been focused in male norms, benefits of networking for start-up businesses, economic exchange, the structural dimension of networks, the network construct and outcome of the businesses. Methodologically, the current status of research on networks and entrepreneurship validates that most of the knowledge is gained through cross-sectional surveys. Qualitative approaches are suggested in order to “tap” the voice.

Keywords— Entrepreneurial networking, Literature Review, Qualitative approaches.

I. INTRODUCTION

Entrepreneurship has been of much interest to many academic researchers, business practitioners, governments, and policy makers witnessed by the growing body of literature. One main reason for the interest is that entrepreneurship is viewed as beneficial to a nation’s economic growth and development since it creates both employment and wealth for the countries. Approaches to the study of entrepreneurship vary based on topics to be examined. In addition to the personality traits and socio-cultural approaches, “Networks Approach to Entrepreneurship” is new area, in order to show the reason why certain entrepreneurs are more successful than others in starting up and continuing their businesses, building their suggestion on resource dependence theory. The networks approach to entrepreneurship is basically based on the proposition that entrepreneurs build relations with the external environment, and need a speedy yet economical means for the access to different information, in order to define potential business opportunities, and obtain the required resources to start-up and continue their businesses successfully. Entrepreneurial networks, as an important strategy for the development of the small business sector, are increasingly the focus of attention [31], [25]. Therefore, this study has collected and analyzed the literature in the last twelve years about entrepreneurial network and attempt to solve the question “what is the contribution of existing research findings on entrepreneurial networks to the network epistemology?.

Networks can be defined as personal relationships between an entrepreneur and his ‘external actors’ [27],[28],[29]. The external actors (outsiders) can be individuals or organizations. Entrepreneurs build up such network relationships (contacts) in order to obtain necessary resources and to perform activities.

II. THIS STUDY


III. FINDINGS

Based on the collection of relevant literatures and combined with the characteristics of entrepreneurial network in the past decade, this paper found out that research on entrepreneurial network mainly focused on seven aspects and those findings can be presented as follows.

A. Focus on Economic exchange

Few studies consider on sociological aspects of networking while majority focus on economic exchange. Regardless of the level of analysis or terminology used, the work on networks within organizational settings has focused on
answering issues related to how networks help entrepreneurs manage uncertainty, make efficiencies, gain resources, and increase their power, increase market and innovation opportunities etc. As such, to explain the existence of organizational networks and how they might help to achieve these ends, the initial work on networks in organizational settings relied on theoretical perspectives such as resource dependence, transaction cost economics, social network, innovation diffusion and network Swedish model for explanations. These theories look at networking from different viewpoints and give understanding into the causes as well as the structure of small enterprise networking. For example, transaction cost approach considers firm networking from an economic point of view, while the management point of view is the basis of the resource dependence approach. According to the literature, there are two major arguments behind the concept of networking. Firstly, since market transactions tend to become costly, businesses attempt to overcome transaction costs by networking. Secondly, in order to perform, enterprises need various kinds of resources. Small firms, especially, do not have all these resources fully at their disposal. Firms obtain these resources from outsiders. As most resources are controlled by external actors, a small firm always depends on its outside actors. Therefore, in order to perform economic activities, firms have to enter into relationships with these external or outside actors.

Since a discussion on most of the theories mainly focus on economic exchange rather than sociological perspective. Few researchers have chosen to review theoretical approaches such as Sarasvathy's effectuation theory, Wengers' community of practice theory which clarifying networks from a sociological point of view.

B. Structural Dimension of Networks

Researchers identified two different dimensions of entrepreneurial networking namely structural and relational. But, most of the scholars have focused only the structural dimension. The structural dimension refers as the "overall pattern of connections between actors - that is, who you reach and how you reach them" [18] [17]. Similarly, scholars suggested that this dimension is about "the overall formation of the network or pattern of connections between actors"[31],[21]. This contrasts with the relational dimension which states to "actual relationship or bonds between actors that enable them to make claims on one another" [21]. Some scholars use connectionist dimension [31] rather than relational dimension. But, both approaches refer to the same content although the terminology employed is slightly different.

Structural properties researched mainly include constructs related to the location of actors within the network relative to one another. The main relationships that have been investigated under this perspective comprise the network centrality, size of a focal actor's network, network density, and the relative strength of ties [23],[26],[31].

As far as concern relational dimension, a relatively new area of interest within entrepreneurship examining networks looks at the content flowing across network partners. Primarily, researchers were just interested in the notion that important resources such as information, technologies, or emotional support were individually transferred across network partners. Several studies focused on detecting which types of content (information, technologies, finance, motivational support etc.) were the most beneficial to entrepreneurial outcomes and what structural properties of networks could help transfer these types of resources by individual network partners[24],[20]. These arguments and studies sought to compare the relative importance of different resources transferred on the achievement of entrepreneurial outcomes as well as identifying the relevant network partners from whom these resources were obtained (e.g., friends, relatives, former co-workers, etc.).

C. Majority of Research has been rooted in Male Norms and Quantitative Studies are Dominant in Networking Literature (Many Researchers Away from Studying Behavior of Real Entrepreneurs).

While women's entrepreneurship is a central aspect of economic development and public policy concern in most countries, scholarly research about their entrepreneurial activities is comparatively scarce. Few studies have acknowledged the impact of gender on networking experiences [13][12]. To date, researchers focus to study gender differences in entrepreneurial networking [17], [22], [15], [13], but very little research has been conducted specifically focus on women[30], [32].

First, probably the most recognized challenge in reviewing the female experience is that the majority of research has been rooted in male norms [7], [25]. Reference [3] revealed that an extra challenge has been the primary use of quantitative studies versus qualitative studies, and that much of the secondary data used in quantitative studies did not take gender into attention, using primarily males in their samples. This led to the beginning use of qualitative studies to understand the female experience better. The majority of entrepreneurial research has a male focus [6], [19],[15] and Reference [7] found that between 1977 and 1991, only 9% of the articles in Entrepreneurship Theory & Practice and Journal of Business Venturing were on women business owners. His work specifies a need for additional qualitative studies on women.

In setting, there were methodological biases and limitations as many studies were quantitative and not exploring in-depth the inner feelings, attitudes, and behavior of women research participants. Second, networking is a relatively newer field in entrepreneurial studies.

It has been noted that, while much research has been undertaken to discover the structure of small firm networks, less is known about the influencing factors for women entrepreneurs networking [9]. Such a situation has been explained by the fact that structural dimensions of a network are easier to quantitative methods, and accordingly, these have tended to dominate small firm research to date. However, it has been stated that the understanding of networks proffered
by such quantitative methods is limited and in some cases, confusing and this research will adopt a qualitative methodology.

D. Focus on Outcome
Entrepreneurial networks, as an important strategy for the development of the small business sector, are increasingly the focus of attention [25] [5]. For example, a number of researches [5], [10], [34] have studied the importance of networking in entrepreneurial success and networking linkages to be important for small firms. Most social network studies focus only on the outcomes of networks (e.g., business growth) rather than on their influencing factors.

There are a lot of studies of entrepreneurial success of which the majority stresses the financial and measurable outcomes. However, there are studies that emphasize that success is not a uniform factor but can be divided into both material and non-material measures. Few, researchers are not looking simply for success that can be measured financially.

E. Focus on Startup Entrepreneurs
While many studies described the benefits of networking for start-up businesses, [1], considerably, few researchers focused on factors required to be an effective networker and how do entrepreneurial firms shift from inherited path dependencies over life-cycle. Most available research was skewed towards start-up firms [1] [14].

F. Little attention on Effect factors
The building and developing network relationship is affected by various factors. However, scholars were not able to collate these factors systematically yet. According to the empirical evidence, the effect factors of entrepreneurial network mainly focus culture characteristic, industry characteristic, entrepreneur characteristic etc. [11]

When considering the women network, family variables have been identified as another possible, important set of network determinants [22] Women’s greater responsibility for children constrains their ability to form strong work-related networks [22], [33] . Those who are married or live together have a readily available network tie in their significant other and potential access to his or her network ties as well, which probably affects both the size and gender composition of small business networks [22]. Furthermore, some research findings showed that married people tend to have more kin in their personal networks than those who are divorced or never married [8]).

Some researches argued those entrepreneurs’ characteristics affect the networking while others argued did not. Research studies within the framework of entrepreneurial network have not paid much attention to the entrepreneurial characteristics. But, more benefits and resources can be derived from external parties based on the entrepreneur’s capability. In the case of micro and small enterprises, the personal characteristics of the entrepreneur become more important as the enterprise and the entrepreneur become indistinguishable [16]. According to the empirical research, personal characteristics associated with different types of networks, but this topic that has been neglected [16] Other individual characteristics, such as age, education and experience put people differently. Older people have the benefit of more time to build networks, which may be why their networks are slightly larger [19] though research shows a curved relationship between age and the size of discussion networks [4] Education is positively related with network size [4] and the use of cross-sex ties [2] Apparently, more educated small business owners can more easily build larger, more diverse networks.

Moreover, few studies were carried out to testify relationship between the technology adoption and networking [34] One of the main factors that influence to shape networking relationships of enterprises is technology. The continuous rise in the use of Information and Communication Technology (ICT), as well as their importance for the modern enterprise is more crucial to develop and maintain business ties. Moreover, many small businesses have gradually recognized the positive impact that ICT, such as the internet, e-mail, fixed telephones, mobile and the applications that they can have more networking relationship to sustain their businesses.

Researches pointed out that the place (geographical proximity) where the firm is launched has implications for its access to markets and resources. Firms located in metropolitan areas may therefore have higher chance of networking and success than those located in rural areas [34]. The social cognitive theory explains human behaviour (networking behaviour) as an interaction of personal factors, and the environment. Rather than personal characteristics, a combination of experience, and education were demonstrated as a significant predictor for entrepreneurial networking.

G. Heavily Focus on Manufacturing Sector
Most academic literature on this topic is focused on manufacturing sector. A very small literature exists on the use of networks in the service sector and even less on the tourism sector.

In summary of the overall review, several observations of research gaps were drawn from the previous literature (table I).

IV. CONCLUSION
First, probably the most recognized challenge in reviewing the female experience is that the majority of research has been rooted in male norms [7], [25]. Reference [4] revealed that an extra challenge has been the primary use of quantitative studies versus qualitative studies, and that much of the secondary data used in quantitative studies did not take gender into attention, using primarily males in their samples. This led to the beginning use of qualitative studies to understand the female experience better. The majority of entrepreneurial research has a male focus [25 ], [31] and reference [7] found that between 1977 and 1991, only 9% of the articles in Entrepreneurship Theory & Practice and Journal of Business
Venturing were on women business owners. His work specifies a need for additional qualitative studies on women. In setting, there were methodological biases and limitations as many studies were quantitative and not exploring in-depth the inner feelings, attitudes, and behavior of women research participants. Second, networking is a relatively newer field in entrepreneurial studies. While many studies described the benefits of networking for start-up businesses, [1], considerably, few researchers focused on factors required to be an effective networker. Third, many research studies focused on the structural dimension of networking [25] rather than relational dimension. Fourth, most available research was skewed towards start-up firms [1]. Fifth, few studies consider on sociological aspects of networking while majority focus on economic exchange. Last, Most academic literature on this topic is focused on manufacturing sector. A very small literature exists on the use of networks in the service sector and even less on the tourism sector. Above all respect, empirical studies on entrepreneurial networks have been limited. So far, very limited empirical studies have been conducted in developing countries in this regard. There is therefore still an opening for theoretical as well as empirical research in the field of entrepreneurial networks in order to explore entrepreneurs’ networks.

For future research, it is now recognized that to broaden our understanding about networks more qualitative and longitudinal work is required that examines transformation and the change processes of networks; how they emerge and develop over time. More precisely, time has come to explore more the "entrepreneurial or networking part of the process not just outcomes and researchers and by answering question like “What is entrepreneurial networking about the processes leading to outcomes”. Furthermore, this paper suggests for future research to develop new knowledge of entrepreneurial networking related to questions like Who? What? Where? When and why? by focusing on women entrepreneurs, growth stage business and moving away from manufacturing sector.

**REFERENCES**


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**TABLE I**

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<th>GAPS IN THE ENTREPRENEURIAL NETWORK LITERATURE</th>
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