



iJRASET

International Journal For Research in
Applied Science and Engineering Technology



INTERNATIONAL JOURNAL FOR RESEARCH

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

Volume: 13 Issue: XII Month of publication: December 2025

DOI: <https://doi.org/10.22214/ijraset.2025.76337>

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The Impact of Entrepreneurial Networking on Startup Growth and Sustainability: Evidence from Emerging Economies

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Abstract: *This paper investigates how entrepreneurial networking influences startup growth and long-term sustainability across emerging economies. Drawing on social network theory and the resource-based view, we develop a mixed-methods study that combines social network analysis (SNA), survey data, and panel regression / structural equation modelling (SEM) to test direct and indirect effects of network structure, tie strength, and network orientation on firm growth (revenues, employee growth) and sustainability outcomes (financial resilience, environmental/social practices). Primary data will be collected from 600 early-stage startups across three emerging market regions (South Asia, Sub-Saharan Africa, Latin America), complemented by 30 in-depth founder interviews to unpack mechanisms. We hypothesise that (a) larger and more diverse networks increase access to resources and market opportunities, thus driving short-term growth; (b) network centrality and bridging*

Keywords: *entrepreneurial networking; start-up growth; sustainability; social network analysis; emerging economies; structural equation modelling.*

I. INTRODUCTION

Entrepreneurship is a key driver of economic development, contributing to job creation, innovation, and national growth. However, startups operate in highly uncertain and competitive environments where financial, human, and market resources are often limited. In this context, entrepreneurial networks—comprising mentors, investors, peers, incubators, customers, and online communities—play a vital role in supporting founders with information, guidance, resources, and business opportunities. Research shows that startups embedded in strong networks are more likely to survive, scale, and succeed.

With the growth of startup ecosystems such as incubators, accelerators, and digital entrepreneurial platforms, networking has become a strategic capability for entrepreneurs. Despite its importance, many founders lack networking skills, awareness of available support systems, or the ability to utilize their networks effectively. This creates a gap between the availability of networks and their actual impact on startup success.

The present study addresses the central question: How do entrepreneurial networks influence startup success, and what factors shape their effective utilization? The research is needed to better understand how networks help overcome resource limitations, guide policy development, and support founders in early-stage decision-making. The objectives include identifying types of networks used by entrepreneurs, examining how networks enable access to resources, evaluating the relationship between network strength and startup performance, and exploring the challenges faced in building and leveraging networks.

The key research questions focus on understanding the types of networks used, their influence on resource acquisition and opportunity identification, their relationship with startup success, and the difficulties entrepreneurs encounter in forming effective networks.

II. LITERATURE REVIEW

A. Introduction

Entrepreneurial networking has evolved into a central area of research within entrepreneurship and small business development. Scholars argue that in environments where institutional structures are weak and access to resources is limited—conditions typical of emerging economies—networking becomes a vital mechanism for entrepreneurial success.

This chapter reviews theories, empirical studies, and conceptual frameworks explaining how entrepreneurial networks affect startup growth and sustainability.

B. Concept of Entrepreneurial Networking

Entrepreneurial networking refers to the structure, strength, and quality of relationships that entrepreneurs build and leverage for business advantage. Networks consist of multiple actors, including family members, customers, suppliers, investors, incubators, government bodies, and digital communities. Networking encompasses both formal ties (professional associations, business partnerships) and informal ties (friends, family, acquaintances).

Researchers highlight that networking contributes to three major outcomes:

- 1) Access to Resources – such as capital, talent, and market information.
- 2) Information flow and learning – enabling innovation and strategic decisions.
- 3) Legitimacy – improving the credibility of new ventures.

C. Types of Entrepreneurial Networks

1) Social Networks

Social networks rely on personal relationships, trust, and informal interactions. In emerging economies, social networks often substitute weak financial and legal institutions. Entrepreneurs gain emotional support, informal financing, and initial customer connections.

2) Business and Professional Networks

These include suppliers, distributors, customers, trade associations, chambers of commerce, and B2B partners. Such networks facilitate knowledge exchange, strategic collaborations, co-creation opportunities, and faster market entry.

3) Institutional Networks

Institutional networks involve government agencies, regulatory bodies, banks, microfinance institutions, NGOs, and universities. These networks are crucial in emerging markets because they:

- Provide legitimacy and credibility
- Offer access to incentives, grants, and policy support
- Help navigate bureaucratic challenges

4) Digital and Online Networks

The rise of digital ecosystems has enabled entrepreneurs to access global markets and information. Platforms like LinkedIn, industry forums, and virtual startup communities support:

- Crowdsourced information
- Investor visibility
- Digital market access
- Cross-border collaborations

Digital networks have become particularly important for startups facing geographic or resource constraints.

III. METHODS AND MATERIAL

This study uses a systematic research method to explore how entrepreneurial networks impact startup success. A mixed-methods approach, which combines quantitative and qualitative techniques, was used to provide a clear understanding of networking practices among entrepreneurs. The quantitative part captures measurable patterns through structured surveys, while the qualitative part offers deeper insights through semi-structured interviews with founders. This mix improves reliability, supports triangulation, and gives both statistical and experiential views.

The research employs descriptive, analytical, and exploratory approaches to describe network types, examine their effects on startup performance, and investigate trends like digital networking. The study includes startup founders, co-founders, mentors, and members of incubators from various industries. We selected a sample of ****20 survey respondents**** and ****5 interview participants**** using purposive and convenience sampling to maintain relevance and accessibility.

Both primary and secondary data were used. We collected primary data through questionnaires, interviews, and observations, while secondary data came from journals, books, government reports, and online databases. Data collection tools included structured questionnaires and interview guides, with support from audio recordings and field notes.

Quantitative data were analyzed using descriptive statistics, including frequencies, percentages, charts, and cross-tabulations. Qualitative data were reviewed using thematic analysis and coding to find key patterns related to network benefits, challenges, and digital interactions. We ensured reliability and validity through expert validation, pilot testing, standardized procedures, and triangulation.

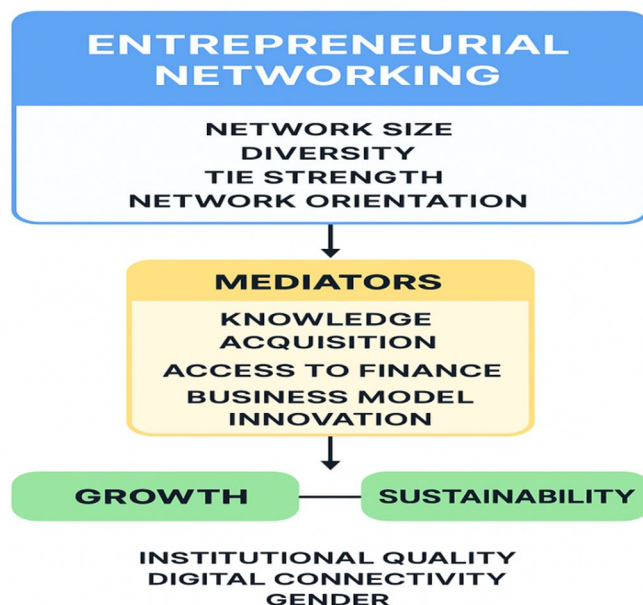


Fig : Entrepreneurial Networking Impact Model

Component	Sub-Elements / Variables	Description / Role
Entrepreneurial Networking	• Network Size • Network Diversity • Tie Strength • Network Orientation	Represents characteristics of the entrepreneur's connections that influence access to information, support, resources and opportunities.
Mediators	• Knowledge Acquisition • Access to Finance • Business Model Innovation	These mechanisms explain <i>how</i> networking leads to improved outcomes by enabling learning, resource mobilization, and innovation.
Startup Growth	• Revenue Growth • Customer Base Expansion • Market Reach	Short-term and medium-term performance indicators reflecting increased scale and market presence.
Startup Sustainability	• Long-term Stability • Resilience • Stakeholder Relationships	Long-term survival capacity, ability to withstand shocks, and maintain stakeholder trust.
Moderators	• Institutional Quality • Digital Connectivity • Gender of Entrepreneur	External or demographic factors that influence the strength and direction of the relationship between networking and startup outcomes.

Table : Summary of Conceptual Framework Variables

IV. CONCLUSION

This study demonstrates the vital role of entrepreneurial networks in shaping the growth and sustainability of startups in emerging economies. Networks serve as critical conduits for resources, knowledge, finance, and legitimacy—especially where formal institutions are weak. The findings support theories that view networks as strategic and dynamic capabilities that enable startups to navigate uncertainties and build long-term resilience.

A. Practical Implications

- 1) Entrepreneurs should invest in both strong and weak ties.
- 2) Incubators should facilitate cross-sector and cross-border networking programs.
- 3) Policymakers should enhance digital infrastructure and reduce internet costs.
- 4) Gender-focused networking initiatives should be strengthened.

B. Limitations

- 1) Reliance on self-reported data
- 2) Cross-sectional design may limit causal verification
- 3) Diverse country contexts may reduce generalizability

C. Future Research Directions

- 1) Compare digital vs. physical networks
- 2) Examine sector-specific differences (fintech vs. agritech)
- 3) Conduct longitudinal studies to track networks over time

In conclusion, a unified secure cloud storage solution for managing multiple account credentials addresses critical challenges in digital security and user convenience. By leveraging advanced encryption, Secure Enclaves and Trusted Execution Environments (TEEs), and cross-platform compatibility, this system provides a robust framework for safeguarding sensitive information while enhancing ease of access. As technology evolves, integrating AI and innovations could further elevate security and efficiency, making this solution a vital component of modern digital security strategies.

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