A study on Networking and Relationship building as a driving force for a successful Entrepreneur -The Key skill of an Entrepreneur

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ABSTRACT   *Networking is one of the most important skills for entrepreneurs and is one which enables a business to grow. The study focuses on studying the various modes of networking and the different areas of building good relationships. The study focuses on learning the different stages of building relationship which is a key ingredient to starting a business. Networking involves building and maintaining contacts and relationships with other people.*

The contacts that are accumulated over a period of time socially as well as professionally would be of great value and resource to the business. The paper highlights areas of improving networking skills and various networks that can be accessed. The paper also highlights the importance and benefits of social media as well as social networking sites such as Linkedln, Facebook, Twitter, Horsesmouth etc in building relationship that worth a million. The author uses the extensive literature from various sources to showcase the worth of networking and the great effect it has on the business growth and profitability especially a startup company.

The paper is useful for entrepreneurs and professionals of new ventures to understand the effect that good business relationship on the business productivity and development of an organization. The paper is an eye opener for entrepreneurs to put their effort on networking and relationship building skills that is an invaluable resource earned through continuous effort.

Keywords: *networking, relationship building, entrepreneur, business productivity, business relationships*

Introduction

Networking is a standout amongst the most important individual abilities for businessmen, yet it is critical for business visionaries or entrepreneurs. Correspondence and presence in the entrepreneurial eco-system are beneficial methodologies which will help you along your approach to building solid associations with different business people from various age gatherings, nationality and fields (Acs & Sanders, 2008).

Business networking conferences and workshops organized around the world bring unprecedented gatherings of profoundly gifted and skilled business men who are joined around the idea of sharing, communication, making, creating thoughts and meeting with potential financial specialists. These occasions draw in individuals from various experience levels and foundations. Every one of these individuals is searching for association, motivation, exhortation, openings and mentors (Acs, Audretsch, Braunerhjelm & Carlsson, 2009)

Networking is powerful in a wide range of ways. Not just business people will feel roused and propelled subsequent to going to particular occasions or meet ups, yet in addition numerous outstanding open doors can happen in the event if they impress potential financial specialists or colleagues. Entrepreneurs need to keep in mind to act naturally and present their organization, the manner in which they need other individuals to see their businesses so as to make genuine essentials for one potential business relationship (Alvarez, 2003).

Businesses need to approach networking as the most important part of business. Businesses need to create goals with particular objectives that the company needs to take after. The Entrepreneurs need to know when, why and where they are heading off to (Anderson, Dodd & Jack, 2010). As a business person the opportunity is imperative and should have a clear vision of the company goals. It is broadly referred to that associations come because of different associations and as normal the hardest piece of the entire system building process.

In order to portray ones business it isn't sufficient just to be available, the entrepreneur should be dynamic, paramount, to offer some incentive to the others with their quality and to make them need to keep in contact with you (Audretsch & Lehmann, 2005).When entrepreneurs meet people with who needed to set up association, they need to be in contact and figure out how to proceed with the real communication and establish business relationship.

Social media is the communication of individuals through networks. What's great about that? All things considered, it is outstanding amongst other approaches to achieve clients! Each business today makes itself

known through Networking (Bathelt, Malmberg & Maskell, 2004). Research discloses to us that 53% of business pioneers who use social networking sites for their business strategies are making huge improvements in their businesses. People use their mobiles, email, facebook, linkeldn and other social media for communication their business objectives. Huge numbers of the informal communication locales are associated through individuals' cell phones and messages (Gurrieri, 2008). Another favorable position is that you can even discover clients and get in touch with them through SMS and Emails. Since business happens with internet based life, online networking Marketing plays a vital role. This is one approach to advertise businesses, administrations or items through Social media (Allred & Park, 2007).

Types of Network
There are a range of different types of networks:
Social network
Your very own system of contacts made casually through social or non-business exercises. These contacts may involve family, companions, previous work partners, contacts made through college, and so forth.
The professional network
Contacts made through business exercises including bookkeepers, legal counselors et cetera.
Artificial networks
The networks set up inside business networks which are available to new individuals, exchange affiliations, proficient foundations, and so forth. The business network in Cambridge has various nearby systems, many committed to high innovation as well as new businesses.
Here a few general sites where you can connect with other individuals:
- LinkedIn
- Facebook
- Twitter
- Horsesmouth
- Cambridge Network
- Dreamstake
- Capital Enterprise
- Global Social Entrepreneurship Network
- Entrepreneurs Organisation

A study in 2000 by Iain Edmondson looked at three Cambridge companies and the benefits they gained from networking at three different stages in their development:
- Conceptualization - the ideas
- Start-up
- Growth

The benefits were accounted into two categories:
- Harder benefits - Leads to customers, investors, partners, suppliers, employees and technical and market knowledge/information.
- Softer benefits – Credibility & legitimacy, advice & problem solving, confidence & reassurance, motivation & inspiration, relaxation & interest.

It is understood that at the conceptualization stage organizations and business visionaries tend to cast their net generally to attempt and build up themselves and their thoughts in the pioneering network and make ready for the advancement of future business connections. The role of networking groups here is in giving the softer advantages. At the start-up stage there is a move towards utilizing networking to acquire substantial advantages to grow new business connections (Baumol, 2002). Foundation of trust is vital at this phase in sharing issues and arrangements. The job of networking group here is to give both milder and harder advantages.

Amidst the development stage there is no role for networking groups in giving the milder advantages, the spotlight for the business entrepreneur is on PR, increasing new financial specialists, providers, clients and improvement accomplices. There may be as of now various social and expert contacts and on the off chance that the business thought there may well have effectively recognized where they can assist with the advancement of the business thoughts. For others there might be no obvious fit with the business right now, yet it will be vital for the entrepenuers to keep up these contacts and fabricate connections as they might have the capacity to give assistance somehow later on.

It is imperative that the entrepreneurs expand their range to create new contacts and for this the entrepreneur should create and sharpen some great networking skills. The entrepreneur may have gone to occasions before and considered how a few people appear to successfully 'work the room' and converse

with substantial quantities of individuals and swap business cards - with training this isn't so hard to accomplish (Powel & Smith, 1994). A standout amongst the most essential tip is having a one-minute 'lift pitch' about the business thought or a slogan about the entrepreneurs business. Having the capacity to express the business opportunity in a short space of time is fundamental and a large number of programmes include sessions on pitching the entrepreneur's thoughts.

Operational Networking

All directors need to assemble great working associations with the general population who can enable them to carry out their occupations. The number and broadness of individuals included can be noteworthy—such operational systems incorporate direct reports and bosses as well as companions inside an operational unit, other inner players with the ability to square or bolster a task, and key untouchables, for example, providers, wholesalers, and clients. The motivation behind this sort of systems administration is to guarantee coordination and collaboration among individuals who need to know and trust each other keeping in mind the end goal to achieve their quick assignments. That isn't in every case simple, yet it is moderately direct, on the grounds that the assignment gives center and an unmistakable measure for enrollment in the system: Either you're important to the activity and completing it, or you're most certainly not.

Albeit operational networking was the shape that came most normally to the supervisors we examined, almost everyone had imperative blind sides with respect to individuals and gatherings they relied upon to get things going (Gurrieri, 2008) In one case, Alistair, a bookkeeping chief who worked in an enterprising firm with a few hundred representatives, was all of a sudden promoted by the organization's organizer to financial directors and given a seat on the board. He was both the most youthful and the slightest experienced board part, and his intuitive reaction to these new obligations was to restore his practical accreditations.

Following up on an insight from the originator that the organization may open up to the world, Alistair attempted a rearrangement of the bookkeeping office that would empower the books to withstand examination. Alistair succeeded splendidly in updating his group's abilities; however he missed the way that just a minority of the seven-man board shared the organizer's desire. A year into Alistair's residency, dialog about whether to take the organization open enraptured the load up, and he found that everything that time tidying up the books may have been exceptional spent sounding out his co directors.

One of the issues with an elite dependence on operational systems is that they are generally designed for meeting destinations as doled out, not toward making the vital inquiry, "What should we do?" By a similar token, directors don't practice as much as personal choice in collecting operational relationship as they do in weaving individual and strategic networks, in light of the fact that to a huge degree the correct connections are endorsed by the activity and hierarchical structure.

Accordingly, most operational networks happen inside an association, and ties are resolved in expansive part by normal, here and now requests. Connections shaped with pariahs, for example, board individuals, clients, and controllers, are straightforwardly errand related and have a tendency to be limited and obliged by requests decided at a more elevated amount (Alvarez, 2003). Obviously, an individual supervisor can extend and build up the connections to various degrees, and all directors practice prudence over who gets need consideration. It's the quality of relationships—the affinity and shared trust—that gives an operational system its capacity. Regardless, the significant imperatives on system enrollment mean these associations are probably not going to convey an incentive to directors past help with the job that needs to be done.

As a director moves into a position of authority, his or her network must reorient itself remotely and toward what's to come. The normal supervisor in our gathering was more worried about maintaining collaboration inside the existing network than with building connections to confront nonroutine or unanticipated difficulties.

Personal Networking

In watching supervisors battle to broaden their expert connections in manners that vibe both common and genuine to them, we over and again observed them move their opportunity and vitality from operational to individual systems administration. For individuals who have once in a while looked outside their associations, this is an imperative initial step, one that encourages a more profound comprehension of themselves and the situations in which they move (bathelt, Malmberg & Maskell, 2004). At last, be that as it may, individual systems administration alone won't move chiefs through the authority change.

Hopeful pioneers may discover individuals who stir new interests yet neglect to end up alright with the power players at the level above them. Or on the other hand they may accomplish new impact inside an

expert network however neglect to outfit those ties in the administration of hierarchical objectives. That is the reason chiefs who know they have to build up their networking abilities, and try to do as such, in any case may end up feeling like they have squandered their opportunity and vitality. Personal networking won't help a supervisor through the leadership change except if he or she figures out how to present those associations as a powerful influence for organizational strategy.

Strategic Networking

At the point when supervisors start the fragile progress from functional managers to business pioneer, they should begin to fret about broad strategic issues. Parallel and vertical associations with other functional and business unit directors—all individuals outside their quick control—turn into a life saver for making sense of how their very own commitments fit into the master plan (Acs & Sanders, 2008). Therefore strategic networking connects the aspiring leaders to an arrangement of connections and data sources that all in all epitomize the ability to accomplish individual and organizational objectives.

Authors own model on networking skills : Figure 1
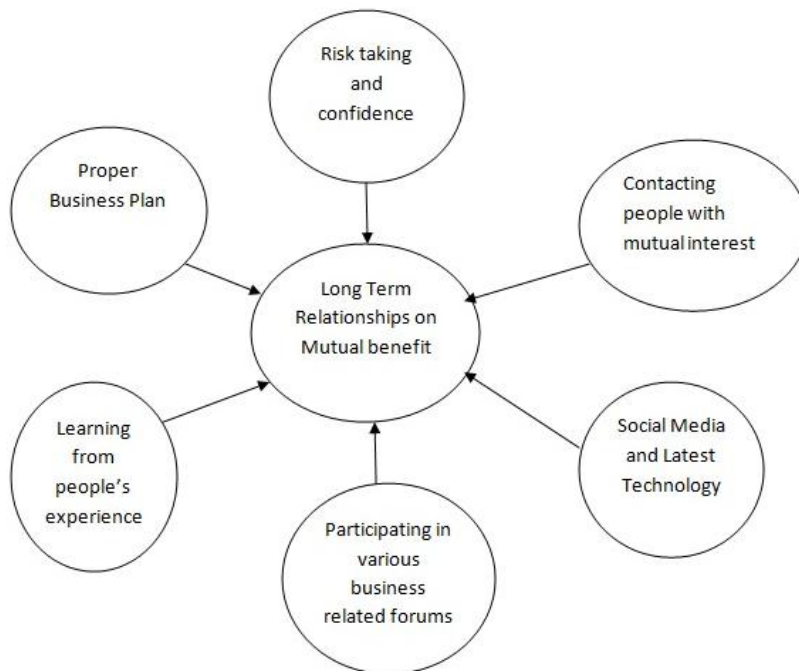
The author has come up with a new model on networking skills showcasing the core areas that is mandatory for building a long term business relationship. The author has identified six areas that is important and crucial to build relationships. The six areas are Proper business plan, Risk taking and confidence, contacting people with mutual interest, participating and organizing business forums, learning from peoples experience and using social media and the lastest technology

Proper Business Plan

Market methods are the results   of a   meticulous marketing   research.   A marketing   research forces the bourgeois to become aware of all aspects of the market so the target market will be outlined and therefore the company will be positioned so as to garner its share of sales.

The purpose of the competitive analysis is to work out the strengths and weaknesses of the competitors inside your market, methods which will offer you with a definite advantage, the barriers which will be developed so as to forestall competition from coming into your market, and any weaknesses which will be exploited inside the merchandise development cycle.

The purpose of style and development plan section is to produce investors with an outline of the product's design, chart its development inside the context of production, selling and therefore the company itself, and build a development budget which will modify the corporate to achieve itsgoals.

The operations and management set up is intended to explain simply however the business functions on an unbroken basis.   The   operations set   up can highlight   the provision of   the   organization like the varied responsibilities of the management team, the tasks allotted to every division inside the corporate, and capital and expense needs associated with the operations of the business.

Risk taking and Confidence

Entrepreneurship is essentially coupled to risk-taking. The entrepreneur is compelled to invest a lot of your personal capital into a growing business -- in most cases. The entrepreneur needs to sacrifice capital for the primary purpose for many months to a year -- once more, in most cases, and from there, each call you create carries some little risk -- your new rent would possibly leave during a month, your lead generation strategy would possibly fail, your new approach would possibly anger one amongst your best purchasers, and so on. Accepting risk is a part of the business and the entrepreneur needs to be prepared for that as he/she enter the entrepreneurial world.

Contacting people with Mutual Interest

Networking is concerned with collecting information and obtaining the names of latest individuals who are in the profession. The entrepreneur by conversing with varied people gets to know the person better and is able to collect enough information. Networking works better when one collects information from likeminded individuals. The essence is when the entrepreneur feels comfortable with the one he/she meets. The initial approach should be done in a way it does not embarrass the entrepreneur or cause to feel awkward. Some individuals are happier initiating contact by phone, others by email or perhaps letter. Every approach has its benefits and downsides, thus the entrepreneur should use whichever one he/she is most comfortable with.

Learning from peoples experiences

Observe individuals who are where every entrepreneur wants to be. It is not needed to know them by and by. The entrepreneur can read about them, read books and articles they compose, or pursue media records of their adventures. The entrepreneur should aim at Joining affiliations or expert gatherings in their general vicinity of intrigue. They are a magnificent chance to meet and associate with experienced individuals. There would be numerous chances to make inquiries and go to an assortment of instructive gatherings.

Invest energy improving ones experience all the time and it will shock how rapidly your insight develops. An entrepreneur should be proactive, go out and discover the experience they require. If one works on applying what he/she realizes that experience of others are important. Information is successful just when it's used. An entrepreneur should make up his/her mind to pick up experience from others and make it an everyday practice.

Participating in various business related forums

By being an active member in business forums, the entrepreneur can build their relationship with the target customer on an individual level, yet he/she needs to ensure you're doing it in the right way. Prepare a good profile of you and take it to the forums since your business card speaks about you and forums are where one gets to meet various people from similar industry. The entrepreneur needs to make his/her profile amazing and simple to peruse as could be expected under the circumstances. The entrepreneur needs to keep appropriate data where it tends to be effortlessly spotted and recognized, so make a couple of test layouts and show them to the co-workers to see who can discover the data in the most brief measure of time.

Social Media and Latest Technology

There are many social network sites that have attracted the business people in collaborating with others in similar industry. There are new social networking sites such as Entrepreneur connect, partner up, startup nation, Linkeldn, Biznik, Perfect business, the young entrepreneur etc which plays a very important role for the ones newly starting their businesses. These social networks paves way for the entrepreneurs to connect with people around the world and engage in online forums that helps them expand their businesses. These online tools are most useful than any other method as it's the most easy and fastest way of connecting with people.

Conclusion

The study is useful for the readers to understand the importance of relationship building as the most critical part of new ventures. Building relationship is one of the best modes to increase ones business. The study highlighted the importance of connecting with likeminded people to acquire the skills required that is based on mutual interest. It is well understood that a person or an entrepreneur on his own can't achieve his goal without connecting with people from similar industry. The experiences of others are of utmost importance. An entrepreneur should also find different ways of connecting with people using the latest technology on social media for easy access to people. Though the previous studies highlighted the different ways of networking, the previous studies where not precise in what was said. This study gives a more elaborate

meaning on networking as a entrepreneurship skill that is obtained through attending various forums and participating in different business meet to self acquire skills that are learnt from others.

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