

# Social Networks and Graduate Entrepreneurial Success: A Conceptual Exploration

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## ABSTRACT

This paper develops the Comprehensive Graduate Entrepreneur Network (CGEN) model, a conceptual framework designed to guide graduate entrepreneurs in overcoming the unique challenges they face, such as social isolation, financial constraints, and limited access to resources. Drawing on Social Network Theory (SNT), the Resource-Based View (RBV), and Institutional Theory, the CGEN model offers a structured approach comprising four components: Network Assessment, Network Building, Network Leverage, and Network Evaluation. These components collectively facilitate the transition from isolation to integration within the entrepreneurial ecosystem by enabling graduate entrepreneurs to systematically develop, optimize, and utilize their social networks. The model addresses the need for both strong and weak ties, highlighting how diverse connections can be leveraged to access critical resources such as funding, mentorship, and business partnerships. This paper discusses the theoretical and practical implications of the CGEN model, suggesting its potential to inform entrepreneurship education, policy design, and support programs. While the model provides a robust theoretical foundation, future empirical research is needed to validate its applicability across various contexts. The CGEN framework represents a significant contribution to the literature on graduate entrepreneurship, offering practical guidance for enhancing the success of graduatepreneurs through strategic network development.

**Keywords:** Comprehensive Graduate Entrepreneur Network (CGEN), graduate entrepreneur, social network, network

## INTRODUCTION

Graduate entrepreneurship has emerged as a critical area of focus in contemporary economic development, with young entrepreneurs driving innovation, creating jobs, and contributing to societal progress. These "graduatepreneurs," typically recent graduates who choose to start their own businesses instead of pursuing traditional employment, possess a unique combination of formal education, creativity, and risk-taking spirit that can fuel entrepreneurial growth. However, despite their potential, graduate entrepreneurs face significant obstacles that can hinder their progress and success. Among the most pressing challenges are social isolation, limited access to financial resources, and the difficulty of establishing effective business networks. These barriers not only restrict their ability to scale ventures but also exacerbate the struggle to survive in competitive markets (Mamun et al., 2017; Yuan et al., 2020).

Social networks have been identified as an essential factor in entrepreneurship, providing entrepreneurs with access to resources, information, and support that can make the difference between success and failure (Hossain, 2019). For graduate entrepreneurs, who often lack established business connections, social networks can play a crucial role in overcoming social isolation and gaining access to funding, mentorship, and market knowledge (Hao et al., 2018). Research suggests that entrepreneurs with strong and diverse social networks are better

positioned to secure resources, navigate market complexities, and seize growth opportunities (Lamine, 2017). However, the current literature on entrepreneurship often overlooks the specific network needs of graduate entrepreneurs, assuming that they possess similar network characteristics to more experienced business owners. This assumption leaves a gap in understanding how graduate entrepreneurs can strategically build and leverage social networks to address their unique challenges (Khelifi, 2023; Jamshidi & Shafiee, 2023).

Addressing this gap requires a conceptual framework that systematically explores the role of social networks in facilitating the transition of graduate entrepreneurs from isolation to integration within the entrepreneurial ecosystem. This paper proposes the development of a Comprehensive Graduate Entrepreneur Network (CGEN) model to guide graduate entrepreneurs in effectively building, leveraging, and expanding their social networks. The CGEN model integrates insights from social network theory, the resource-based view, and institutional theory to provide a structured approach for understanding how social networks can be utilized to access critical resources such as funding, mentorship, and business partnerships (Kerr & Mandorff, 2023; Cooper et al., 2023). By addressing the specific characteristics of networks that influence entrepreneurial success, such as size, diversity, and structure, the model aims to provide practical guidance for graduate entrepreneurs in overcoming the barriers they face.

## LITERATURE REVIEW

Graduate entrepreneurship has gained increasing recognition for its potential to drive economic growth, innovation, and job creation. Graduate entrepreneurs, often referred to as "graduatepreneurs," represent a unique subset of the entrepreneurial landscape, characterized by their recent transition from higher education into the business world. Despite their educational background and potential, graduatepreneurs face a range of challenges that hinder their ability to establish and grow successful businesses. These challenges are multifaceted, involving financial constraints, social isolation, and the lack of well-developed business networks. Addressing these challenges requires a deeper understanding of the role of social networks in entrepreneurship, as well as a theoretical framework that can guide graduatepreneurs in building and leveraging these networks effectively.

### Graduate Entrepreneurship Challenges

Graduate entrepreneurs often encounter distinctive obstacles that differentiate them from more experienced business owners. One of the most critical issues is social isolation, which refers to the limited access to well-established business networks and social capital that could facilitate resource acquisition. Unlike seasoned entrepreneurs who may have cultivated extensive professional networks over the years, graduatepreneurs typically lack such connections. This isolation limits their ability to access crucial resources, such as financial capital, market information, and experienced mentorship, which are essential for navigating the complexities of starting and scaling a business (Yuan et al., 2020; Mamun et al., 2017).

In addition to social isolation, financial constraints are a pervasive challenge for graduate entrepreneurs. Studies indicate that graduatepreneurs often struggle to secure initial funding due to limited credit history and the lack of collateral, which are commonly required by financial institutions (Mamun et al., 2017). This difficulty in obtaining traditional funding sources is compounded by their limited access to informal investment networks, such as angel investors and venture capitalists, which are more accessible to entrepreneurs with established connections. As a result, the financial barriers graduatepreneurs face are significant, restricting their capacity to invest in essential business operations and to pursue growth opportunities (Ferrandiz et al., 2018).

The existing entrepreneurship support ecosystem often fails to adequately address the specific needs of graduate entrepreneurs. Many entrepreneurship programs and policies are designed with a broad, one-size-fits-all approach that does not consider the unique circumstances of recent graduates. For example, graduatepreneurs may require more structured guidance in developing their business networks and acquiring the resources necessary for venture success, which is not always provided by generic entrepreneurship initiatives (Jamshidi & Shafiee, 2023). Consequently, there is a need for tailored frameworks that can guide graduate entrepreneurs in systematically building and leveraging social networks to overcome these barriers.

### The Role of Social Networks in Entrepreneurship

Social networks have been widely recognized as critical enablers of entrepreneurial success, providing access to

resources, information, and support that can significantly improve business outcomes. A social network is broadly defined as a set of relationships or connections among individuals or groups, characterized by factors such as network size, diversity, and strength of ties (Hossain, 2019). In the context of entrepreneurship, social networks serve multiple functions, including facilitating access to funding, mentorship, business partnerships, and market knowledge. The ability to tap into these resources through social networks is often a determinant of an entrepreneur's ability to survive and thrive in the competitive business environment.

Research suggests that entrepreneurs with diverse and well-structured social networks are better positioned to overcome business challenges and exploit new opportunities compared to those with narrower networks. For example, entrepreneurs who maintain a mix of strong ties (close relationships) and weak ties (acquaintances) can benefit from both intensive support and access to new information or markets (Lamine, 2017). Strong ties, such as those with family and close friends, often provide moral and financial support during the early stages of entrepreneurship. On the other hand, weak ties are valuable for gaining access to new perspectives, discovering business opportunities, and reaching new customers, as they extend beyond the entrepreneur's immediate social circle (Granovetter, 1973; Hossain, 2019).

The structure and characteristics of social networks play a crucial role in determining the types and quality of resources that entrepreneurs can access. Larger and more diverse networks tend to offer a broader range of resources, while densely connected networks facilitate rapid information flow and collaboration (Huynh et al., 2018). However, building and maintaining such networks requires deliberate effort, especially for graduate entrepreneurs who are just starting to establish their business contacts. These insights underscore the importance of creating frameworks that can guide graduatepreneurs in developing their networks strategically to maximize access to essential resources (Huang et al., 2020; Hassan et al., 2022).

### **Theoretical Foundations for Social Networks in Entrepreneurship**

To develop a framework that addresses the challenges faced by graduate entrepreneurs, it is essential to draw on established theories that explain the dynamics of social networks and their role in entrepreneurship. Three key theoretical perspectives inform the development of the Comprehensive Graduate Entrepreneur Network (CGEN) model: Social Network Theory (SNT), the Resource-Based View (RBV), and Institutional Theory.

Social Network Theory (SNT) provides a foundation for understanding the role of social connections in accessing resources, support, and opportunities. SNT posits that the structure and composition of an individual's social network significantly influence their ability to mobilize resources and identify new business opportunities (Kerr & Mandorff, 2023). In entrepreneurship, well-connected networks enable entrepreneurs to access diverse resources and support, which can enhance business performance. For graduate entrepreneurs, who may initially have limited social capital, SNT emphasizes the need for strategies to build both strong and weak ties that can help them overcome isolation and expand their access to resources (Granovetter, 1973; Hossain, 2019).

The Resource-Based View (RBV) offers a complementary perspective by framing social networks as strategic resources that can provide competitive advantages. According to RBV, a firm's success is dependent on its ability to acquire and leverage valuable, rare, inimitable, and non-substitutable resources (Cooper et al., 2023). When applied to graduate entrepreneurship, RBV suggests that social networks can be considered critical resources that graduate entrepreneurs must strategically build and leverage to gain access to financial capital, mentorship, and market knowledge (Dias et al., 2023). The ability to mobilize these network-based resources can significantly impact an entrepreneur's capacity to address financial constraints and achieve business growth.

Institutional Theory adds another layer of understanding by emphasizing the broader context in which entrepreneurship occurs, including social norms, regulatory environments, and institutional pressures. Institutional Theory suggests that entrepreneurs must navigate complex institutional landscapes to gain legitimacy and secure support for their ventures (Yang et al., 2023). For graduate entrepreneurs, this means that engaging with institutional actors, such as universities, government agencies, and entrepreneurship support organizations, is crucial for accessing resources and establishing a sustainable business. The CGEN model integrates Institutional Theory to address the strategies graduatepreneurs need to engage with these institutions effectively.

## Addressing Gaps Through a Comprehensive Model

The review of existing literature reveals that while the importance of social networks in entrepreneurship is well-established, there is a lack of tailored frameworks that cater specifically to the needs of graduate entrepreneurs. The theoretical perspectives discussed provide a foundation for developing a conceptual model that addresses the unique challenges faced by graduate entrepreneurs. The CGEN model seeks to bridge this gap by providing a structured framework for social network development, emphasizing the transition from social isolation to business integration through targeted network strategies. By drawing on SNT, RBV, and Institutional Theory, the model aims to offer practical guidance for graduate entrepreneurs to build, leverage, and evaluate their networks systematically.

## METHODOLOGY

As a conceptual paper, this study employs a qualitative approach to develop the Comprehensive Graduate Entrepreneur Network (CGEN) model. The methodology involves synthesizing existing literature, integrating relevant theoretical perspectives, and employing conceptual reasoning to construct a model that addresses the challenges faced by graduate entrepreneurs. The steps undertaken in the methodology are outlined below.

### Comprehensive Literature Review

The first step in developing the CGEN model involved conducting a thorough literature review to establish a foundation for understanding the key issues and theoretical underpinnings related to graduate entrepreneurship and social networks. The literature review aimed to:

- 1) Identify the unique challenges faced by graduate entrepreneurs, such as financial constraints, social isolation, and limited business networks, which hinder their ability to establish and grow businesses (Mamun et al., 2017; Yuan et al., 2020).
- 2) Explore the role of social networks in entrepreneurship, including the benefits of network diversity, size, and structure for accessing resources, mentorship, and market opportunities (Granovetter, 1973; Hossain, 2019).
- 3) Review theoretical foundations that can inform the development of a tailored framework for graduate entrepreneurs. This involved examining Social Network Theory (SNT), the Resource-Based View (RBV), and Institutional Theory to understand how these perspectives can be used to guide network development and resource utilization (Cooper et al., 2023; Yang et al., 2023).

The literature review provided the basis for identifying gaps in existing models and highlighted the need for a structured approach that specifically addresses the network-related challenges of graduate entrepreneurs.

### Theoretical Integration

To construct the CGEN model, the study integrated insights from three key theoretical perspectives to create a multi-dimensional framework:

- 1) Social Network Theory (SNT) was used to understand how different network characteristics—such as network size, diversity, and the strength of ties—affect the ability of graduate entrepreneurs to mobilize resources and seize business opportunities. SNT emphasizes the significance of building both strong and weak ties to address social isolation and access various forms of support (Granovetter, 1973; Hossain, 2019).
- 2) Resource-Based View (RBV) provided a lens to view social networks as strategic resources that can be leveraged for competitive advantage. It guided the conceptualization of strategies for utilizing networks to access financial, informational, and relational resources, which are essential for overcoming financial constraints and achieving business growth (Cooper et al., 2023; Dias et al., 2023).
- 3) Institutional Theory highlighted the broader contextual factors that influence graduate entrepreneurs' access to resources and legitimacy. It informed the strategies needed for engaging with institutional actors, such as universities, government agencies, and entrepreneurship support organizations, to



navigate regulatory and cultural environments (Yang et al., 2023).

The integration of these theories provided a comprehensive foundation for understanding the dynamics of network development, resource mobilization, and institutional engagement for graduate entrepreneurs.

### Conceptual Model: The Comprehensive Graduate Entrepreneur Network (Cgen)

The first component of the CGEN model, Network Assessment, establishes a foundation for understanding the current state of a graduate entrepreneur's social network. This stage involves evaluating key network characteristics, such as size, diversity, and the types of connections present, which include both strong and weak ties. Social Network Theory emphasizes the significance of network structure in shaping access to resources and information. Strong ties, such as close family and friends, provide intensive support, while weak ties offer access to new opportunities and knowledge by extending beyond the immediate social circle (Granovetter, 1973; Hossain, 2019). Evaluating the existing network helps to identify gaps that may limit the entrepreneur's access to critical resources, such as financial capital, mentorship, or market contacts. Identifying these gaps is essential, as it directs the entrepreneur toward areas that need development, thereby enhancing the potential for resource mobilization and business growth (Kerr & Mandorff, 2023).

Following the initial assessment, the CGEN model emphasizes Network Building as a means to expand and diversify social connections. Network Building is informed by both Social Network Theory and Institutional Theory, which together underscore the importance of creating a well-rounded network that spans different social contexts and incorporates various types of ties. The aim is to enable graduate entrepreneurs to break out of social isolation and establish a presence within the broader entrepreneurial community. Activities such as attending networking events, joining entrepreneurship groups, and participating in university-led programs provide avenues for graduate entrepreneurs to interact with diverse stakeholders, including industry professionals, investors, and fellow entrepreneurs (Lamine, 2017; Yang et al., 2023). This process of building both strong and weak ties is essential for enhancing the diversity of resources available to the entrepreneur, which increases the likelihood of identifying new opportunities and securing support (Hossain, 2019; Ferrandiz et al., 2018).

The third component, Network Leverage, emphasizes the strategic use of established networks to access resources and achieve specific business goals. The Resource-Based View provides a foundation for this stage, as it conceptualizes networks as strategic assets that can be mobilized for competitive advantage (Cooper et al., 2023; Dias et al., 2023). Leveraging the network involves identifying which connections can facilitate access to critical resources such as funding, business partnerships, and market knowledge. For example, leveraging weak ties may facilitate access to new market information or potential investors, while strong ties can offer ongoing mentorship and support. The strategic use of social capital in this manner allows graduate entrepreneurs to overcome specific business challenges and pursue growth opportunities that may otherwise remain inaccessible (Huang et al., 2020).

The final component of the CGEN model is Network Evaluation, which entails the continuous assessment of the network's effectiveness in supporting the entrepreneur's business objectives. This stage integrates insights from Institutional Theory and RBV, emphasizing the importance of monitoring outcomes derived from network interactions, such as securing resources, achieving business growth, or expanding market reach (Yang et al., 2023). Network Evaluation is not a one-time activity but a dynamic process that involves regularly reassessing the network's structure, relevance, and impact. By evaluating the effectiveness of the network, graduate entrepreneurs can identify areas for improvement, refine their networking strategies, and ensure that their social capital remains aligned with evolving business needs. This continuous feedback loop is crucial for adapting to changing conditions and maintaining a resilient entrepreneurial strategy (Huang et al., 2020; Hassan et al., 2022).

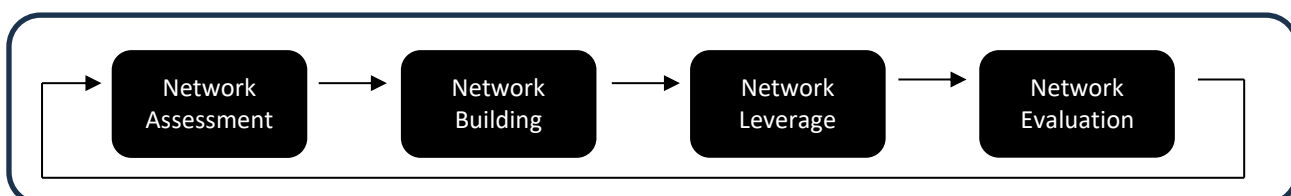


Figure 1: The Comprehensive Graduate Entrepreneur Network (CGEN) Model

The cyclical nature of the CGEN model ensures that graduate entrepreneurs can continuously refine and optimize their networks. The process starts with assessing the existing network, followed by building new connections, strategically leveraging those connections to gain resources, and evaluating the network's impact to guide future actions. By repeating this cycle, graduate entrepreneurs can adapt to changing business environments, respond to emerging opportunities, and effectively address persistent challenges. This iterative approach aligns with the realities of entrepreneurship, where network needs and business goals are continually evolving (Kerr & Mandorff, 2023).

## DISCUSSION

The development of the Comprehensive Graduate Entrepreneur Network (CGEN) model offers valuable insights into how social networks can support graduate entrepreneurs in overcoming challenges such as social isolation, financial constraints, and limited access to resources. By integrating Social Network Theory (SNT), the Resource-Based View (RBV), and Institutional Theory, the CGEN model provides a comprehensive approach that guides entrepreneurs through Network Assessment, Network Building, Network Leverage, and Network Evaluation. The CGEN model advances theoretical understanding by combining SNT's emphasis on strong and weak ties (Granovetter, 1973), RBV's framing of networks as strategic resources (Cooper et al., 2023), and Institutional Theory's focus on regulatory and cultural contexts (Yang et al., 2023). This integration enables graduate entrepreneurs to systematically develop and leverage social networks for resource acquisition and business growth.

Practically, the model offers actionable insights for graduate entrepreneurs and stakeholders. By following the CGEN framework, graduate entrepreneurs can strategically develop diverse networks that provide access to funding, mentorship, and market opportunities (Ferrandiz et al., 2018; Hossain, 2019). Universities and entrepreneurship support programs can also integrate this framework to enhance the networking skills of students and graduates. However, the model has limitations. It is primarily conceptual, built on theoretical reasoning rather than empirical testing. Its effectiveness may vary across different cultural, institutional, and industry-specific environments, which could affect the relevance of its network-building strategies (Yang et al., 2023). Additionally, the growing importance of digital networks and online communities in entrepreneurship is underexplored in the current framework (Huang et al., 2020).

Future research should focus on empirically validating the CGEN model in different contexts. Longitudinal studies could track how graduate entrepreneurs' networks evolve over time and measure the impact on business outcomes. Comparative research could examine how network development strategies differ between novice and experienced entrepreneurs. Furthermore, exploring the role of digital networks and virtual platforms in modern entrepreneurship could refine the CGEN framework to better reflect contemporary business practices.

## CONCLUSION

The Comprehensive Graduate Entrepreneur Network (CGEN) model contributes significantly to the understanding of social network development in graduate entrepreneurship. By offering a structured process for Network Assessment, Network Building, Network Leverage, and Network Evaluation, the CGEN model provides graduate entrepreneurs with practical tools to overcome social isolation, secure resources, and integrate more effectively into the entrepreneurial ecosystem. The model's key strength lies in its ability to help entrepreneurs transition from isolation to a position where they can leverage both strong and weak ties for business success. By building diverse networks and continuously evaluating their effectiveness, graduate entrepreneurs can gain access to critical resources such as mentorship, funding, and market knowledge, all of which are essential for sustainable business growth.

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