

The impact of social networks and their influence on business performance.

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Abstract

This study explores the role of social capital in facilitating access to resources and enhancing entrepreneurial performance among Moroccan entrepreneurs. Drawing on theoretical foundations from Bourdieu, Coleman, and Burt, the research highlights how social capital whether familial, friendly, or professional constitutes a strategic resource that supports business growth. Through a qualitative approach based on semi-structured interviews with ten entrepreneurs from diverse sectors, the findings reveal that strong social networks significantly ease access to financial, material, human, and motivational resources. The results underline the proactive nature of social capital development and its decisive impact on entrepreneurial success, competitiveness, and sustainability. This study reinforces the idea that mobilizing social ties is essential for resource acquisition and improved business performance.

Keywords

Social capital; performance; Access to resources;

1: Introduction

The idea that social capital constitutes a resource in itself, facilitating access to other resources, is now widely accepted in academic literature. For example, Nahapiet and Ghoshal (1998) emphasize that social capital plays a fundamental role in the creation and sharing of knowledge within organizations, thus contributing to improved performance.

Bourdieu (1980) was among the first to conceptualize this notion, defining social capital as “the sum of actual or potential resources linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition in other words, to membership in a group” (p. 2).

While Bourdieu emphasizes belonging and mutual recognition, Coleman (1988) focuses more on the role of social structures in generating social capital. According to him, social capital “does not reside in the actors themselves nor in the means of production,” but in the links that unite members of a community (p. 99). Burt (1992), in turn, highlights that entrepreneurs occupying strategic positions within social networks benefit from privileged access to resources and opportunities, thereby enhancing their competitiveness.

Several studies, notably by Aldrich and Zimmer (1986), Johannisson (2000), Chabaud et al. (2004, 2006, 2010), and Jack et al. (2008, 2010), have demonstrated the role of social networks in improving business performance. In an entrepreneurial context, a well-structured social network is not just a tool for connection: it becomes a strategic lever enabling access to material, immaterial, and human resources (funding, infrastructure, clients), thereby supporting the competitiveness and sustainability of businesses.

It is from this perspective that we explore the relationship between social capital, access to resources, and business performance.

Research Question: To what extent does social capital constitute a determining factor in access to resources and the improvement of business performance?

2: Social Capital and Access to Resources

Social capital, as defined by Burt (1997), is an essential resource for business leaders, who must not only have access to human and financial capital, but also to social resources. These emerge from relationships with friends, colleagues, or clients and generate opportunities that can transform human and financial capital into profit. In this sense, Bourdieu (1980) and Lin (1995) consider social capital as the set of relational resources that an individual can mobilize through their social networks. These resources include information, opportunities, and moral or material support all crucial for entrepreneurial success.

Baron, Markman, and Gentner (2000) reinforce this idea by specifying that social capital includes resources that individuals can access through relationships with others, either within a social network or through personal connections. However, it is not enough to simply know people or individuals with

resources: it is essential to know those who are willing to share them. Real social capital lies in the ability to mobilize these relationships to one's advantage, creating opportunities for both the individual and the business.

Social capital, which stems from relational resources embedded in social networks and interpersonal links, becomes a competitive advantage only when it provides the company with a real competitive edge. According to Nkakleu (2003), social capital is built throughout life via the social relationships an individual cultivates. These relationships, integrated into social networks, serve as a resource contributing directly to business performance. Aydi (2003), by equating social capital with relational networks, highlights the impact of social ties on organizational performance. Other researchers, such as Granovetter (1973), Ndangwa et al. (2007), Chelly (2007), Simon and Tellier (2008), and Rodriguez (2010), enrich this perspective by demonstrating the importance of social networks in accessing resources and their role in business success.

Thus, social capital can be defined as the set of social relationships an individual maintains with their environment (friends, family, colleagues, clients, suppliers, investors, the state, etc.), and the added value or resources these relationships provide. This capital is fundamental to understanding how access to resources — whether information, opportunities, or material support — can significantly impact business performance.

3: Access to Resources and Performance

Resources are essential to improving business performance (Zhu & Chen, 2010). Access to resources can significantly enhance the performance of SMEs (Si, 2014). The resource-based view suggests that a firm's ability to identify, acquire, and deploy "valuable, rare, inimitable, and non-substitutable" resources is the foundation for value creation and competitive advantage (Barney, 2001). The complexity and specificity of a firm's knowledge contribute to performance superior to that of its competitors (McEvily & Chakravarthy, 2002).

In an entrepreneurial context, access to resources plays a key role in business competitiveness by positioning the firm to offer more differentiated products and respond more quickly to customer needs

(Sirmon, Hitt, & Ireland, 2007). Therefore, access to resources is positively related to business performance. This means that a strong social network not only facilitates access to necessary resources but can also contribute to enhanced business performance.

4:Methodology

Method Choice

To study the relationship between social capital, access to resources, and business performance, we adopted a qualitative approach. This method is particularly suited to exploring the perceptions and experiences of entrepreneurs and allows for the collection of rich and detailed data. Semi-structured interviews are the most appropriate tool in this context, as they offer flexibility while keeping participants focused on key research themes.

4.1: Sampling and Participant Selection

The sample consists of 10 Moroccan entrepreneurs active in various sectors, including commerce, services, industry, and technology. Participants were selected based on the following criteria:

- **Professional experience:** Each entrepreneur must have at least two years of experience in their field. This ensures they have developed a rich enough network to provide insight into the impact of social capital.
- **Sectoral diversity:** We deliberately selected entrepreneurs from different sectors to gain a variety of perspectives on the role of social capital in resource access and performance.
- **Use of social capital:** Participants must have significant experience using their networks to obtain resources (financial, human, material) or to create business opportunities.

The sample was formed using a non-probabilistic method, through contacts in professional networks, entrepreneur associations, and direct referrals from other entrepreneurs.

4.2:Interview Guide

The interviews were structured around open-ended questions allowing participants to freely share their experiences while covering key research themes:

- **Network construction and maintenance:** How did entrepreneurs build their networks? What types of relationships do they consider most valuable for business development?
- **Access to resources via networks:** How have their networks helped them access specific resources (funding, talent, infrastructure, commercial partners)?
- **Role of professional relationships:** How do personal and professional relationships influence their success or performance?
- **Impact on business performance:** What role do these networks play in business growth and competitiveness?
- **Challenges encountered:** What obstacles did they face in leveraging their social capital, and how did they overcome them?

Each semi-structured interview was designed to last between 45 minutes and 1 hour.

4.3:Data Analysis Method

The interviews were recorded (with prior participant consent) and transcribed verbatim. The analysis followed several steps to identify key themes and emerging patterns:

- **Data preparation:** Transcripts were carefully reviewed to ensure fidelity to participant statements.
- **Key theme identification:** Recurring themes were noted, particularly regarding the nature of networks, types of resources accessed, and performance impacts.
- **Analysis and interpretation:** Data were examined to identify links between themes and draw conclusions on how social capital contributes to resource access and business performance. Each interview was analyzed individually, then compared to others to detect common trends or significant differences.
- **Result synthesis:** A final summary was produced, highlighting the key factors influencing business performance through the entrepreneurs' social networks.

5: Results

Social Capital and Its Role in the Entrepreneurial Journey: General Analysis of 10 Entrepreneurs

Social capital — whether familial, friendly, or professional — is a vital strategic resource for entrepreneurs. A study of 10 Moroccan entrepreneurs revealed that human relationships play a central role in entrepreneurial success by facilitating access to resources such as funding, practical advice, and ongoing moral support.

Family relationships are often seen as a fundamental pillar, offering both moral support and, in some cases, financial or material resources. During difficult times, the family plays a key role by providing direct assistance, either through loans or necessary equipment for launching or growing the business.

Professional relationships are equally important, especially for business partnerships, supplier contacts, and interactions with clients and mentors. These relationships grant access to strategic advice, financial opportunities, and crucial human resources needed to face entrepreneurial challenges. Many entrepreneurs noted that their professional social capital, built over time, enabled them to overcome major hurdles, such as securing financing or penetrating competitive markets.

Friendships, although sometimes underestimated, also play a significant role in business development. Friends can be sources of innovative ideas and facilitators in connecting with business partners or potential investors.

The construction of social capital is generally proactive. Entrepreneurs regularly attend physical events such as trade shows, conferences, and workshops to expand their contact base. They also maintain regular interactions with existing contacts through both formal and informal exchanges, keeping their networks dynamic and responsive.

Ultimately, entrepreneurs benefit from various resources through their social capital. These include financial resources (access to investors and credit), material resources (equipment or premises provided by family or partners), human resources (hiring staff or freelancers through recommendations), and motivational resources (moral support and encouragement from family and friends).

In short, social capital plays a decisive role in entrepreneurial success. Relationships with family, friends, and professionals form a vital capital that facilitates access to resources essential for business growth and sustainability.

6: Conclusion

This study highlights the importance of social capital in the entrepreneurial journeys of Moroccan entrepreneurs. Whether familial, friendly, or professional, social capital plays a crucial role in facilitating access to strategic resources such as funding, advice, business partnerships, and moral support. Family relationships, often viewed as moral support, are also vital sources of financial and material backing. Likewise, professional relationships provide critical opportunities for strategic advice and access to human and financial resources.

The study also emphasizes that social capital is not built passively but requires a proactive approach. Entrepreneurs activate their networks by participating in events, maintaining regular contact, and cultivating ties that help them face entrepreneurial challenges. Lastly, the impact of this capital on business performance is clear: access to resources generated by these social networks directly contributes to competitiveness, innovation, and business sustainability.

Thus, the results of this research confirm that social capital is a determining factor in entrepreneurial success, through the effective mobilization of networks to access resources essential to business growth and performance optimization.

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