

## **Importance of development of business networks for university students. Exploration UAEMex 2016**

GONZÁLEZ-GARCÍA, Guadalupe†\*, ESTRADA-GUTIÉRREZ, Enrique, BECERRIL-CARBAJAL, María Luisa and SÁNCHEZ-PAZ, María de la Luz

*Universidad Autónoma del Estado de México*

Received January 7, 2016; Accepted June 15, 2016

### **Abstract**

This article intends to report the findings about the belief that certain authors have of the importance of networking in entrepreneurship. The results of this research confirm the importance of the promotion and use of business networking in the university. There is no evidence of a clear interest in defining goals, making personal approaches or promoting changes with the intention of achieving positive results that can be beneficial for all parts. It can be observed through the data analysis that students are not focusing on how to modify their conduct however, they rely on the fact that they have the necessary skills to change people's behaviour at a certain point. Designing strategies for the development of business networking such as promoting a connection with the business sector and encouraging students to make part of groups or associations related to this sector is essential for students at this level of education. The strengthening of networking relies on the access to information, interactive learning and the spread of innovation.

### **Entrepreneurship, business, networking, University students, business administration**

**Citation:** GONZÁLEZ-GARCÍA, Guadalupe, ESTRADA-GUTIÉRREZ, Enrique, BECERRIL-CARBAJAL, María Luisa and SÁNCHEZ-PAZ, María de la Luz. Importance of development of business networks for university students. Exploration UAEMex 2016. ECORFAN Journal-Republic of Cameroon 2016, 2-2: 54-62

\* Correspondence to Author (email: guadalupe\_ggg@hotmail.com)

† Researcher contributing first author.

## Introduction

Innovative, cost-effective projects that solve economic and social problems of a region and that also allow their sustainable development, are attended every day by various instances, which implies that the development of entrepreneurs is a function to take into account in universities. In the same way, today's markets are increasingly demanding and do not forgive mistakes, require entrepreneurs with greater preparation and care in the management of their business. Thus, entrepreneurship can be the difference between professional education that fosters an entrepreneurial culture and the one that does not, as mentioned by Bygrave and Minniti (2000).

The university instruction uses positive models of the entrepreneurial role in the student's environment to influence the decision to undertake and is associated with the probability of realizing their project, that is to say, the use of entrepreneurial patterns throughout the academic development allows to promote professional entrepreneurs. Because the characteristics of the entrepreneurial profile are being reinforced through the internalization of the knowledge and skills that imply being an entrepreneur.

In many university curricula, the commitment to integrate an entrepreneurial and entrepreneurial vision that allows graduates to perform better in the work context is increasingly considered. Of particular note is the development of a corporate culture defined by Gibb (1999: 27-38) as the "set of values, beliefs and skills commonly shared in a society, which supports the idea that an entrepreneurial way of life is desirable. Continuously supporting the search for effective entrepreneurial behavior by individuals or groups "and the formation of entrepreneurs able to offer their services independently, create companies or innovate in existing ones.

So it is emphasized that within the various actions in the Higher Education Institutions aimed at the integral formation of the student is to foster entrepreneurship, the focus of this research.

## Development

### Business

To begin with the development of this concept some definitions are taken up again. Undertaken by its etymology it is made by the suffixes "in: en, prehendere: take, hold"; start a company. Company is made up: in / prehensa: taken, captured. To undertake according to the context in which it is used, can have two meanings: in business, the entrepreneur is an entrepreneur or owner of a company for profit, while in the academic environment rather describes a profile, a set of characteristics that Make a person act in a certain way to demonstrate certain competencies to define and achieve objectives (Finley, 1990 and Ronstad, 1985 quoted by Alcaraz, 2011).

An entrepreneur is a person or organization able to generate a new business project or activity that creates value (Juárez, 2012). Finally, the term enterprise or entrepreneurship is both words by way of translation of entrepreneurship that is the way to address the entrepreneurial spirit and is defined in the dictionary of the Royal Academy as the quality of the entrepreneur. The Global Entrepreneurship Monitor 1 (GEM) defines entrepreneurship as any attempt made by individuals to start a new business, including that of becoming self-employed.

Reflecting that young people have clearly established rights to develop their full potential in the workplace through universal principles such as: universality, indivisibility, equality and efficiency (United Nations, 2004) implies for universities that a fundamental part in the training of professionals includes entrepreneurship. Another relevant component in this respect is the International Labor Organization, which states that vocational training consists of "activities that tend to provide the practical capacity, knowledge and attitudes necessary for work in an occupation or group of occupations in any Branch of economic activity". Thus the substantive functions of the universities are aimed at providing students with the theoretical contents and development of competencies in order to train them for professional life, which today also demands to be enterprising either internal or external organizations.

Last but not least, UNESCO's (United Nations Educational, Scientific and Cultural Organization) statement in Incheon 2030 (Korea) on education recognizes the importance it plays Education as the main driver of development, as well as the key to achieving full employment and poverty eradication, for which fairness, inclusion, quality and learning outcomes are required, within a learning Long life. Given this, to generate entrepreneurship in students of higher education becomes a necessary competence of study programs, and that is why boosting entrepreneurship and innovation, involves taking responsibility for the development of relevant skills.

Now, as mentioned the skills to be an entrepreneur can be fostered; Campos, Figueroa and Sandoval (2014) argue that Aronsson (2004) and Kirby (2004) found empirical evidence that the acquisition of entrepreneurship skills can be a factor influencing the development of entrepreneurial skills.

And that Aronsson On the one hand points out that entrepreneurship can be encouraged through teaching and, on the other, Kirby asserts that entrepreneurial skills are not only innate but can also be acquired through learning.

According to Spinelli and Adams (2012), entrepreneurship as a new management paradigm, as proposed by Spinelli and Adams (2012), considers that throughout the curriculum of a university career mainly in the Administration sciences and related, it should include related topics that can range from finance and accounting, through marketing and information technology to a business perspective.

In many curricula there are specific subjects that address the creation of companies and consequently some studies have been carried out on their problematic for university students (Rubio, Cordón and Agote, 1999, Grande, 2001, Cano, García and Gea, 2003). In Cano, 2003), in which it is concluded that many of the problems are those related to the start-up of any business and that need to be faced and considered as part of the entrepreneur's learning.

In the process of change to encourage students' entrepreneurial behaviors, it is important first to determine the characteristics they already have as entrepreneurs. Research on the characteristics of the entrepreneur should consider three aspects according to Uriarte and González (2007):

1. The existence of character í í sticas ndoles psicol or logical, social, hereditary, environmental, educational or experimental, that differentiate the entrepreneur with é success of other human groups.
2. As I be, if possible that these pre - existing character í sticas entrepreneurial behavior.

3. Determine the possibility of evaluating and anticipating the process of creation or a company.

According to Vargas (2007) it is essential to foster an entrepreneurial culture, as a frame of reference for values that shape productive activities. Hence, as Gilder (1984) mentions, it is important to determine the entrepreneurial characteristics and how entrepreneurs are people capable of learning, but who also pursue their goals despite failures and frustrations and finally achieve success through breaking Old patterns and create your own new order. This is strengthened by the professional alignment of knowledge and values that allow eminently humanistic training; The relevance of education and research in universities is not discussed in any way, but also the importance and necessity of creativity and innovation in them are part of this new model.

### Business Networks

For the integration of the theoretical structure of this article the issue of corporate networks, which are not a fashion, although some recent, finding definitions with different approaches addressed: economic, administrative, sociological, etc. Of which they have made a compendium Rauch and Casella (2001). Networks are a mechanism for cooperation between businesses and entrepreneurs, in which they participate voluntarily to obtain individual benefits through joint action. In this mechanism each participant maintains its legal independence and managerial autonomy, although the participants agree to cooperate using the appropriate environments and methods (Rodríguez, 2008).

A business network is "a permanent strategic alliance between a limited and clearly defined group of independent companies, which collaborate to achieve common medium- and long-term goals.

Aimed at developing the competitiveness of the different participants" (López, 1999). They are a response to the need to establish linking and collaboration systems between companies, whether new or in operation. Relationships of trust, solidarity and cooperation with others are encouraged and privileged, although their dynamics are complicated. Unlike clusters, networks are made up of a more limited number of enterprises, are clearly identifiable and their members do not necessarily belong to the same territory (Dini, 1997).

The functional components of Maeso's business network emphasize: cooperation mechanisms, legal independence and autonomy management of the members, voluntary affiliation, obtaining individual benefits through joint action, there is no agreement on the size or size of the network although it is important the management difficulty in networks too large. A network of companies (López-Cerdán, 1999) requires a minimum structure that maintains a group of companies together, providing them with benefits and advantages of joint actions. From them emanates perspectives of exchange of products and services, but also of contacts and supports of economic, social and technological character.

According to Grabher (1993, quoted by Cervilla 2007) whatever the definition adopted, the relationships between the companies of a network have the following characteristics: they refer to transactions within a context of reciprocity not to transactions in the market or to Hierarchical relationships in a company; Refer to a system of multiple interconnections, responses and reactions of companies and actors, and it is about relationships of interdependence between companies or actors.

The same Cervilla (2007) emphasizes that Ceglie et al (1998) see a business network as a group of companies that cooperate in the development of a joint project, complementing each other and specializing with the purpose of solving common problems, achieving collective efficiency and conquer markets that would be very difficult to address individually. It also states that Camagni (1991) states that it is a closed set of selected and explicit links of a company with preferential partners, in the field of complementary assets and market relations, which has been established with the main objective of reducing the levels Of uncertainty.

Establishing a definition of the business network concept among university students is not easy, so the use of models makes it easier to differentiate business creation from a totally independent point of view or create companies within networks. It is advisable to start from the elements of a model such as the one shown in Diagram 1, which can serve as a guide for the implementation of entrepreneurial culture development processes, such as the acquisition of entrepreneurial skills, abilities and professional skills. Theoretical interaction for characterizing business networks h to widely mulled by Dr. Carlos Hernán González-Campo (2010), highlighting the factors that should be implicit in the formation of entrepreneurial culture

### **Social networks in business networks**

Electronic social networks have changed the focus of human relations and potentialized their most important feature: the ease of finding and establishing relationships with other members of similar interests as noted by Brent (2007). This evolution also impacts the formation of social organizations, in which groups of individuals are connected to coordinate and act together as Martínez points out (2011, quoted by Sandoval-Almazán et al, 2013).

Social networks are the result of an evolutionary process of forms of social organization, in which groups of individuals are connected to coordinate and act together Rondfelt (2007). Today, new technologies and the media are changing our way of living, working, communicating and determining our relationship. Hence, it has been necessary to incorporate the world of information and communication technologies into the workplace. Herrera (2009) highlights the evidence that the theoretical perception about entrepreneurship is not individualistic, but a social phenomenon and as such immersed in social structures and networks.

### **Methodology**

The field research was carried out based on a questionnaire addressed to the students of Administration and some related areas. Being of transversal type derived that the results were obtained in a single moment during the first semester of the year 2016. The target population was of 375 students. It is a descriptive research that seeks to establish the personal business characteristics of a group of individuals, identifying behaviors and attitudes that lead to concrete behaviors, to discover and determine the relationships between the various variables of the study. The research is non-experimental in the absence of manipulation of variables and only observed the phenomenon as such occurs in the natural context and subsequently analyzed.

For the collection of data needed in this research, the questionnaire on Management Systems International's Personal Business Characteristics was applied in order to know the level of entrepreneurial skills of the students under study. Said instrument reviews in a summarized form personal business characteristics required to form a company. Its main objective is that the profile can be elaborated on these characteristics.

Is a test that in the best of cases can mark trends in one direction or another. It does not necessarily have a value in absolute terms and its effectiveness and impact among the participants is precisely its neutral and depersonalized character. This instrument is integrated by 55 statements that evaluate ten characteristics, which were extracted those oriented to the dimension of this research: "Business networks".

## Results and discussion

The sample size was 375 students of the LAM and some related subjects such as International Relations (REI), Actuarial (LAC), International Business (NIB) and Marketing (MKT), chosen at random without regard to specific parameters Gender, age or semester in progress and were distributed as shown in Figure 1. The assertions of the instrument are analyzed below.

For the claim 9: "Achievement others support my recommendations, " we observed an average of 3.66 is usually very close to the value, as shown in Figure 2.

As the claim 20 is complementary to 9, as it says, "I do not spend much time thinking about how to influence people" and observed that the response of the sample is sometimes what makes us assume that even if Managers in general do not invest much time thinking about how to influence people, they finally achieve it, as can be seen in Figure 3.

Figure 3 "I do not invest much time in thinking how to influence people"

For statement 31: "I use influential people to achieve my goals" we note that managers do not fully agree with it, but they are not against it either, which suggests that in the issue of taking all resources to the Reach, managers are more humanistic. See Figure 4.

For statements 42 and 53: "To reach my goals I seek solutions that benefit all people involved in a problem"; while "I get people with strong convictions and opinions change of mindset" it is that there is usually an important bias because the averages are 3.83 and 3.54 respectively. This reinforces the humanist approach expressed in statement 31 and gives us the assumption that this generation of managers is more person-oriented rather than task-oriented.

However, in statement 9 when analyzing the degree in Administration on the one hand and related careers on the other, we obtained what is shown in Figure 7. It is significant the tendency to "Achieving that others support my recommendations" in the graduates In Administration with respect to the other bachelor's degrees.

With regard to the statement 20: "I do not spend much time thinking about how to influence others" it is evident as the other races are more prone to indecision, while graduates in rare Administration once they consider important, as seen In Graph 8 a clear trend.

In reviewing the answers to statement 31 "I use influential people to achieve my goals", for managers is not important, while for other careers represents a trend, as shown in Graph 9

In statement 42: "In order to achieve my goals I seek solutions that benefit all people involved in a problem," all careers show an interest in win-win, as shown in Figure 10.

Finally, in Figure 11, the result is given to statement 53: "I can get people with firm convictions and opinions to change their way of thinking", it is evident that for graduates in Administration is a topic of interest, while for other related careers is not.

The following table shows the correlations of all questions in the "Business Networks" dimension of the questionnaire, applied to the bachelor's degree in Administration and related fields and the following is found:

1. Among men to the recommendations issued by these professionals support, you can make people with strong convictions and opinions change their thinking (affirmation or affirmation or n 9 n 53)
2. It is important that these professionals avail themselves of influential people to achieve their goals because they can achieve with this change their thinking (affirmation or affirmation or n 31 n 53)
3. The analysis to an Appen also shows that by achieving these professionals that seem to support their recommendations to n could use those people to achieve their goals (31 Affirmation Affirmation or n or n 9)

		Correlations				
		Preg9	Preg20	Preg31	Preg42	Preg53
Preg9	Pearson's Correlation	1	-.014	.262	.226	.273
	Sig. (Bilateral)		.791	.000	.000	.000
	N	375	375	375	375	375
Preg20	Pearson's Correlation	-.014	1	.113	-.022	.062
	Sig. (Bilateral)	.791		.029	.666	.229
	N	375	375	375	375	375
Preg31	Pearson's Correlation	.262	.113	1	.186	.363
	Sig. (Bilateral)	.000	.029	.000	.000	.000
	N	375	375	375	375	375
Preg42	Pearson's Correlation	.226	-.022	.186	1	.181
	Sig. (Bilateral)	.000	.666	.000		.000
	N	375	375	375	375	375
Preg53	Pearson's Correlation	.273	.062	.363	.181	1
	Sig. (Bilateral)	.000	.229	.000	.000	
	N	375	375	375	375	375

**Table 1**

When evaluating the values obtained in the questionnaire we find that the score reached for the dimension of "Business Networks" is 17.24, which implies that our working opportunity margin is 7.76, equivalent to 31% in it, as observed in Figure 12

## Conclusions

It is important to consider that in situations of crisis and scarcity or problems that companies cannot face on their own, they choose to establish inter-company links (Hernández, 2015). Hernán and Gálvez (2008) explain in their proposal that entrepreneurs must know the differences between creating a company to operate independently or to do it within a network. Veronica Alderete (2015) highlights the recognition of the value of networks for business success derived from the fact that cooperation is a strategy to improve competitiveness and overcome some weaknesses such as access to external markets, financing and technological backwardness.

With the results obtained in this research, the importance of promoting the creation and use of Business Networks from university is confirmed. The skills and competences developed by the graduates in Administration and related careers do not show a clear interest in clarifying goals, approaching others, seeking changes and thus achieving results with mutual benefits. Although there is progress, with the analysis of the "Business Networks" indicator of the instrument applied, there is evidence that there is a long way to go in this topic.

It should be noted that these degrees are considered an ability to make people with firm convictions change their thinking if the relevant recommendations are made to a problem. Thus the search for solutions should bring a benefit to all the people involved in a project, without detracting from the humanism that was also appreciated throughout the research.

With regard to the time spent to think how to influence others, no significant evidence was found that there is interest on the part of the sample.

Given the importance of theory that time should be given to thinking about how to modify behaviors; as it was observed in the results analyzed our students are not doing it, it would be advisable to work on the development of this skill.

The strategies for the development of "Business Networks" fundamental to share in this educational level would include: strengthening entrepreneurship through linkage with the business sector; To bring university students closer to the chambers, associations and organizations that concentrate a group of companies; Perform collaborative and teamwork with other professions; To study the existing models for the formation and management of networks in Mexico and in other countries, making the necessary adjustments.

In the topic of business networks, it is important to reconsider how an entrepreneur who wants to start a business or to join an intrapreneur can make the decisions to achieve its objective taking into account the existing external conditions generated by the other member companies of a Network (Minniti, 2005). The strengthening of the business network is supported by access to information, interactive learning and the diffusion of innovation.

## References

- Alderete, M. V. (2015). Redes de pymes: una visión desde las teorías de club y de equipo. *Revista de Economía Institucional* 17(32) 2015, pp. 317-348. DOI: 10.18601/01245996.v17n32.11
- Alcaraz R., R. (2011). *El emprendedor de éxito*. Cuarta edición. México: Mc Graw Hill.
- Brent, R. (2007). *Data Base For Advances. Information Systems*, 38 (3), 20.
- Bygrave, W., Minniti, M. (2000). *The Social Dynamics of Entrepreneurship. Entrepreneurship: Theory and Practice*. Vol. 24. Núm.3: 25-36. Ed. Universidad de León. León:España
- Cano, C. J., García, J., y Gea, A. B. (2003). *Actitudes emprendedoras y creación de empresas en los estudiantes universitarios*. Almería: Servicio de Publicaciones de la Universidad de Almería y Consejo Social de la Universidad de Almería
- Campos, Figueroa y Sandoval (2014). *Memorias XV Congreso Internacional sobre Innovaciones en docencia e investigación en Ciencias Económicas Administrativas* Zacatecas:México. [www.fca.uach.mx/apcam/2014/04/.../Ponencia%20147-UPZacatecas/recuperado 11/02/2016](http://www.fca.uach.mx/apcam/2014/04/.../Ponencia%20147-UPZacatecas/recuperado%2011/02/2016).
- Cervilla de Olivieri, M. (2007). Estrategias para el desarrollo empresarial: Asociatividad en el sector plástico venezolano. *Revista de Ciencias Sociales*, 13(2), 230-248. Recuperado en 19 de septiembre de 2016, de [http://www.scielo.org.ve/scielo.php?script=sci\\_arttext&pid=S1315-95182007000200004&lng=es&tlng=es](http://www.scielo.org.ve/scielo.php?script=sci_arttext&pid=S1315-95182007000200004&lng=es&tlng=es).
- Dini, M. (1997). *Enfoques conceptuales para el estudio de pequeñas y medianas empresas*. Mimeo, Santiago de Chile: CEPAL.
- GEM. *Global Entrepreneurship Monitor, Informe ejecutivo 2016*. Global Entrepreneurship and Development Institute. [https://thegedi.org/global-entrepreneurship-and-development-index/recuperado el 30 de marzo de 2016](https://thegedi.org/global-entrepreneurship-and-development-index/recuperado%20el%2030%20de%20marzo%20de%202016).
- Gibb, A. (1999). *Creating an entrepreneurial culture in support of SMEs. Small Enterprises Development*”, Vol.10, no.4



Gilder, G. (1984). *El Espíritu de Empresa*. Madrid: Espasa-Calpe

González-Campo, Carlos Hernán. (2010). Interacción teórica para la caracterización de redes empresariales. *Innovar*, 20(37), 117-132. Recuperado Junio 30 de 2016, from [http://www.scielo.org.co/scielo.php?script=sci\\_arttext&pid=S0121-50512010000200010&lng=en&tlng=es](http://www.scielo.org.co/scielo.php?script=sci_arttext&pid=S0121-50512010000200010&lng=en&tlng=es)

Juárez, L.F. (2012). *Principios de contabilidad. Enfoque emprendedor*. México: Cengage

Hernán González Campo, C; Gálvez Albarracín, É J; (2008). Modelo de Emprendimiento en Red -MER. Aplicación de las teorías del emprendimiento a las redes empresariales. *Academia. Revista Latinoamericana de Administración*, () 13-31. Recuperado de <http://www.redalyc.org/articulo.oa?id=7161210003> ISSN 1012-8255

Hernández, A y Zapata G. (2015). Vinculaciones interempresariales colaborativas en contextos de red. Estudio de caso en organizaciones pertenecientes al sector de maquinaria pesada. Barquisimeto, Estado Lara. Venezuela. *Visión Gerencial Enero-Junio 2015*(89-118).

Herrera Echeverri, Hernán, Investigación sobre redes sociales y emprendimiento: revisión de la literatura y agenda futura *INNOVAR. Revista de Ciencias Administrativas y Sociales [en línea]* 2009, 19 (Enero-Abril): [Fecha de consulta: 13 de agosto de 2016] Disponible en:<<http://www.redalyc.org/articulo.oa?id=81819022003>> ISSN 0121-5051

López-Cerdán Ripoll, C. (1999). *El Desarrollo de Mecanismos de Promoción para el Agrupamiento de Pequeñas y Medianas Empresas*. En Revisión para publicar por el SELA-AECI. Caracas, Venezuela.

Maeso, A. (1998). *Los consorcios de exportación en el Uruguay. Taller de Expertos sobre Asociacionismo y Competitividad SELA-AECI-SER*. Lima, Per

Rauch, J. & A. Casella. (2001). *Networks and markets*, Nueva York, Russell Sage Foundation. Rodríguez, C. a. (2008). *Redes Empresariales. Alianzas productivas colaborar para competir*. Cámara de Comercio de Bogotá ISBN 978-958-688-218-7 LEGIS S.A. 2008

Rondfelt, D. (2007), *How societies work. Tribes –The first and forever form (Reports and Bookstore No. WR-433-RPC)*. Working papers (p.102). RAND corporation. Recuperado a partir de: [http://www.rand.org/pubs/working\\_papers/WR433.html](http://www.rand.org/pubs/working_papers/WR433.html).

Sandoval-Almazán, R., Romero-Romero A., Heredia, E.(2013). Comunicación e intercambio con redes sociales en la educación universitaria: caso estudiantes de Administración e Informática. *Apertura Revista de Innovación Educativa*. Vol. 5, núm 2. ISSN: 2007-1094 México.

Spinelli, S. Jr. & Adams, R. (2012). *New venture creation. Entrepreneurship for the 21st century*. 9 ed. U.S.A: Mc-Graw-Hill Irwin

Uriarte, J., y González, P. (2007). *Métodos e instrumentos de evaluación psicológica de jóvenes emprendedores*. España. <http://www.psicologiacientifica.com/bv/psicologia-264-1-metodos-enstrumentos-de-evaluacion-psicologica-de-jovenes-.html>

UNESCO (2015). *Declaración de Incheon: Educación 2030*. <http://es.unesco.org/world-education-forum-2015/about-forum/declaracion-de-incheon>