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## E-NEWSLETTER

D-8 Technology Transfer & Exchange Network (D-8 TTEN)



## NETWORKING IMPACT ON FIRM PERFORMANCE

By Javad Hosseini, D-8 TTEN Secretariat

Your company may have heard about making affective ties with cooperative people, firms and organizations through any kind of ways. Herein, you may face some questions. Does networking activity have a positive effect on firm performance? How does activity in network relationships influence the growth and internationalization of technology-based firms in emerging technology areas?

The overall conclusion of the literature review suggests that network relationships are beneficial and vital for firms, especially for entrepreneurial firms that aim to grow and internationalize.

Many managers and scientists have scrutinized several items of the issue and in this column will be unveiled some aspects to arrive at the best reasons. Here we try to summarize it for your better catch up.

### Unavailable Resources

Network theory suggests that network relationships provide access to otherwise unavailable resources and information and may thus have a positive effect on firm performance (Watson, 2007). Network connections provide knowledge inflow that firms can utilize.



### Enhance Competitiveness

There is a greater interaction and collaboration among companies because of the rapidly changing and dynamic environment and lower costs of information technology. Bovet et al. (2000) op. cit. state that the interaction among business network members helps to enhance corporate competitiveness (Hsueh, 2010).

### Firms Evolution Stages

The life cycle of a firm consists of several stages, namely as emergence, early growth, later growth, maturity and often death, so companies encounter various strategies. As a firm evolves and progresses to various stages, its network and resource needs also evolve. Researchers believe, in early stages, firms encounter resource acquisition challenges, including availability, accessibility, and uncertainty, these issues are important originators of network evolution of a firm. During the emergence, interpersonal and inter-organizational ties are formed. Here, firms bridge the holes in their ties with others so a path-dependent process dominates the evolution of networks, but during a change in early growth, network management becomes more intentionally managed.

Moreover, Wright et al. (2007) imply that entrepreneurs must establish network connections to secure access to appropriate resources, knowledge, and learning to form 'a positive platform for internationalization'. Furthermore, Ojala (2009) proposes that knowledge-intensive SMEs form new network relationships or utilize existing relationships when extending their market presence to new distant markets. In conclusion, the above discussion suggests a positive connection between activity in entrepreneurial networks and internationalization.



## News and Events

D-8 TTEN Secretariat



Ignite, formerly known as National ICT R&D Fund, collaborated with Ministry of Information Technology & Telecom (MoITT) to establish five National Incubation Centers (NICs) across the country. The first NIC was launched in Islamabad in 2016 with Jazz as a key player. The following year in 2017, LUMS Centre of Entrepreneurship was relaunched as NIC Lahore.

### [34 STARTUPS FROM 5 NATIONAL INCUBATION CENTERS HAVE RAISED OVER \\$23 MILLION IN INVESTMENTS](#)



According to international statistics in 2017, Gholami said “Iran ranked 16th in scientific production in the world, and ranked 1st in term of the growth rate of scientific production in the world.”

### [IRAN RANKS 16TH IN SCIENTIFIC PRODUCTION](#)

# FOODIE

Penang-based [Good Foodie Media](#) raised US\$52,612 (RM220,000) from the [Penang State Government's i4 SeedFund](#) and angel investors. The company plans to use the fund to expand into new markets.

### [MALAYSIAN FOOD MEDIA GROUP GETS \\$52K TO VENTURE INTO NEW MARKETS](#)



Minister for research, technology and higher education Mohamad Nasir opened on February 21 the launching of the 24<sup>th</sup> commemoration of the national technology awakening day (Hakteknas) in Puputan Margarana field, Denpasar Bali. The event was attended by around 50,000 students from Balinese higher education bodies.

### [50,000 BALI STUDENTS ATTEND THE LAUNCHING OF 2019 HAKTEKNAS](#)



Mostafa Ghanei, Chairman of the Biotechnology Development Council, said the country enjoys desirable conditions regarding the production of biopharmaceuticals, adding that the Iranian produced biotech drugs are currently being exported to 17 countries in the world.

### [IRAN EXPORTS BIOTECH. DRUGS TO 17 COUNTRIES](#)

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