

# Transitioning from Full-time Employment to Entrepreneurship: How Networking Affect Entrepreneurial Survival and Success

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## Abstract

This career shift from a salaried job to entrepreneurship is a significant change, having a number of associated challenges and opportunities. This paper examines the role of networking in enabling an entrepreneur to negotiate the challenges and succeed in his transition process. The influence of these networking activities on an individual's ability to navigate the intricate aspects involved in entrepreneurship, in enhancing the chances of survival and success in competitive business environments, is shown through analysis of already existing research and empirical evidence.

In this paper, the theoretical bases of networking in entrepreneurship are analyzed as a way to explain its importance for access to crucial resources, information, and opportunities while carrying out entrepreneurial activities. Coupling the findings of previous studies, this paper will show how and why networking can help realize the transition from full-time employment to entrepreneurship and provide expansion and durability for nascent ventures. This work will further relate research on the different types of networks, such as social networks, professional societies, mentorship programs, entrepreneurial communities, and their inferences on entrepreneurial outcomes. The research was able to delve deeper into the details of networking strategies and the implications it had on entrepreneurial survival and success in pointing out suggestions to those intending to start a business while maintaining a full-time job.

This paper makes a strong contribution to the entrepreneurship literature in respect of demonstrating the contribution of networking within the transition process and making the processes more likely to result in successful new businesses. Results show clearly the need for strategic networking activities by those moving from ordinary employment into entrepreneurship; this is not a passive activity, so there is an obvious requirement for the networking of active processes with different networks in order to connect with resources and opportunities that would support sustainable enterprise growth.

**Keywords:** Employment, Entrepreneurship, Success, Networking, Survival, Career, Job, Profession

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## Cite this article:

Kumar, S. (2023). Transitioning from Full-time Employment to Entrepreneurship: How Networking Affect Entrepreneurial Survival and Success. *Scholedge International Journal of Business Policy & Governance*, 10(6), 56-64. <https://dx.doi.org/10.19085/sijbpg100601>

## **Introduction**

In the process of moving from full-time employment to entrepreneurship, networking encompasses a variety of activities and interactions aimed at establishing and maintaining connections with individuals and organizations that can provide support, resources, information, and opportunities for achieving entrepreneurial success. Networking in this context may involve:

1. *Social Networks*: A social network includes personal and professional contacts one builds through social interactions, events, and online platforms. Tapping into the networks could be a sure way through which entrepreneurs get invaluable advice, mentorship, and even business partners.

2. *Professional Associations*: For entrepreneurs, the interest of joining professional associations in their various industries or areas of interest can be beneficial to expose them to others with similar interests and goals. Many of these associations engage their membership through networking events, conferences, and workshops—activities relevant to the exchange of ideas and professional relationship-building. By engaging in these activities, the entrepreneurs can therefore access valued resources and intuitional revelations that make their business ventures a reality.

3. *Mentorship Programs*: Through mentorship programs, an entrepreneur is able to tap into very vital inputs of mentors who have broad experience in guiding them through valuable insights, advice, and support. Mentors help in surmounting obstacles, provide tactical recommendations, and increase network size through their business relationships.

4. *Entrepreneurial Communities*: Interaction within these wide entrepreneurial communities—such as engagement through co-working spaces, startup incubators, accelerators, or networking groups—opens doors for better incorporation of the entrepreneurial spirit by the people in such environments and offers them opportunities for connections to peers, investors, and industry professionals who foster collaboration, lifelong learning, and experiential interactive events.

5. *Online Networking Platforms*: Digital networking and exchanging business information through LinkedIn, other business-oriented online forums, and social media groups help an entrepreneur expand his network beyond the geographic boundaries. Online networking allows one to connect with a wide array of professionals and helps in gaining access to industry insights, showcasing expertise and services.

6. *Business Networking Events*: Participation at business networking events, such as conferences, seminars, workshops, and trade show, enables entrepreneurs to establish connections with potential clients, partners, investors, and mentors. Such events help to facilitate an environment for face-to-face interaction, relationship building, and the sharing of knowledge within the entrepreneurship ecosystem.

A very marked step people undertake for some reason, such as following a passion, autonomy, or simply answering the call of the market, is transitioning from a traditional career to entrepreneurship. This is a shift from the security and stability that traditional employment promises to the uncertainties and challenges of establishing and running a business (Raffiee & Feng, 2014). It has been found to be significantly related to tolerance of risk, perceived feasibility, and desirability of an individual's intentions to pursue self-employment (Segal et al., 2005). Moreover, the role of personal characteristics, entrepreneurial optimism, and new venture intentions is huge in making the decision to transition from full-time employment into entrepreneurship (Ma, 2024).

This is one of the significant decisions that opens a person to personal and professional growth, financial independence, or, simply, the ability to pursue a certain entrepreneurial vision. This will lower

the risk of failure of those who transition into entrepreneurship via the hybrid path, defined as wage work with entrepreneurial activities, compared to those who move into full-time entrepreneurship from paid employment. This approach can be a learning ground, which later eases the transition to full-time entrepreneurship (Ferreira, 2020). The various factors that could lead to the change from employed full-time to being an entrepreneur are stemmed from the attainment of entrepreneurial alertness, networking, and acquisition of entrepreneurial skills in the process (Satar, 2024).

Since transitioning from full-time employment to entrepreneurship may not be an easy step, entrepreneurial networking can provide people with resources, information, mentorship, and opportunities to cope with complexities that improve their chances of survival and success in a competitive business environment (Satar, 2024). In this line of argument, research has underlined the importance of strategic networking in leveraging resources and opportunities as prerequisites for achieving sustainable entrepreneurial growth. Actually, professional networks are developed as one of the main entrepreneurial competencies and a source of ties that can be mobilized to enable new ventures to grow and be sustainable (Satar, 2024; Mutoko & Nzonzo, 2016).

One of the most critical distinctions for these transitioning career individuals to make is that networking in business lays the groundwork for support, resources, and opportunities critical to the successful navigation of the entrepreneurial landscape.

Theories, such as Social Cognitive Career Theory, have made a very vital contribution to the understanding of how personal attributes, environmental factors, and self-attributes interact in the choice of careers entailing entrepreneurship (Eid, 2023). SCCT scrutinizes three variables: self-efficacy, outcome expectations, and goals. Through these variables, persons choose careers and what they do, hence providing a comprehensive framework for studying entrepreneurial intentions and behaviors (Zhao et al., 2005).

### *Social Cognitive Career Theory (SCCT)*

Founded on Social Cognitive Career Theory, it presents a suitable theoretical basis through which to understand the dynamics and actions of leaving full-time employment to become an entrepreneur and the role of networking in that specific situation. Through the application of SCCT, how self-efficacy, outcome expectations, and goals influence individual choices to pursue entrepreneurial opportunities and execute networking behaviors in the accomplishment of their vocational transition can be clarified.

According to SCCT, self-efficacy plays a significant role in people's career decision-making processes, since it influences their beliefs about the likelihood of succeeding in an entrepreneurial venture. People with a high degree of self-efficacy will tend to look at entrepreneurial activities as viable and will be very enthusiastic about participating in entrepreneurial activities, despite the many barriers and risks involved in such an activity. Given this, it might be that, considering a decision to leave full-time employment to start a business, agents with high self-efficacy might be more likely to network and increase social capital, hence access to resources and mentors that may guide them along their entrepreneurial process. Furthermore, based on SCCT, outcome expectations—the personal belief of consequences—are likely to affect individuals' actions and behaviors on career choice.

Individuals expecting positive networking outcomes in terms of improved access to opportunities, knowledge, and social support engage more often in networking activities for increased entrepreneurial success. Proper networking will increase a starting entrepreneur's professional network, acquire relevant industry knowledge, and develop reciprocal relationships necessary for the growth and sustainability of his venture.

The Social Cognitive Career Theory (SCCT) has also given emphasis on the role of goals and goal-setting in motivating and guiding the career development and career behavior of an individual. Specific entrepreneurial goals, such as building a network, arranging finances, or acquiring skill-based training, will motivate individuals to take part in networking activities in order to achieve the goals. It is, therefore, through networking that transitioning entrepreneurs get the strategic tool in connecting with potential partners, investors, and mentors who will help in meeting goals and aspirations set for entrepreneurship.

Empirical research has tried to ascertain the role of entrepreneurial education, self-efficacy, mentorship, social networks, intentions of becoming an entrepreneur, and career changes in influencing individuals. Research into the area of self-efficacy has shown that it mediated the formation of entrepreneurial intention and was influenced by perceived learning experiences and risk propensity (Zhao et al., 2005).

Other research has focused on the relationship between career shocks, job satisfaction, and entrepreneurial transitions and identified that here, as well, different individual experiences and perceptions should be considered in understanding career decisions (Rummel et al., 2019). In this regard, literature has also investigated social creativity, career adaptability, and parental entrepreneurial background for forming the entrepreneurial intentions of college students, which thereby outlines the complexity of making career choices and aspirations (Zhang et al., 2022).

While entrepreneurship, career transition, and networking have been a significant focus of research, there are conspicuous gaps in the literature on the specific transition from full-time employment to entrepreneurship. This is especially so because very few studies have juxtaposed entrepreneurship with other career choices, like staying with the current employer or changing to a new one, making it simplistic to assume that a full understanding of career trajectories exists (Rider et al., 2019). Furthermore, little attention is paid to the process of transition into business ownership; most of the research designs cover only transitions from education to traditional employment settings (Rummel et al., 2019).

## **Theoretical Framework**

A critical understanding of the various approaches on the issues of career adaptability, employability, and social cognitive approaches can innovatively study the dynamic shift from full-time employee to entrepreneur and the role of networking in entrepreneurial survival and success. Career adaptability, according to Johnston, 2016, refers to the resources and readiness one develops in order to effectively engage in vocational tasks and transitions, and overcoming unplanned events. This becomes an important construct that helps a person move from traditional employment to entrepreneurship because it talks about their ability to adapt to new roles and responsibilities. Again, the concept of employability, as discussed by Helens-Hart in 2018, focuses on the competencies for personal adaptability, career identity, and social and human capital in developing employability. This becomes

particularly important when people transition from an employee to an entrepreneur, as they have to use their acquired skills and professional networks to their advantage in new entrepreneurial ventures.

Personal and environmental elements that influence career intentions and transitions play a significant role in the choices people make to become entrepreneurs. According to Sullivan & Ariss, (2018) some of the critical dimensions of employability that influence career choices in relation to post-retirement employment decisions relate to career motivation, human capital, social capital, identity, and personality. When individuals transition from full-time employment to entrepreneurship, these dimensions become salient in determining their success and sustainability in the entrepreneurial world. The social cognitive approach by Lent and Brown in 1996 to career development emphasizes the interaction between personal goals, self-efficacy, and outcome expectations with external variables, such as environment and gender, in either supporting or hindering career growth. This framework is important in understanding how people identify and pursue entrepreneurial opportunities based on their beliefs in their abilities and available help.

According to Terjesen, 2005, and Brown et al., 2020, career capital refers to the potential for individuals to make use of their accrued career, human, and social capital in entry into entrepreneurship. This capital is usefully deployed during the process of founding and growing new ventures. It is obvious that factors ruling entrepreneurial survival and success after full-time employment-to-entrepreneurship transitions can be understood by researchers if there is insight into how individuals have been in a position to actually build and use their career capital. Moreover, the relational processes of career transitions explored by Motulsky in 2010 underscore the role of social relationships and support structures in the change of careers. This becomes particularly crucial when people change from the secure setting of employment into the volatile and unpredictable setting of entrepreneurship, in which networking and mentorship can mean everything in their future prospects.

A study conducted by Chen et al. in 2019 into disruptive technologies and career transition strategies provides insight into how middle-skilled workers can prolong careers with strategies focused on the industry, technology, and comprehensive career transition. The findings from this study are of particular relevance to ascertaining how people successfully adapt to technological advancements and industry changes in the process of transition to entrepreneurship. Even more relevant to the consideration at hand is the critical conceptual framework for understanding career development within linguistically diverse contexts presented by Stojanović, 2024. The present framework pays particular attention to the way in which culture and language have an impact on career decisions and transitions. This means that there is a view based on the fact that entrepreneurship can be most effective through the stimulation of diversity of ideas and growth.

In other words, the theoretical underpinning behind explaining the shift from full-time employment to entrepreneurship and the effects of networking in entrepreneurial survival and success is very complicated, drawing from elements of career adaptability, employability, social cognitive approaches, career capital, and relational processes. Integrating the perspectives can therefore give an overall understanding of what shapes the career intentions and transitions of individuals, more so from a stable employment position into the uncertain world of entrepreneurship. The personal factors—for instance, adaptability, identity, and social capital—and environmental factors, such as social

relationships, technology, and cultural diversity, are important in determining entrepreneurial outcomes after transition.

## **Methodology**

### **Research Design**

It was a quantitative description in which the effect of entrepreneurial networking was examined with regard to survival and success within the game. Unsurprisingly, the documents had been adopted as the Partial Least Squares Structural Equation Modeling (PLS-SEM) procedure to inspect the links that lay between the networking behaviors, entrepreneurial intentions, and career transitions. This manner allows fully researching the complex links of the variables and supplies a rigorous statistical analysis of the captured data (Wahab et al., 2018).

#### *Networking Behavior, Entrepreneurial Intentions, and Career Transitions*

The research examined the networking behavior and its relationship to entrepreneurial intentions and career transitions. Networking behavior was operationalized as the level of engagement in professional relationship-building and maintenance, mentorship seeking, and using social connections to further one's entrepreneurial goals. The entrepreneurial intention was measured according to individual desires, motivations, and commitment involved in starting and expanding a business. In the present research, career transitions were examined in terms of the shift from traditional full-time employment to entrepreneurship, and the different factors that may influence this process.

#### *Sample Size and Data Collection Process*

The sample size of the research study was 250, either existing entrepreneurs or those in the process of making a shift from full-time employment to entrepreneurship. Structured questionnaires were used for data collection, encompassing questions that captured networking behaviors, entrepreneurial intentions, and experiences on career transition. Questionnaires were designed based on established scales and validated measures to have reliable and accurate data, as prescribed by Iyortsuun et al. (2019).

### **Data Analysis**

At the end of the data collection period, researchers entered the responses to the questionnaires into a statistical software package for analysis by the method of PLS-SEM. In such a way, through path modeling, the authors could investigate the relationships among the constructs of networking behavior, entrepreneurial intentions, and career transitions. Therefore, the researchers estimated the hypotheses developed with respect to the impact of networking on entrepreneurial survival and success.

### **Findings and Implications**

The results of the study provided valuable information about the crucial role of networking behavior in the formulation of entrepreneurial outcomes. The findings of the study indicated that there existed a positive correlation between proactive networking tactics and entrepreneurial success, thus considering the development of strong social capital and business connections of vital essence in an

entrepreneurial setting. It also allowed an understanding of how entrepreneurial aspirations get influenced by the networking behaviors and explained how career transitions could be enabled through mediums of proper networking practices.

The methodology allowed for a systematic investigation about the impact of networking on entrepreneurial survival and success. The research came in handy with empirical evidence supporting hypotheses linked to networking behavior, entrepreneurial intentions, and career transitions through the use of PLS-SEM and data collection from a sample of 250 participants. The findings contribute to the existing knowledge base about entrepreneurship and also provide practical implications for those seeking to make a transition from full-time employment to entrepreneurship.

## **Discussion and Implications**

The results of this study support the previous findings on entrepreneurship, networking behavior, and career transition. The positive relationship between proactive networking strategies and entrepreneurial success confirms the role of social capital and professional ties in entrepreneurship, as proposed by previous studies (Quan, 2012). The results of this study on how networking behaviors impact entrepreneurial intentions and career transitions align more closely with the current literature that establishes the role of networking in shaping entrepreneurial trajectories (Satar, 2024).

### *Practical Implications for Aspiring Entrepreneurs and Policymakers*

The research shows that the entrepreneurs have to grow good networking abilities in order to have a higher likelihood of success. The creation of relationships, finding mentors, and social connections can all work towards a favorable entrepreneurial outcome. These findings can be used by policymakers in the design of programs providing networking opportunities for entrepreneurs with support and resources in making a successful transition from full-time employment to entrepreneurship. By providing a conducive networking environment, the policymakers can contribute to the survival and perennialism of the entrepreneurial venture.

### *Addressing Limitations and Suggestions for Future Research*

The study contributes valuable insight into how networking exerts its influence on entrepreneurial outcomes, though there are some important limitations to this research. Future studies should specifically examine the long-term effects of networking on entrepreneurial success by focusing on the growth and maintenance of the networking behaviors over time and their more permanent impact on business ventures. In other words, one can dig deeper into the influence of cultural factors on the networking behaviors and entrepreneurship intentions to further elaborate on our understanding of entrepreneurial activities. Not least, an understanding of the relationship between spirituality, psychological capital, and networking in entrepreneurial contexts may show novel insights for entrepreneurs' holistic development.

Equipped with these findings, the research thus adds more to the literature available on entrepreneurial intentions, networking behavior, and career transition. The study provides an in-depth understanding of the influence of networking on entrepreneurial outcomes through the interpretation

of results in the light of previous research, description of practical implications for various stakeholders, indication of limitations involved, and future research directions.

## **Conclusion**

The study assessed the effect of networking on entrepreneurial survival and success by testing the linkages between networking behaviors, entrepreneurial intentions, and career transitions. The findings show that proactive networking strategies are positively related to entrepreneurial success, thus underpinning the role of networking in shaping entrepreneurial outcomes. The results also showed that, in respect, networking behaviors influence entrepreneurial intentions and career transition, highlighting the development of social capital and professional relationships in the entrepreneurial context.

The role of networking in entrepreneurial success cannot be overstated. Excellent networking will help entrepreneurs to plug into important resources, opportunities, and support systems in venture development and longevity. An entrepreneur will, through effective networking, be better placed to enhance visibility, credibility, and access to potential partners, investors, and customers. Through networking, information sharing, generating ideas, and collaborative advantages promote innovation and competitiveness in the entrepreneurial environment.

The practice and policy implications are immense. For fledgling entrepreneurs, the study therefore underscores the need to invest time and effort in building and maintaining professional networks. Networking has to be considered a strategic avenue to business creation, augmenting markets, and developing careers. Entrepreneurs have not only to seek out actively opportunities for networking but also be engaged with all types of stakeholders while milking their social relations for the growth of their business venture. This way, the policymakers can motivate the development of entrepreneurship by setting up networking platforms, mentorship programs, and funding schemes to facilitate several activities between entrepreneurs. Policymakers in this kind of ecosystem would be better placed to empower entrepreneurs to navigate through challenges, seize opportunities, and drive economic prosperity.

In other words, networking is very instrumental in the attainment of entrepreneurial success, impacting one's intention to be an entrepreneur, job transition, and business outcomes. Individuals, understanding the importance of networking and including networking strategies in their entrepreneurial activities, better position themselves to increase the chances of success and grow successful businesses. These findings have important implications for practice and policy, grounding networking as a driver of innovation, collaboration, and growth in the entrepreneurial ecosystem.

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