Chapter 14
Strategic Role of Social Networking and Personal Knowledge Management Competencies for Future Entrepreneurs

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ABSTRACT
The mission of this chapter is to explore the role of social networking and knowledge management competencies combined with social networking strategies as an essential component and support for the development of co-innovation and business co-creation processes for future and potential entrepreneurs enrolled in higher education programs. Business students are active users of social networks but usually do not have clear business-focus priorities when devoting their time to social networking. Social networks enable virtual communities which allow knowledge sharing and collaborative learning at different stages of new business development. These networks have the potential to create ties for cross-border business initiatives that cannot be created in face-to-face networks. Innovative ideas often emerge from combining different sources of knowledge. Social networks can be used for action learning and cross-border knowledge sharing in the academic context in order to enhance cross-border entrepreneurship.

INTRODUCTION
Social networking sites are known to facilitate socializing and networking. Entrepreneurial literacy, learning skills and innovation skills are considered important soft skills (Benson et al., 2010). Social media can be used to enhance these skills. Business students from former command economies, including

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Albanian and Estonian business students, are part of this globalization’s generation Y that is familiar with online communication (Valentine & Powers, 2013). Their networking priorities for business development remain unclear (Bolton et al., 2013). Economic development increasingly depends on knowledge-based entrepreneurship. Co-creative orientation and co-innovation are intertwined with networking readiness and knowledge sharing. Stakeholders are the basis of co-creative thinking (Ramaswamy & Ozcan, 2013). The objective of this chapter is to explore the role of social networking competencies in developing networking strategies for co-creative entrepreneurship.

The concept of social networks as entrepreneurial knowledge networks is discussed. Integration of networking competencies, entrepreneurial business development process and entrepreneurial orientations are presented; the strategic role of social networking for different types of entrepreneur focusing on co-innovation and business co-creation is described. Competencies for social networking, innovative learning barriers in social networks and e-mentoring as a tool that contributes to overcoming those barriers are discussed. Chapter presents empirical evidence from a comparative study of Albanian and Estonian business students that combined the analysis of 180 questionnaires and 8 in-depth interviews. Experience of action learning applications that prepare students for cross-border virtual networking is analysed. This chapter concludes with some recommendations for educational policy, business education practice and its implications for economic growth.

APPLYING SOCIAL NETWORKS TO ENTREPRENEURSHIP

Social networking, learning communities and collaborative innovation networks are essential business development tools (Gloor, 2006) that help in overcoming distance and time obstacles. Academic impact of online social networking is however still an issue for debate among educators in developed and in developing countries (Ahmed & Qazi, 2011). Networks are a distinct organizational form, they are hybrid form composed by independent actors operating at a market and stable organizational structures which imply exchange of knowledge that is difficult to codify (Powel, 1990). Exchange of knowledge in networks is determined by relational social mechanisms. Networks are characterized by an open nature, consequently they may provide new business opportunities influencing the development of knowledge through dynamic processes and through bringing to networks new competencies (Powel et al., 1996).

Earlier research showed that the start-up success depends on the personal networks hypothesis (Birley, 1985; Aldrich et al., 1987; Johannisson, 1987). This approach is justified by the fact that through networks entrepreneurs can gain access to new resources more effectively compared to market transactions and more flexibly than in hierarchical forms of organizations (Dubini & Aldrich 1991). According Von Krogh and Kahne (1998) networking can occur at different contexts: physical, virtual (virtual teams) or cognitive (common values, ideas, ideals) “places”. Networks can be formal or informal. They link knowledge to work processes and facilitate integration of different concepts and ideas. Knowledge transfers inside networks can be efficient and effective. Online social networking have radically increased knowledge sharing opportunities of early-stage entrepreneurs in cross-border networks (Elenurm, 2008).