SOCIAL CAPITAL AND ENTREPRENEURIAL PERFORMANCE OF SMEs: THE MEDIATING ROLE OF ACCESS TO ENTREPRENEURIAL RESOURCES

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Abstract:
This study is conducted to explain entrepreneurial support resources of firms based on social network theory in developing countries, the case of Vietnam. Partial Least Squares Structural Modeling (PLS-SEM) was conducted with a sample size of 220 entrepreneurs in SMEs. The results supported the positive link between formal and informal networks and entrepreneurial firm performance. Second, the study explored the partial mediating role of access to entrepreneurial resources between formal networks, informal networks, and entrepreneurial firm performance. In addition, the results also provide practical value to entrepreneurs in actively building relationship networking in the entrepreneurship ecosystem. Finally, the study proposed some implications for entrepreneurs, limitations, and further research.

Key words: *access to entrepreneurial resources, entrepreneurial firm performance, social capital, formal networks, informal networks, SMEs*

INTRODUCTION

Access to entrepreneurial resources has been interested in many scholars around the world. Several studies have explored access to start-up resources through the size of the connection network and the quality of the relationships in that network [1], resources derived from the connection network [2]. Some other scholars argue that the human capital of the entrepreneur plays an essential role in successfully raising capital in the community [3], resources acquired through the development stage thanks to the founder's human capital [4]. The contribution of social capital to entrepreneurship is the assets that may be mustered through networks, thanks to mutual trust and the standard of mutuality [5]. Light and Dana [6] suggest that social capital boosts entrepreneurship only when supportive cultural capital is in place. Social network theory and human capital theory explaining the formation of external resources have been used extensively since previous studies [1, 2]. However, the social network theory that explains access to resources has not been widely applied. When studying the relationship network, researchers often refer to the relationship network of managers through the following parties as government officials, business partners; i.e., customers, suppliers, social relation, i.e., relatives, friends, and family [7, 8, 9].

Small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million [10]. In Vietnam, the private sector plays a vital role in the economic development of the country. 97% of small and medium enterprises (SMEs) contribute 40% of the State budget and create job conditions for 50% of employees. In 2016, Vietnam was identified as the year of start-up countries, and the period 2017-2020 is considered a golden period for start-up activities. Start-up businesses receive many priorities from the government's development support policies, society's attention, and the support of relevant stakeholders. Many entrepreneurs still face many difficulties in accessing information and

external support resources. Many entrepreneurs are at risk of failure in the early stages because of a lack of resources, so building a network is highly recommended for business performance and success [11]. Therefore, the relationship between entrepreneurs and support organizations plays an essential role in access to information and support resources. Moreover, entrepreneurial businesses implement a strategy of building a network with stakeholders such as government officials and other start-up support individuals/organizations in line with Vietnamese culture, which is collectivism [12, 13].

The relationship between social networks and business performance has been of interest to many scholars. Watson [14] pointed out the positive relationship between the networks and firm performance in SMEs. In particular, formal and informal networks are associated with firm survival, but only formal networks are associated with growth. Nu'man, et al. [15] also found that social networks determine the performance of firms. Business networking, financial networking, and political networking have a positive effect on performance. Su, et al. [16] stated that managerial networking as political networking, financial networking, and business networking positively impacts new venture performance in China. Businesses build their trust upon social networks, which positively impacts firm performance [17]. Entrepreneur's network multiplexity showed that it might influence firm growth [18]. Social capital affects the performance of small- and medium-sized enterprises (SMEs) in Vietnam [19]. Kijkasiwat, et al. [20] show that firms' access to finance and social capital significantly influences the improvement of corporate performance of Southeast Asian countries. The above review shows that previous studies mainly focused on exploring the positive relationship between managers' social networks and business performance. The manager's social network is extensive, but there is still a scarcity of research on building a manager's social network, especially in start-ups with a general nature that comprehensively represents the manager relationships in social networks. In detail, previous studies have not built the manager's social network in terms of formal and informal networks from the social network theory. In Vietnam, the entrepreneurial ecosystem includes many individuals and organizations as mentors, angel investors, venture capitalists, support organizations, and government agencies. In addition, the manager's social relationships include relatives, friends, family, and colleagues [7, 8]. Therefore, this study aimed to comprehensively evaluate the social network of entrepreneurs in explaining the performance of start-ups in the early stages of operation. The study defined two aspects, including formal networks and informal networks, to generalize the entrepreneur's social network.

According to social network theory, the benefit from social networks is that businesses can access external support resources and affect business ventures' success [14]. In the early stages of operation, entrepreneurs lack the resources and capacity to maintain operations. Access to resources is vital for operational efficiency and minimizing

entrepreneur's failure. The role of access to resources has been proven to promote business model innovation thanks to the entrepreneur's human capital [21]. However, the mediator role of access to resources from social networks in contributing to operational efficiency for entrepreneurs has not been widely tested. The research question needs to be answered: Can social networks improve entrepreneurial firm performance in the early stages in Vietnam through the mediating mechanism of access to entrepreneurs' support resources?

To answer this research question and fill the research gap, this study's objective is to test the mediating role of access to entrepreneurial resources in the relationship between social capital, i.e., formal and informal networks, and entrepreneurial firm performance in Vietnam. The article structure after the introduction includes literature review, methodology, results, discussions, and conclusions.

LITERATURE REVIEW
Social network theory

In business terms, "network" means to define the "right people" and making connections to accomplish individual and organizational goals [22, 23]. In addition, a network is defined as the self-effort in personal communication to profit from increased opportunities [24] or the collaborative effort with others to achieve and maintain competitive advantage [25].

Social network theory describes that people tend to think and act the same because they are connected. This theory considers an identified set of relationships, i.e., individuals, groups, or organizations, with the view that the entire set of relationships can be used to interpret the social behavior of stakeholders [26] as the social capital, which is established from the position in social structures or social networks [27]. The relationship strength depends on the amount of time spent in the relationship and the mutual exchange between individuals in the social network. The social network focuses on interactions between members of a network [28]. Birley [29] said that entrepreneurs are found to be more interested in tapping into their informal networks (family, friends, and colleagues) than formal networks (banks, accountants, lawyers, and government agencies). Littunen [30] suggested that entrepreneurial networks could be classified as either formal (for example, external accountants) or informal (for example, family and friends). Hence, the social network includes formal networks and informal networks.

The formal network is relationships of managers with government officials help improve macro organizational performance as the executive board at government levels; public organizations including Tax Department, State Bank, Department of Industry and Trade, Department of Science and Technology, etc. [9]. Furthermore, the manager should build informal networks, relationships with relatives and friends, and business partners, including customers, suppliers, and competitors [7, 8, 9]. The other way to have informal networks is to take part in the professional association.

Access to entrepreneurial resources

Resources refer to all types of tangible and intangible assets such as finance, raw materials, labor, technology, and organization [31]. The Resource-Based View (RBV) pointed out that enterprise resources play a significant role in gaining and maintaining the business's competitive advantage. In the early stages of operation, most start-ups lack the resources to operate. This issue is also the main reason for small and medium entrepreneurs (SMEs) in Vietnam.

Entrepreneurial resources are not a simple combination of many different types of resources but a collection of core resources for the survival of new businesses. Ju, et al. [2] has identified entrepreneurial resources, including finance, materials, technology, and human capital. These resources are an essential component of entrepreneurial resources. Entrepreneurs often have to rely on external resources to set up and develop an entrepreneurial project successfully. Access to entrepreneurial resources includes financial capital, knowledge, information, and additional partners [1, 32]. In this study, access to entrepreneurial resources s based on the point of view of Semrau and Werner [1], which describe the received firm resources as financial support, information/knowledge, and introducing to other business partners from entrepreneurs' support organizations.

Entrepreneurial firm performance

Firm performance is the achievement of business objectives. Enterprises have to accomplish different objectives within a certain period, expressed in efficiency, productivity, quality, and responsiveness. The performance of the business is measured in two aspects, i.e., non-financial performance and financial performance.

In terms of non-financial aspects, operational results are measured by indicators such as satisfaction of employees, customers, perception of the success and growth of the business, future development prospects, etc. and the fulfilment of the entrepreneur's initial goals [33]. Chandler and Hanks [34] measured non-financial performance through the stakeholders' satisfaction, good relationships with suppliers, cohesive working environment, products/services acceptance in the market, and corporate image in customer mind.

On the other hand, financial performance is measured by financial metrics such as return on equity (ROE) [14], return on assets (ROA) [9], return on sales (ROS). In addition, financial indicators that measure operating results include an increase in sales, growth in profit, a significant increase in market share, efficiency in resource utilization, and the return on investment [35]. In the early stage of starting a business, the results of entrepreneurial activities measured by financial criteria are not high, there may be a deficit, so in this study, the topic approaches from the perspective of non-financial measurement. Entrepreneurs already had stable orders, achieved standards set out initial revenue and gained the trust of customers and partners for the quality of products/services [2].

Research hypotheses development
Entrepreneur's social network and entrepreneurial firm performance

Shaw [36] assumes that entrepreneurs rely on their networks to access resources. Entrepreneurs are more likely to rely on manager relationships if the business environment is uncertain. In a competitive environment that is not perfect, the institutional support is still weak, and the information lacks transparency; the managers' social capital becomes critical toward entrepreneur businesses. In the absence of efficient market institutions, enterprises must rely on different strategies: connecting with government officials, other business managers, relatives, and friends [9]. Du, et al. [37] showed that ventures rely on political networks to survive and thrive in China. Entrepreneur's social networks have proven especially important for private entrepreneurs in transition economies [38]. It helps businesses get the support they need from stakeholders and the public. Social networks can provide several resources, which play an essential role in contributing to the survival and success of the business [39]. Firstly, relationships with government officials are helpful because of their operational effectiveness [40]. Entrepreneurs build relationships with government officials to help reduce transaction costs in registration and business activities, other operating licenses [41]. In a transition economy, the costs of these barriers are expensive and sometimes very high for private enterprises [42]. Second, social relationships with relatives, friends, and association members have been proven to bring many benefits to SMEs [39]. Entrepreneurs with good relationships with their partners can obtain quality raw materials, good service, and timely delivery, promoting customer loyalty, sales volume, and reliable payment. Previous studies have shown that, in an uncertain environment, it is more likely that managers' informal relationships will be used [43]. These relationships are seen as opportunities or lubricants to reduce transaction costs [44].

In Vietnam, the entrepreneurial movement has developed enormously in recent years. In the first stage, entrepreneurial businesses are prioritized for support from Government organizations. Therefore, entrepreneurs need to implement a strategy to build relationships with stakeholders such as government officials and support organizations to increase access to external resources. Moreover, during the outbreak period, many entrepreneurs were heavily affected by the COVID-19 pandemic. Businesses that establish good relationships with local authorities will easily access information about issued policies and large support packages. That is the monetary policy on debt restructuring, interest rate exemption and reduction, and credit support. Fiscal policies include an extension of time to pay taxes and land rents and policies to support enterprises paying employees wages; a package of support policies to ensure social security. Therefore, connecting with government officials will help start-ups access government funding [8]. For many small businesses with limited resources, performance depends on obtaining external resources [45].

Several studies have confirmed that close-knit networks can solidly increase profits, grow a business [36], and sale increase [46]. Therefore, building formal and informal networks will help entrepreneurs easily access information and support resources of the government to improve business performance. On that basis, the hypotheses were proposed:

- **Hypothesis H1: The formal network has a positive impact on entrepreneurial firm performance**
- **Hypothesis H2: The informal network has a positive impact on entrepreneurial firm performance**

The mediating role of access to entrepreneurial resources

Entrepreneurs often lack capital sources in the early stages of operation as financial capital, human capital, and social capital [39]. Lack of these capital sources leads to the failure of entrepreneurs [21]. Through the social networks, the entrepreneur gets information, financial capital, knowledge, and increased partners from the entrepreneur support organization. Many prior studies proved that the new information access capability would affect the business performance; for example, connecting with government officials will simplify some steps in government and bank transactions [47]. Entrepreneurs with solid relationships with reputable partners will have access to other resources [48], such as high-quality human resources, financial resources, technology, and government support policies. Interactions with Government agencies allow businesses to access new business opportunities and valuable resources, including land, distribution channels, privileged behavior, and licensing advantages [49]. Greve and Salaff [50] suggested that entrepreneurs use their social connections to test initial business ideas during the business planning stage. Entrepreneurs need to interact with their family, friends, business partners, and more to get the support they need [51]. According to Institutional theory, connecting with government officials increases business acceptance and access to external finance.

In Vietnam, entrepreneurs acquire knowledge from partners and scientific research organizations; they obtain market knowledge from customers and suppliers and create products or services that match market needs; ultimately, they lay the foundation for improving entrepreneurial firm performance [2]. For technology-based business projects, the need for financial resources is enormous, especially in the early stages. Financial support from angel investors and venture capital institutions can facilitate the rapid growth of start-ups and provide substantial financial returns. The faster start-ups access resources, the easier it is to capture market opportunities and achieve better performance [2]. Thus, the entrepreneur has access to many essential resources that will bring many new opportunities and quickly seize business opportunities and improve entrepreneurial performance.

In summary, social networks have a positive impact on access to entrepreneurial resources and entrepreneurial performance. In other words, the influence of social networks on entrepreneurial performance is realized through the mediating role of access to entrepreneurial resources. Based on the above discussion, we propose the following hypotheses H3a and H3b:

- **Hypothesis H3a: Access to entrepreneurial resources is the mediator between the formal network and entrepreneurial firm performance;**
- **Hypothesis H3b: Access to entrepreneurial resources is the mediator between the informal network and entrepreneurial firm performance.**

Based on social network theory, the research has explained the formation of external support resources for start-ups. Entrepreneurs' social networks are classified into formal and informal networks that play an essential role in accessing resources (information, knowledge, financial resources, and customers) in the social network. At the same time, access to resources also plays a vital role in improving entrepreneurial firm performance. Based on the above argument, social networks improve entrepreneurial firm performance (showing H1 and H2). At the same time, formal and informal social networks also improve entrepreneurial performance through the mediating mechanism of access to entrepreneurial resources, which was expressed in hypotheses H3a and H3b. Therefore, the research model is shown in Figure 1.
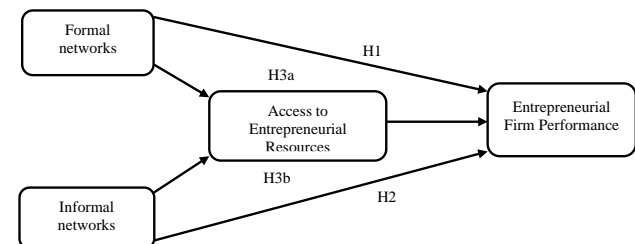
Fig. 1 Theoretical model

RESEARCH METHODS

The research was carried out through qualitative and quantitative research methods. In quantitative research, this study was conducted through one-on-one interviews with seven experts who are founders or co-founders of entrepreneurial businesses. The scale of repetition was adjusted to suit the research context. Nêu bổ sung quy trình thực hiện phỏng vấn. Quantitative research is used to evaluate the measurement model, structural model and test the research hypothesis. The structural model was performed to test the Partial Least Squares Structural Equation Modeling (PLS-SEM).

The model has four research constructs: formal network, informal network, access to entrepreneurial resources, and entrepreneurial firm performance. The social network scale, i.e., formal and informal networks, was inherited from Peng [47], is measured in turn by three observed items. Access to entrepreneurial resources scale was developed from the study of Semrau and Werner [1] and measured by three observed items. The entrepreneurial firm performance scale included three items, which were adjusted from the study of Ju, et al. [2]. All observed items in Table 1 were measured using a 5-level Likert scale: (1)

Totally disagree, (2) Disagree, (3) Neutral, (4) Agree, and (5) Totally agree.

Constructs	Number of observed items	Source
Formal Network (FN)	3	Peng [47]
Informal Network (IFN)	3	
Access to Entrepreneurial Resources (AER)	3	Semrau and Werner [1]
Entrepreneurial Firm Performance (EFP)	3	Ju, et al. [2]

The data collection method was simple random sampling through an online survey via Microsoft Forms 365. This study sample framework is the list of entrepreneurs in Vietnam, supplied by the Vietnam Association of Small and Medium Enterprises. After receiving consent, the link to the online survey questionnaire was sent directly to each entrepreneur. The survey was conducted from February 2023 to April 2023.

The selected entrepreneur has four characteristics: (1) operating time of not more than five years, (2) entrepreneurial projects with technology application/intellectual property exploitation, (3) a fast growth rate achievement (revenue, customers, and market share), and (4) a different business model from the one available in the market. Online survey results showed that 220 founders responded validly and used for formal quantitative research. The study used PLS-SEM to analyze the data through SmartPLS software. Because of the advantage of the PLS-SEM method that allows the processing of small sample data, the data do not follow the normal distribution [52]. In Table 2, entrepreneurs operate mainly in

private enterprises (42%) and limited liability companies (47%).

Characteristics		Frequency	%
Enterprise types	Private Enterprises	93	42%
	Limited Liability Companies	103	47%
	Joint Stock Company	20	9%
	Another type	4	2%
Field of activity	Manufacturing	64	29%
	Service	86	39%
	Commerce	65	30%
	Other	5	2%
Labor size	Under 10	78	35%
	From 11 to 30	87	40%
	From 31 to 51	52	24%
	From 51 and up	3	1%

In terms of the operation field, entrepreneurs operate mainly in the service sector (39%), commerce (30%), and manufacturing (29%). Regarding the labor force size, the entrepreneurs have mainly less than 10 employees (accounting for 35%), from 10 to 30 employees (accounting for 40%), and from 31 to 50 employees (accounting for 24%), over 51 employees is 3 (accounting for 1%). In Vietnam, most startup businesses are SMEs, and the number of employees accurately reflects the actual situation in Vietnam. The number of startup businesses with over 51 employees is minimal.

RESULTS

Table 3 presents the reliability through Cronbach's alpha (CA) test, Composite reliability (CR), Average Variance Extracted (AVE), and outer loading of the observed items of the scales in the model.

Contents of the scale	M	SD	Outer loadings
Entrepreneurial firm performance (EFP): CA = 0.801, CR = 0.882, AVE = 0.715			
Entrepreneurs already have stable orders (EFP1)	3.34	1.01	0.829
Entrepreneurs have achieved standards set out initial revenue (EFP2)	3.37	1.18	0.887
Entrepreneurs gain the trust of customers and partners for the quality of products/services (EFP3)	3.38	1.08	0.819
Formal Network (FN): CA = 0.837, CR = 0.902, AVE = 0.715			
Entrepreneurs have good relationships with leaders at all levels of government (FN1)	3.70	1.02	0.898
Entrepreneurs have good relationships with entrepreneurs' support organizations (FN2)	3.79	1.07	0.829
Entrepreneurs have good relationships with state-owned and commercial banks (FN3)	3.98	1.02	0.877
Informal Network (IN): CA = 0.846, CR = 0.907, AVE = 0.764			
The entrepreneur has a good relationship with members of business associations and clubs (IN1)	3.48	1.12	0.869
The entrepreneur has good relationships with family members, friends, and colleagues (IN2)	3.45	1.01	0.888
The entrepreneur has good relationships with senior management of customers, suppliers, and competitors (IN3)	3.28	1.09	0.865
Access to entrepreneurial resources (AER): CA = 0.847, CR = 0.907, AVE = 0.765			
The entrepreneur has received financial support from entrepreneurs' support organizations (AER1)	2.69	0.92	0.870
The entrepreneur has received information/knowledge from entrepreneurs' support organizations (AER2)	2.79	0.98	0.885
Entrepreneurs who have been introduced to other business partners by entrepreneur's support organizations (AER3)	2.78	1.04	0.870

Note: M: mean, SD: standard deviation.

In the reliability test, all Cronbach's alpha coefficients were valued from 0.801 to 0.847, higher than 0.7 [53]; hence, all scales in this study have reliability. Moreover, the measurement model was assessed through convergent validity and discriminant validity. The scales' convergent validity will be evaluated the Composite reliability (CR), Average Variance Extracted (AVE), and Outer loading values [52]. Table 3 pointed out that all scales'CR values ranging from 0.8882 to 0.907, higher than 0.7 of CR's threshold. Besides, the AVE values in the theoretical model were more significant than 0.5. Lastly, the outer loading values of all items were higher than 0.708. Therefore, four scales met the criteria of convergent value.

This study used the Fornell - Lacker criterion to evaluate the discriminant validity of the latent variables in the model [54]. The result was shown in Table 4. All Square root values of the AVE of each research construct were more significant than the correlation coefficient between that construct and the rest in the model. Therefore, the scales of the research constructs achieved discriminant validity.

Table 4
Discriminant validity test

	M	SD	1	2	3	4
1. Entrepreneurial Firm performance	3.363	0.926	0.845			
2. Formal Network	3.822	0.903	0.564	0.869		
3. Informal Network	3.546	0.930	0.377	0.292	0.861	
4. Access to entrepreneurial resources	2.950	0.784	0.536	0.298	0.176	0.875

Note: M: mean, SD: standard deviation.

Moreover, Table 5 presents the cross-loading factors of the observed variables.
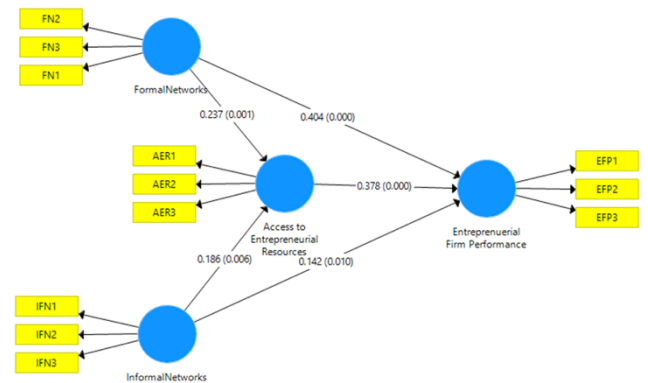
Table 5
Cross loading of observed variables

	Access to Entrepreneurial Resources	Entrepreneurial Firm Performance	Formal Networks	Informal Networks
AER1	0.870	0.473	0.242	0.243
AER2	0.885	0.493	0.308	0.236
AER3	0.870	0.438	0.227	0.212
EFP1	0.400	0.829	0.410	0.297
EFP2	0.425	0.887	0.525	0.301
EFP3	0.523	0.819	0.485	0.346
FN1	0.314	0.516	0.898	0.306
FN2	0.224	0.465	0.829	0.248
FN3	0.232	0.486	0.877	0.302
IFN1	0.207	0.316	0.277	0.869
IFN2	0.246	0.362	0.305	0.888
IFN3	0.237	0.300	0.280	0.865

The results show that all factor loadings are more remarkable than cross-loadings in the same row. Therefore, the

computed values provide further support for discriminant validity among the scales.

COMMON METHOD BIAS
Because respondents offered all the information that may cause probable common method bias (CMB) and can threaten the validity of results [55]. To check for CMB, Harman's one factor test using EFA by extraction method of 'principal axis factoring' was accomplished in SPSS. The results produced four factors with eigenvalues larger than 1, and the first factor accounted for 40.937%. This revealed that there is no potential problem of CMB as the first factor does not explain major variance [55].

The results of model estimation by Bootstrapping method with a sample size of 5000 are shown in Figure 2.

Fig. 2 Estimated results of PLS-SEM

R^2 value and Stone-Geisser (Q^2) were used to assess the quality model. Table 6 pointed out the explanatory level of the model through the coefficient of determination has an adjustment coefficient (R^2adj) of 0.476 > 0.26, according to the evaluation standards of Cohen [56] then the explanatory power of the model is robust. Stone-Geisser of Q^2_{EFP} is 0.333, belonged to a range of 0.02 and 0.35, which is amoderate level [57]. Furthermore, the effect size (f^2) of the constructs are from 0.02 to 0.35; therefore, the effect size of the constructs are moderate Henseler, et al. [58].

The test results show that hypothesis H1 is accepted (B = 0.405, p-value = 0.000 < 0.001). Similarly, hypothesis H2 is also accepted (B = 0.143, p-value = 0.000 < 0.001). In this study, access to entrepreneurial resources depends on the entrepreneur's formal network. Thanks to this network, entrepreneurs easily access resources and improve operational results. Moreover, the results of Bootstrapping N = 5000 showed that the estimated coefficient in the relationship formal networks, access to resources, and entrepreneurial firm performance is statistically significant (B = 0.089, p = 0.001 < 0.05), hypothesis H3a is accepted. In addition, the relationship informal networks, access to resources, and entrepreneurial firm performance is statistically significant (B = 0.071, p = 0.011 < 0.05), hence, hypothesis H3b is accepted. Formal and informal networks indirectly influence entrepreneurial firm performance through the partial mediating role of access to resources.

Table 6
Hypothesis test results

Hypothesis	Structural path	β	B	SD	t	Confidence Intervals	P-value	VIF	Conclusion
Direct effect									
H1	FN → EFP	0.404	0.405***	0.057	7.120	[0.290; 0.513]	0.000	1.186	Accepted
H2	IFN → EFP	0.142	0.143*	0.055	2.587	[0.057; 0.321]	0.010	1.161	Accepted
	FN → AER	0.237	0.239	0.068	2.743	[0.104; 0.369]	0.001	1.122	
	IFN → AER	0.186	0.189	0.068	2.743	[0.057; 0.321]	0.006	1.122	
	AER → EFP	0.378	0.377	0.055	6.925	[0.265; 0.481]	0.000	1.136	
Indirect effect									
H3a	FN→AER→EFP	0.09	0.089**	0.027	3.364	[0.001; 0.098]	0.001		Accepted
H3b	IFN→AER→EFP	0.07	0.071*	0.028	2.54	[0.001; 0.098]	0.011		Accepted
R_{adj}^2 EFP			0.476						
f^2			$f^2_{FN→EFP} = 0.267$; $f^2_{IFN→EFP} = 0.033$; $f^2_{FN→AER} = 0.057$; $f^2_{IFN→AER} = 0.035$; $f^2_{AER→EFP} = 0.244$						
Stone-Geisser's Q^2			$Q^2_{EFP} = 0.333$; $Q^2_{AER} = 0.085$						

* p < 0.05, ** p < 0.01, *** p < 0.001; N = 212

DISCUSSIONS

Hypothesis H1 suggested that formal networks have a positive impact on entrepreneurial firm performance. The results of testing this hypothesis H1 are similar to the study of Peng and Luo [9], which encourage enterprises to have a good relationship with government officials because it affects the performance of enterprises. Alternatively, Du, et al. [37] detected business ventures that exist and thrive thanks to political networks. Next, relationships with government officials are effective for entrepreneurial ventures [40]. Finally, Peng and Luo [9] found that when a business has a relationship with a business partner, it will positively impact its performance.

Hypothesis H2, informal networks have a positive influence on entrepreneurial firm performance. The study results are similar to those of Su, et al. [16] shows that the relationship with the business partner has a positive effect on the efficiency of venture capital in China. In Vietnam, research by Le and Nguyen [7] shows that SMEs with solid relationships with society will have access to financial capital and limit borrowing from banks.

In addition, in this study, access to external resources through the entrepreneur's social network improves entrepreneurial firm performance. The research results of hypotheses H3a and H3b show that access to entrepreneurial resources plays a part mediating role between formal networks, informal networks, and entrepreneurial firm performance. The above study results are also consistent with previous studies. Previous studies have suggested that access to resources is mainly from social networks [2], network size, and relationship quality [1].

CONCLUSIONS

The study applied social network theory to explain the access to resources of entrepreneurs. The official social network contributes to access to start-up resources. Supportive resources, including information, knowledge, and increased partnerships [1], improve entrepreneurial performance. This study has theoretical and practical contributions:

On the theoretical side, this study has found that the partial mediator between formal networks, informal and entrepreneurial firm performance is access to entrepreneurial resources. Previous studies suggested access to resources through the social network and the relationship quality between the parties in the network [1]. However, its role has not been examined explicitly as in this study. This study has two main contributions. First, this study explores the partial mediating role of access to entrepreneurial resources. Formal networks indirectly influence entrepreneurial firm performance through part of the access to entrepreneurial resources. Second, access to entrepreneurial resources acts as a partial mediator between informal networks and entrepreneurial firm performance.

In terms of practice, the research results have practical implications for start-ups and agencies. For entrepreneurs, business owners need to understand the role of social networks in accessing support resources. Therefore, entrepreneurs need to actively build connections with parties in the entrepreneurial ecosystem, especially in the difficult early stages of starting a business. Professional support organizations conduct several free training programs on capacity building, expertise, and skills. Therefore, entrepreneurs need to participate in learning and building relationships between members actively. In addition, entrepreneurial support organizations consider and create appropriate mechanisms and policies to facilitate entrepreneurs in accessing support resources through identifying the need for support from entrepreneurs.

The survey sample in the study is entrepreneurs operating in many industries, so the research has not found the specificity of each industry. Therefore, further studies need to re-test the above relationship for a specific profession. Social network theory and human capital theory explained the external entrepreneurial resources. On the other hand, Institutional theory refers to the "acceptance" of society to its stakeholders, which will be an opportunity for entrepreneurs to get support from all parties. Therefore, in the following study, researchers can use

Institutional theory to explain the formation of external resources.

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