

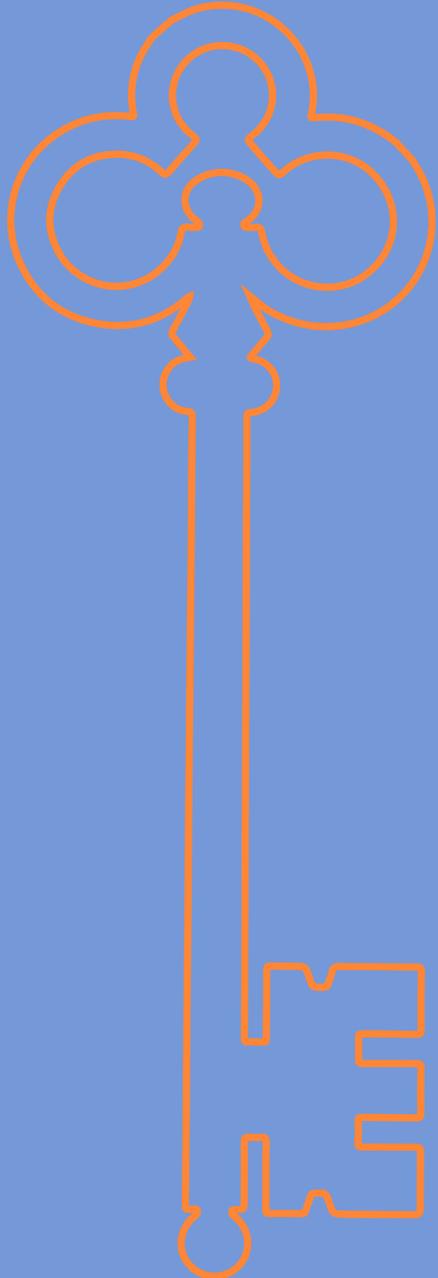
2.5 Business networking - Partnerships



ReinFORCE SOCIAL Entrepreneurial Spirit through setting up
Innovative Support Structures in the cross-border Territory
“Social Forces”

4.9.2: Design and Development of the Training Material





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The importance of networking



Business networking can be a crucial factor for the survival of enterprises in the modern competitive business environment, providing the potential to acquire knowledge and develop business relationships with other organizations and enterprises.

Partnership (business networking) is a business strategy that enterprises implement to address the growing competition of the globalized market.

The basic prerequisites for developing a smooth co-operation among enterprises of a network

01 Joint programming.

02 Exchange of information.

03 Terms of cooperation based on the preferences of the consumer.

04 Long-term cooperation and trust between the parties.

05 Fair sharing of risk and benefits.

06 Common vision and corporate culture.

Key features of business networks

1 Joint strategy

The members of the network should have a common strategic goal, such as the **viability** and **profitability** of each business, as well as tackling competition.

2 Basic skills

Any business participating in a business network, depending on its **expertise** and **skills**, can contribute to the increase of the added value in the final product.

3 Clear agreement

The type of agreement can be determined by a formal and **strict contract** or an **informal oral agreement**.

4 Trust

A basic prerequisite for cooperation is the development of **mutual trust** among enterprises. In particular, there should be a belief that any business moves or actions are carried out in the context of the common interest, which are not opposed to the 'individual' interest.

Main types of business networks

Vertical Networks

members develop specialization in specific areas of the production chain. These networks are based on input-output relations where each member develops a specific expertise in its field, aiming at the efficient production and distribution of a particular product category to the final markets.

Horizontal Networks

include enterprises that produce same or similar products and compete with each other. They are usually created, aiming at joint promotion, research and development of new products, joint procurement of raw materials, etc.



Complementary Networks

consist of enterprises that do not compete with each other, and are not linked by a common production chain. Typically, they are organized to produce integrated packages in order to promote common interests of different business sectors.

Indicative social economy networks in Greece (1)

Upper Social Cooperatives:

Panhellenic Association of Social Cooperatives Enterprises (PoKoinSEp)

Panhellenic Association of Social Cooperatives of Limited Liability (<http://pokoispe.gr/>)



Networks with other social enterprises:

Social Cooperative Enterprises' Network

(<http://koinsep.org/>), OMIKRON Programme

(<http://omikronproject.gr/>), Social Economy Institute

(<http://socialeconomy.institute/>), IMPACT HUB

(<http://www.impacthub.net/>), ASHOKA

(<https://www.ashoka.org/>, <http://greece.ashoka.org/>).

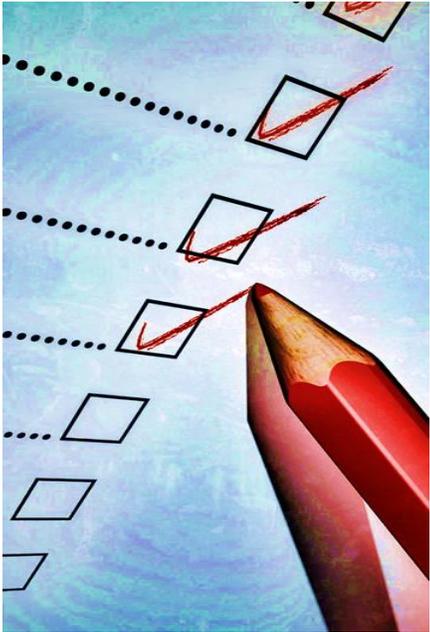
Indicative social economy networks in Greece (2)

Contracts with the public sector: e.g. Municipalities, Regions, Municipality Associations, Regional Associations of Municipalities, Central Union of Municipalities of Greece and Union of Regions, legal entities of public law, etc.

Development Partnerships for Operational Programme Actions, which include partners such as: *legal entities of public law, local authorities and their public utility companies, public organizations and enterprises, development companies of Law 3852/2010 and Law 3463/2006, legal entities of private law (profit and non-profit), trade unions of employees and employers.*

Business Networking Benefits for Enterprise

BENEFITS



- ① **Timely access** to up-to-date market information, that contributes to business adaption to the changing business environment.
- ① The **acquisition of technological knowledge**, that contributes to the monitoring of technological progress and the introduction of innovation in products / services as well as in production or management processes.
- ① **Searching for and raising capital**, through partnerships, that contributes to the enterprise's sustainability and development through the exploitation of business opportunities.