

Promotion- and Prevention-Focused Networking and Its Consequences for Entrepreneurial Success

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Abstract

Building and using social networks is an important factor in individuals' personal as well as professional success. In the present work, we examine how individuals' *regulatory focus* relates to their networking behavior. Findings from a sample of 300 entrepreneurs across 25 networking groups showed that a general focus on motivations for growth and advancement (*promotion*) predicted an increase in *out-degree centrality* (i.e., how much weekly, business-related contact entrepreneurs had with members in their own networking group), whereas a general focus on motivations for safety and security (*prevention*) predicted a decrease in *out-degree centrality*. Moreover, greater *out-degree centrality* further predicted an increase in the revenue entrepreneurs generated from members in their networking group. These findings demonstrate how individual differences affect personal motivations for how entrepreneurs' develop and use their business networks and highlight the importance of motivations for growth and security in relationship formation and maintenance more generally.

Keywords

networking, regulatory focus, promotion, prevention, psychology, entrepreneur

Introduction

The ability to build, and effectively use, a network of relationships with other individuals is crucial for personal and professional success (Cohen, 2004; Cohen & Janicki-Deverts, 2009). For example, the strength and breadth of one's connections determine the availability of social support needed for maintaining health and well-being (Pollack, VanEpps, & Hayes, 2012; Thoits, 2011). And, effective network development leads to more tangible resources, such as financial assets, expertise, and labor, on which one can draw in pursuing one's goals (Anderson, 2008; Brockner, Higgins, & Low, 2004). In sum, although people may vary somewhat in how large and varied a network they desire (Lewis, Kaufman, Gonzalez, Wimmer, & Christakis, 2008), establishing such networks is something that everyone values (Baumeister & Leary, 1995).

One group of people for whom forming a network of relationships is particularly important is entrepreneurs. Entrepreneurship is a risky endeavor; approximately one third of all new firms close within the first 2 years of operation and over half close in their first 4 years (Headd, 2003; Knaup, 2005). However, one factor that appears to decrease the likelihood of failure is involvement in formal, face-to-face networking groups that foster entrepreneurs' access to information, resources, and support vital for firm growth and survival (de Carolis, Litzky, & Eddleston, 2009; de Janasz & Forret,

2008; Vissa, 2011; Vissa, 2012; Vissa & Chacar, 2009). Entrepreneurs' interactions with members in a networking group help increase revenue generation through the sharing of contacts and expertise relevant for new customer acquisition (Pollack, Coy, Green, & Davis, 2013).

Although a growing amount of research has focused on networking as a means by which entrepreneurs successfully market their business (e.g., Miller, Besser, & Malshe, 2007), less research has been done on the psychological and motivational

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predictors of successful network development by entrepreneurs. Extant research hints at the valuable roles of broad traits and skills, such as social competence (e.g., Baron & Markman, 2003) and entrepreneurial self-efficacy (Chen, Greene, & Crick, 1998). The present research builds on and extends these works by examining how differing motivational orientations predict networking effectiveness. Specifically, we investigate how one's regulatory focus on either growth and advancement (*a promotion focus*) or safety and security (*a prevention focus*; Higgins, 1997; Hmielewski & Baron, 2008) directs one's behavioral strategies in networking.

We propose that, due to an emphasis on achieving growth and maximizing opportunities, a promotion focus should support the eager pursuit of larger networks (Vissa, 2012). In contrast, due to an emphasis on maintaining security and minimizing risk, a prevention focus should support a more cautious pursuit of smaller networks. Therefore, for entrepreneurs within business networking groups, we suggest that a promotion focus will predict an increased quantity of contact with members (i.e., greater out-degree centrality) in the group, while a prevention focus will predict a decreased quantity of contact with members in the group (i.e., lower out-degree centrality). In addition, as social ties bring greater access to resources and information, we expect that a greater quantity of regular contact (weekly) with ties within one's business networking group should predict an increased level of revenue generated. Subsequently, we elaborate more on this rationale.

Effects of Motivations for Promotion or Prevention on Strategies of Goal Pursuit

People are motivated to fulfill a variety of basic needs that are central to their physical and social well-being. Among these needs, researchers often distinguish between those concerned with advancement (i.e., growth and development) and those concerned with security (i.e., safety and protection; Bowlby, 1969, 1973). Extending this distinction, regulatory focus theory (Higgins, 1997) proposes that, beyond originating in different needs, advancement (i.e., *promotion*) and security (i.e., *prevention*) foster different modes of self-regulation. That is, when focused on promotion, people represent, experience, and pursue their goals in a profoundly different way than they do when focused on prevention.

When concerned with promotion, people focus on attaining advancement; this focus on advancement during goal pursuit motivates behavioral strategies of eagerly seeking gains, even at the risk of committing errors and accepting losses (Higgins, 1997). That is, promotion-focused individuals prefer to risk being too inclusive in evaluating and pursuing possible opportunities to avoid missing out on something that might provide them with benefits, even if this results in setbacks and mistakes (Higgins, 1998; Higgins, 1997; Molden, 2012).

In contrast, when concerned with prevention, people focus on maintaining security; this focus on security during goal pursuit thus motivates behavioral strategies of vigilantly protecting against losses, even at the risk of missing opportunities

and foregoing gains (Higgins, 1997). That is, prevention-focused individuals prefer to "play it safe" by potentially being overly exclusive in evaluating and pursuing possible opportunities to avoid some mistake that could undermine their security, even if this results in missed opportunities for rewards and benefits (Higgins, 1997; Molden, 2012).

Numerous studies have illustrated how these promotion- or prevention-focused strategies affect goal pursuit and performance (see Molden, Lee, & Higgins, 2008). For example, when concerned with promotion, people (a) work more quickly (Förster, Higgins, & Bianco, 2003; Wallace & Chen, 2006), (b) engage in divergent and exploratory thinking (Crowe & Higgins, 1997), (c) generate and endorse multiple possible explanations for outcomes (Liberman, Molden, Idson, & Higgins, 2001; Molden & Higgins, 2008), and (d) are willing to change course and switch goals if there appear to be better opportunities elsewhere (Liberman, Idson, Camacho, & Higgins, 1999; Molden & Hui, 2011). In contrast, when concerned with prevention, people (a) act more safely at work (Wallace & Chen, 2006), (b) are better at detecting errors (Förster et al., 2003), (c) procrastinate less (Freitas, Liberman, Salovey, & Higgins, 2002), (d) narrow in on a few probable explanations for outcomes (Liberman et al., 2001; Molden et al., 2008), and (e) remain committed to their current goals even if other desirable opportunities are available (Liberman et al., 1999; Molden & Hui, 2011).

Implications of Motivations for Promotion or Prevention on Network Development

These different priorities and practices of promotion- or prevention-focused individuals during judgment and goal pursuit have several implications for the way in which people establish and exploit networks. In terms of exploiting their networks, in the present research, we focus on the weekly contact entrepreneurs' have with their networking group members. Consistent with prior research (Kawachi & Berkman, 2001), we focus on *out-degree centrality*, simply how many people the entrepreneur goes to for advice and resources (as opposed to *in-degree centrality* which is how many people come to an individual for advice and resources). Centrality is a frequently used measure of an individual's set of relations, and to measure centrality, an individual simply lists the people with whom he or she has a relation (Freeman, 1979; Knoke & Yang, 2008; Krackhardt, 1987, 1996). Various operationalizations have included the number of times per month participants saw close friends and relatives (Berkman & Syme, 1979), the number of direct, face-to-face contacts with network members (Seeman & Berkman, 1988), or the quantity of ties—network size—of individuals' internal and external contacts at a company (Collins & Clark, 2003).

With regard to motivations for promotion, we anticipate that, in line with their generally eager mind-sets, promotion-focused individuals are likely to view business networking contacts as opportunities and think primarily about the potential they create for future gains. In the course of their activities, they should therefore strive to interact and sustain contact with as many people as possible in order to best exploit these

opportunities (i.e., greater out-degree centrality). However, in line with their generally vigilant mind-sets, prevention-focused individuals are likely to consider not only the opportunities provided by pursuing and maintaining social contacts but also the potential costs (e.g., in time and effort). In the course of their activities, they should therefore strive to interact and sustain contact with a more limited and select group of individuals (i.e., lower out-degree centrality) with whom they have established and robust relationships that provide them with probable opportunities for benefit and low risk for lost time or business (Chung & Tsai, 2009). To state these sentiments more formally, in the present context of entrepreneurs in networking groups, we offer the following two hypotheses:

Hypothesis 1: Promotion focus predicts regular contact with a greater number of members of an entrepreneurs' business networking group (i.e., greater out-degree centrality).

Hypothesis 2: Prevention focus predicts regular contact with fewer members of an entrepreneurs' business networking group (i.e., lower out-degree centrality).

The Role of Network Development in Networking Outcomes

In addition to our primary hypotheses concerning how promotion- or prevention-focused individuals interact (i.e., greater or lower out-degree centrality) with their contacts in a networking context, we also examined a secondary hypothesis about the consequences: subsequent revenue generation. Across a broad array of research, findings have been clear: On average, individuals with a greater number of social contacts obtain information faster, access richer and more unique types of information, draw from broader sets of professional referrals, and have improved financial performance (e.g., Vissa, 2011; Watson, 2007; Witt, 2004).

In the present research, we therefore expected to similarly find that an entrepreneur's out-degree centrality should influence the total revenue generated from interactions within their networking group (Ibarra, 1993). From the perspective of recent work by Vissa (2012), the network-related behavior we explored is how network-deepening activity (e.g., weekly contact with fellow group members) leads to new customers and revenue sources. Accordingly, we present out the third, and final, hypothesis.

Hypothesis 3: Entrepreneurs' out-degree centrality, as defined by the amount of regular contact they have with members in their business networking group, positively predicts networking performance in terms of the revenue generated from this group.

Method

Taken together, our three hypotheses suggest a general structural model, shown in Figure 1, in which the influence of entrepreneurs' regulatory focus on the revenue they generate from

networking will be carried indirectly through out-degree centrality. In the following section, we outline how we tested this model.

Participants and Procedure

We recruited members of Business Networking International (BNI) in a large mid-Atlantic city in the United States to complete an online, self-report survey (2009 Survey of Entrepreneurial Networking Dynamics; Pollack et al., 2013). BNI (BNI.com) is an organization in which entrepreneurs pay an annual fee to be involved and where fellow group members connect each other with referrals to new potential clients (de Janasz & Forret, 2008; Ho & Pollack, 2014; Pollack et al., 2012). Each BNI group meets weekly—and, the goal of each meeting, consistent with the core goal of entrepreneurs' behavior (Shane & Venkataraman, 2000), is to identify, evaluate, and exploit new opportunities for revenue generation. Specifically, at each weekly meeting, the entrepreneurs discuss to whom their ideal referral (to a new potential customer) would be (e.g., a landscaping company owner may say "residential homeowners in zip code 23226"). Then, each entrepreneur in the group would work to introduce that entrepreneur to their ideal referral.

The entire BNI community we examined involved 534 individuals who were members across 25 networking groups. Of this 534, we had 336 (63%) response to our online survey. We excluded entries from 36 individuals due to missing data (resulting in a 56% response rate overall). Our final sample of recruited participants ($N = 300$; women = 101) were of varying ages ($M = 43.77$, $SD = 10.78$) and had an average tenure in their company of between 5 and 6 years ($M = 5.42$, $SD = 5.05$). The average number of employees per company was small ($M = 18.40$, $SD = 36.43$). On average, entrepreneurs had been members of their specific networking group for approximately 2 years ($M = 2.49$, $SD = 2.09$).

Measures

To increase response rates, our primary variables of interest were measured with short scales wherever possible. At times, these scales involved only 1 or 2 items as is common in applied settings (e.g., Bergkvist & Rossiter, 2007; Drolet & Morrison, 2001; Wanous, Reichers, & Hudy, 1997).

Regulatory focus. Participants reported, on a 1 (*never*) to 5 (*very often*) scale, answers to the 11 items on the established Regulatory Focus Questionnaire (Haws, Dholakia, & Bearden, 2010; Higgins et al., 2001; Hmielewski & Baron, 2008). Six items ($a = .57$), averaged, assessed a promotion focus (e.g., "Do you often do well at different things that you try?"). Five items ($a = .81$), averaged, assessed prevention (e.g., "Not being careful enough has gotten me into trouble at times", reversed). Regarding our unique sample of entrepreneurs who chose to be in networking groups, we examined the data for

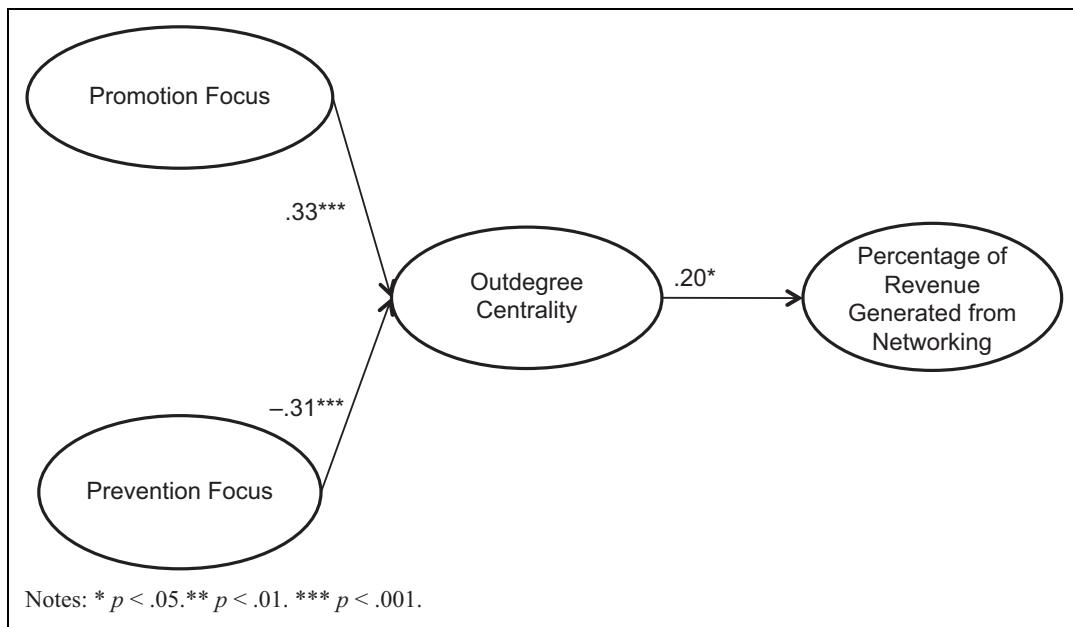


Figure 1. Results for the fully mediated model.

evidence of range restriction—namely, that only more promotion-focused individuals would join a networking group in the first place. Consistent with most North American samples (see Higgins, 2008), mean promotion scores ($M = 3.97$, $SD = 0.52$) were indeed higher ($t = 11.99$, $df = 286$, $p < .001$) than mean prevention scores ($M = 3.35$, $SD = 0.80$) but not to a degree outside of the typical range.

Out-degree centrality. We used an adapted out-degree centrality measure based on Pollack, VanEpps, and Hayes (2012) that captures entrepreneurs' weekly contact with members of their own networking group. Pollack et al. (2012) looked at how out-degree centrality buffers the detrimental effects of economic stress on entrepreneurs—accordingly, a *daily* measure was needed. In the present work, however, we examine the overall development and maintenance of ties, and a *weekly* referent is more appropriate. Thus, 3 items ($a = .65$), averaged, assessed out-degree centrality, “With how many members of this group do you meet in person weekly about business-related matters?” “With how many members of this group do you talk on the phone weekly about business-related matters?” and “How many members of this group do you go to for advice weekly about business-related matters?”

Networking performance. Drawing on Pollack, Coy, Green, and Davis (2013), we asked entrepreneurs, “What percentage of your annual gross revenue came from BNI networking activity in the last 12 months?” As Pollack et al. (2013) noted, the dollar amount of revenue generated from referrals within the networking group is tracked by both individual entrepreneurs and the networking group leadership team—as such, this measure is not simply subjectively self-reported but rather represents an observed variable that these entrepreneurs recall easily (Pollack et al., 2013).

Control variables. Based on literature related to sex differences in networking expectancies and results, we included sex as a control variable (e.g., Forret & Dougherty, 2004; Manolova, Carter, Manev, & Gyohev, 2007). We also included the variables of age and the individual networking group in which an entrepreneur was a member. Finally, consistent with extant research, we also controlled for entrepreneurial self-efficacy (Chen et al., 1998) as well as social competence (Baron & Markman, 2003). We assessed entrepreneurial self-efficacy using the Chen, Greene, and Crick (1998) 15-item scale ($a = .94$). We assessed social competence using the 17-item Baron and Markman's (2003) measure ($a = .84$). Using a factorial parceling strategy, we created three parcels each for both entrepreneurial self-efficacy and social competence (Williams, Vandenberg, & Edwards, 2009; Williams & O’Boyle, 2008). Parceling is a common practice where latent variables are created for scales that have no subscales (Kline, 2011). This technique, where items of varying factor loadings are distributed evenly in each parcel, is used in structural equation modeling (SEM) when measures have multiple items and/or when the sample size is relatively low (Kline, 2011).

Results

Means, standard deviations, and correlations among our variables are shown in Table 1. We tested all our hypotheses using SEM (Mplus 6.0; Muthén & Muthén, 2008) based on the testing procedures outlined in James, Mulaik, and Brett (1982). The analyses described subsequently are at the individual level, as the assumption of independence (intraclass correlations due to nesting of individuals in groups) was not violated (i.e., group membership is not a significant predictor of networking performance or out-degree centrality).

Table I. Means, Standard Deviations, and Intercorrelations.

Variables	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7	8
1. Sex	1.37	0.48	—							
2. Age	43.77	10.78	-.02	—						
3. Networking group	—	—	.12	.08						
4. Social competence	3.44	0.52	.08	-.02	.02	—				
5. Entrepreneurial self-Efficacy	5.6	0.93	-.05	-.1	.06	.23**	—			
6. Promotion	3.97	0.52	0.11	-.1	.06	.28**	.39**	—		
7. Prevention	3.35	0.8	.19**	.01	.12*	0.05	.02	.20**	—	
8. Out-degree centrality	2.94	1.38	.03	.1	-.04	.20**	.18**	.13*	-.13*	—
9. Percentage of revenue from networking	16.2	19.89	-.02	.05	.09	.05	-.02	-.01	-.04	.17**

Note. *N* = 262–298.

p* < .05. *p* < .01.

First, we examined the confirmatory factor analysis (CFA) for the measurement model (Anderson & Gerbing, 1988). Our measurement model showed good fit, and all paths loaded significantly onto their proposed latent factors, both with the controls variables *included*, $\chi^2(94) = 132.32$, comparative fit index (CFI) = .98, root mean square error of approximation (RMSEA) = .04, RMSEA 90% confidence interval [.02, .05], standardized root mean square residual (SRMR) = .05, and with the controls *excluded*, $\chi^2(32) = 56.73$, CFI = .96, RMSEA = .05, RMSEA 90% confidence interval [.03, .07], SRMR = .04.

Second, we tested the fit of our overall proposed model in which promotion and prevention concerns predict out-degree centrality which then predicts networking performance. The fit of this model was also good whether control variables were *included*, $\chi^2(157) = 220.88$, CFI = .96, RMSEA = .04, RMSEA 90% confidence interval [.03, .05], SRMR = .05, or *excluded*, $\chi^2(41) = 66.39$, CFI = .96, RMSEA = .05, RMSEA 90% confidence interval [.02, .07], SRMR = .04.

In support of Hypotheses 1 and 2, as predicted, the paths from both promotion (with controls: $\beta = .33$, $p < .001$; without controls: $\beta = .28$, $p < .01$) and prevention (with controls: $\beta = -.31$, $p < .001$; without controls: $\beta = -.27$, $p < .001$) to out-degree centrality were significant in expected directions. In support of Hypothesis 3, the path from out-degree centrality to percentage of revenue generated from networking activity was also significant (with controls: $\beta = .20$, $p < .01$; without controls: $\beta = .21$, $p < .01$).

To confirm the robustness of our proposed model, we ran additional analyses. First, we used the Williams, Hartman, and Cavazotte's (2010) CFA marker technique to rule out possibility that bias resulted from the self-report method used in the present work. Across all the specified models, Williams et al. (2010) outlined, including the sensitivity analyses, the relationships between the latent variables of interest remained relatively unchanged. This supports the inference that common method bias is not a concern in these data.

Second, consistent with best practices in model testing, we tested a model that included both the direct and the indirect effects of regulatory focus on network performance. Although the fit of this model was also good both with controls *included*,

$\chi^2(155) = 220.58$, CFI = .96, RMSEA = .04, RMSEA 90% confidence interval [.03, .05], SRMR = .05, and *excluded*, $\chi^2(39) = 65.86$, CFI = .96, RMSEA = .05, RMSEA 90% confidence interval [.02, .07], SRMR = .04, neither the direct path from promotion (with controls: $\beta = -.06$, $p = .71$; without controls: $\beta = -.06$, $p = .51$) nor the direct path from prevention (with controls: $\beta = .01$, $p = .87$; without controls: $\beta = .002$, $p = .98$) was significantly related to networking performance. Thus, this model did not provide a better fit to the data than did our proposed model shown in Figure 1. This provides strong support for our proposed model, with controls: $\chi^2_{\text{diff}}(2) = .30$; without controls: $\chi^2_{\text{diff}}(2) = .53$.

Third, we tested not only whether the data supported an overall model involving indirect effects of regulatory focus on percentage of revenue generated but also whether the observed size of the indirect effects themselves was significant. This analysis provided mixed support concerning the influence of regulatory focus on revenue. Normal theory (Sobel) estimates for both promotion (with controls: $\beta = .07$, $p < .05$; without controls: $\beta = .06$, $p < .05$) and prevention (with controls: $\beta = -.06$, $p < .05$; without controls: $\beta = -.06$, $p < .05$) did significantly predict revenue through out-degree centrality. However, some bootstrapped indirect effect estimates' confidence intervals at 5,000 iterations included 0. The results for the 95% as well as 90% confidence intervals were as follows: promotion (with controls: 95% confidence interval: [−.02, .15]; 90% confidence interval: [−.002, .13]; without controls: 95% confidence interval: [−.01, .12]; 90% confidence interval: [.01, .1]) and prevention (with controls: 95% confidence interval: [−.14, .02]; 90% confidence interval: [−.13, .01]; without controls: 95% confidence interval: [−.12, .01]; 90% confidence interval: [−.11, .003]).

Discussion

This research examined how differences in people's motivations for promotion or prevention predicted how they developed and used their network of business relationships as well as the consequences of this networking behavior. In the best-fitting structural model for the data shown in Figure 1, entrepreneurs' promotion motivations positively predicted out-

degree centrality, in support of Hypothesis 1, as is consistent with an eager emphasis of pursuing all possible opportunities within one's network. In contrast, entrepreneurs' prevention motivations negatively predicted out-degree centrality, in support of Hypothesis 2, as is consistent with an emphasis on maintaining feelings of security within one's network and minimizing social costs. Out-degree centrality then positively predicted the percentage of entrepreneur's gross revenue generated from networking, supporting Hypothesis 3. These findings support an overall model in which the influence of entrepreneurs' regulatory focus on the revenue they generate from networking is carried indirectly through out-degree centrality without any direct effect.

Specific Implications for Entrepreneurial Pursuits

The present study bolsters previous work illustrating that promotion-focused individuals may achieve different practical outcomes within business contexts relative to prevention-focused individuals (e.g., Hmieleski & Baron, 2008; Kark & Van Dijk, 2007; Lanaj, Chang, & Johnson, 2012). We offer an additional pathway through which entrepreneurs may ensure the benefits they typically enjoy from more social ties: regulatory focus. Specifically, this research shows that, beyond particular competencies or desires for network formation, there are further motivational determinants (i.e., promotion focus vs. prevention focus) for networking behavior that can have consequences for entrepreneurs' financial performance.

As motivations for promotion and prevention are malleable states that can be activated (Higgins, 2000; Johnson & Wallace, 2011; Kark & Van Dijk, 2007; Sengupta & Zhou, 2007), the current findings suggest that encouraging entrepreneurs to adopt a promotion focus in their networking behavior could increase the benefits they receive (cf. Wallace & Chen, 2006; see also Lisjak, Molden, & Lee, 2012 for the potential costs of activating motivational orientations that people do not chronically possess). Because, as mentioned earlier, the life expectancy of an entrepreneurial venture is likely to be short (Headd, 2003; Knaup, 2005), identifying ways to help entrepreneurs understand how to increase their chances for success is of considerable practical importance.

However, this is not to say that adopting a promotion focus will always be an advantage in entrepreneurial pursuits. As Brockner, Higgins, and Low (2004) noted, the entrepreneurial process has many components, some of which might be facilitated by the eagerness associated with a promotion focus (e.g., generating new ideas and approaches to an existing market) and some of which might be facilitated by the caution associated with a prevention focus (e.g., monitoring the implementation of a business plan). Thus, for optimal success, entrepreneurs would likely need to flexibly shift their regulatory focus during different aspects (e.g., networking, customer acquisition, capital expenditures, recruiting employees) of the entrepreneurship process.

One additional note of caution bears mention. Although our findings provided moderate support for our secondary

hypothesis concerning the overall indirect influence of promotion and prevention motivations on increased revenue generated from business networking through regular contact with more members of this network, as Table 1 indicates, there were no significant total effects of these motivations on revenue (i.e., the zero-order correlations were null). This indicates that there may be other mediators beyond out-degree centrality through which promotion motivations indirectly predict *decreased* revenue and prevention motivations predict *increased* revenue, which could offset the indirect pathways that were observed (see Hayes, 2013). One possibility is how efficient promotion- or prevention-focused individuals are in obtaining the resources they need from the contacts they do maintain. For example, if the present out-degree centrality findings also entail promotion-focused individuals adopting more of a quantity-over-quality approach to networking, they may receive many small benefits from a greater number of contacts. But, if prevention-focused individuals adopt more of a quality-over-quantity approach to networking, the larger benefits they receive from each contact may compensate for their smaller networks in terms of the revenue they generate from these networks. Although the necessary data do not exist to test these hypotheses in the current study, it is an important topic for further research.

Broader Implications for Relationship Formation and Maintenance

Beyond these specific implications for understanding entrepreneurial pursuits, the present results also more generally contribute to research on how personal motivations affect relationship processes (see Fitzsimons & Finkel, 2011). A growing body of research has shown that people's motivations for promotion or prevention affect a number of interpersonal processes such as responses to in-groups versus out-groups (Brazy, & Shah, 2006), interactions with and perceptions of close relationship partners (Molden & Winterheld, 2013), and social exchange (Gu, Bohns, & Leonardelli, 2013). However, although this previous research has focused almost exclusively on dyadic interactions and relationships, the present research extends the implications of these motivations to how people develop and maintain broader networks.

The current findings show that, in addition to influencing the processes through which they value and interact with specific relationship partners (e.g., Hui, Molden, & Finkel, 2013; Molden, Lucas, Finkel, Kumashiro, & Rusult, 2009), people's motivations for promotion or prevention can also more broadly influence how people manage and sustain their extended network of contacts. Moreover, although previous findings have focused more on the role of motivations for promotion or prevention on people's subjective experiences of their relationships and regard for their partners, the present results also illustrate how these motivations are associated with different relationship outcomes (e.g., financial rewards) as a result of pursuing different strategies. Overall, given that the size and structure of the networks people form and maintain, as well as

how they utilize these networks, can have implications for professional success and, more generally, for health and well-being (Pollack et al., 2012; Thoits, 2011), broader research on effects of people's motivations for promotion or prevention on their extended networks is an important topic for future research.

Limitations and Future Research Directions

Although the present study used a large sample and examined real-world professional behaviors, it was limited in several ways. First, people's motivations for promotion or prevention were measured, not manipulated. Therefore, the causal effects of these motivations on network development and maintenance, as well as the utility of altering these motivations for entrepreneurial success, must still be established in future experimental and longitudinal studies.

Also, the present sample of entrepreneurs (from relatively small businesses) in the United States had limited diversity. Future research that examines the influence of motivations for promotion or prevention on networks in other cultures, or with larger businesses (vs. the smaller firms included in the present work), in which people's perspective on and desires for networking may vary, is necessary to establish the generalizability of our findings. Future studies would also be well served to seek more objective measures of networking behavior such as attendance at meetings, information given or received as well as peer-report (rather than self-report) measures of network involvement and development.

Related to future directions for research, it is worth noting that promotion concerns positively predicted both self-efficacy and social competence (see Table 1). This justifies their inclusion as controls and also conceptually replicates similar results in other work (e.g., Grant & Higgins, 2003; Lucas, Knowles, Gardner, Molden, & Jefferies, 2010). In addition, both self-efficacy and social competence were also related to out-degree centrality as strongly as regulatory focus—a finding that future research is encouraged to explore. Overall, although the present work conceptually replicated prior studies by incorporating self-efficacy and social competence, other variables could also be modeled in the future. For example, studies further examining the Big Five personality characteristics (e.g., Zhao & Siebert, 2006) and creativity (Zhou, Shin, Choi, & Zhang, 2009) may build on the present work. In particular, findings show that entrepreneurs exhibit certain personality characteristics (e.g., lower agreeableness) and exploring how personality affects network involvement and development may provide valuable theoretical and practical insights.

Conclusion

Our findings showed that promotion-focused entrepreneurs formed more social ties, and generated more revenue from these ties, than did prevention-focused entrepreneurs. This is a new insight regarding personal factors that predict networking behavior in an entrepreneurial context. More broadly, this insight further illustrates how motivations for promotion or

prevention may influence the formation and maintenance of social relationships, and future research should continue to explore how motivations for social behavior predict success in both business and, more generally, in life.

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