Become a Business Networker

I always urge small business owners with whom I meet to become proficient at networking. Last week I mentioned that I had been at a BNI meeting and a reader asked me to for some advice on how to do this. I will relate some conversations that I had at a large business function in Minneapolis in early August that was sponsored by MainStreetChamber. Mike Clough is the State Director of this organization and he made some observations which will relate to this topic.

“We know it’s important to let friends and family know what we do. At the same time, we have a marketing budget to ensure we’re on top of people’s minds for their needs”, Mike related. Networking is another key element to marketing and it goes well beyond traditional advertising. It is you and your business becoming invested and valued in your community.

If you asked Susan Fronk, Twin Cities Chapter President of MainStreetChamber, she would begin to define a networker as, "A person who uses a network of professional or social contacts to further their career or business". She reflects that Networking has for centuries been used in various ways to grow business as well as personal careers, and to make all sorts of projects happen, regardless of the terminology. The principle of networking is finding and building helpful relationships and connections with other people.

Mutual benefit (or mutual gain) is a common feature in successful networking - and this is a powerful underpinning principle to remember when building and using your own networking methods. It is human nature, and certainly a big factor in successful networking, for an action to produce an equal and opposite reaction. Effort and reward are closely linked.

Fronk uses the common expression - "You scratch my back, and I'll scratch yours" as way to appreciate the principle of mutual benefit. She also related that the principle of reciprocity exists in this endeavor. People may do something for nothing for someone once or twice, but sooner or later some sort of return is expected, even if not openly stated.

Reciprocity applies very strongly where recommendation and referrals are involved. "Why would someone refer or recommend me?" This introduces the vital aspects of trust and credibility and integrity. Would you refer someone you did not trust, to a valued contact of yours? Other people tend not to either.

Return or reward does not necessarily have to equate precisely to the initial gesture. Importantly, reward is whatever makes sense to the recipient. To some a simple 'Thank you' is adequate. To others something more concrete is required. It depends on the situation, the value of the exchange, and the individuals and relationship history.

Business networking is practiced by all sorts of people in work and business, especially through organized networking events and online services. It is common for business people to belong to a formal networking group like BNI (Business Network International) or an informal networking group like the Rochester Area Chamber of Commerce or a service organization like Lions Clubs International. Or be a volunteer - whether you're feeding the homeless, donating time to a children's hospital, or volunteering as an officer of a civic organization, you know your time is helping your community and your business.
Particularly beneficial results can arise from networking when people's interests coincide to produce an effect greater than the separate parts. Networking can be a very helpful way to find such cooperative and collaborative partnerships - based on mutual interest.

Synergy between two providers (even competitors) can produce exciting new service propositions, enabling providers to work as associates or through more formal partnership. Synergistic connections can therefore be a good way for smaller providers to compete effectively with much larger suppliers.

Networking connections which produce this effect are valuable and desirable, so look for them, and try to build a network which contains these connections, especially where it strengthens your market offering. Next week I will relate some mistakes to avoid when you become a business networker.

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