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Why Most “Networking” Doesn’t Work!

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Today, we are more likely to *call* a colleague who works three offices down the hall from us—or worse yet, *text* her—rather than make the short trip for a face-to-face visit. We pass key team members in our corporate hallways, yet, after having spent the last several months on conference calls, exchanging voicemails and e-mails on key projects, and even seeing them in various company meetings, we have no idea who they are. Who are you e-mailing? Who are you asking for resources? Who are you selling to? Who are you listening to? Who are you asking for help?

When technology, even with its vast operational effectiveness and efficient capabilities, determines the nature of our human interactions, is it any surprise that many believe there has been a dramatic erosion of our sense of community and our ability to touch people? Have we gone so far as to need mandates such as *No E-Mail Fridays*?

In 1916, practical reformer of the Progressive Era and state supervisor of rural schools in West Virginia, L. J. Hanifan, described *social capital* as “Those tangible substances that count for most in the daily lives of people: namely good will, fellowship, sympathy, and social intercourse among the individuals and families who make up a social unit” (*Bowling Alone*, p. 19).

Isn't it interesting that Hanifan's account of social capital anticipated virtually all of the crucial elements in later interpretations of what is essentially the lubricant of our day-to-day interactions as human beings? Unlike the generation before mine, which was proactively involved in various lodges, PTAs, churches, and political parties, I would submit that we are becoming increasingly disconnected as a society in many ways, and even more so in business, where many of us spend the majority of our waking hours.

My intent in the next several chapters is to not only identify a practical and applicable process for identifying, building, nurturing, and leveraging relationships instrumental to your

personal and professional success, but also to help *quantify* the economic value of your most valuable and often *strategic* relationships. In short, creation alone won’t suffice. Savvy professionals find opportunities to monetize their business relationships through a long-term, mutual *build and benefit* strategy.

Interviewing over 1,000 managers, executives, and directors of emerging growth, middle market, and Fortune 500 client companies has allowed me to identify two schools of thought when it comes to business relationships. On one end of the spectrum is the *art* of building relationships. For many, this is the ability to *engage* others through the exchange of business cards and the building of transactional relationships. There is little to no shortage of resources in the marketplace today to help train and develop those who seem otherwise introverted and must adapt to a social network. Fairly foundational notions such as the elevator pitch, working a room, or learning how to be a conference commando fit into this category. On the other end of the spectrum is the academic world of Social Network Analysis (SNA), or the *science* of relationship building. What began as the study of patterns of human interaction in the 1930s has evolved into a discipline, though often very dry and rather academic.

We believe that Relationship Economics—*the art and science of relationships*—is the hybrid approach necessary for anyone who needs to build and leverage relationships to get things done. Effectiveness and productivity are both measures of outputs, but efficiency also includes the amount of *input* required. Let’s start by looking at why most people are inefficient when it comes to business networking and building long-term, value-centric relationships.

Top 10 Reasons Why Networking Doesn’t Work

As we talk to companies around the world and work on consulting and training engagements with clients such as KPMG, Inter-Continental Hotels, Disney, Cisco, and Siemens, we have found

that one of the consistent reasons people become frustrated with networking is that they don't believe it produces any quantifiable results. Simply put, they don't think much of their effort really works. Whether you are a senior executive, a business unit leader, a project manager, or a salesperson new to a territory, people often forget that their most valuable asset is their portfolio of relationships.

Beyond your educational foundation, experience, wisdom, and all of the skills and talents you have acquired, relationships transcend across geography, function, company, and often any particular point in time.

If you simplify business networking into three stages of preparation, interaction, and follow-through, we have identified the Top 10 culprits that render traditional networking ineffective. They include a lack of purpose or planning, engaging the wrong people or the inability to disengage when necessary, and lastly, the absent notion of triangulation.

Let's take a quick look at each.

In the *preparation* phase, your goals, strategies, and tactics will drive efficiency.

Lack of Purpose

Most people network without a purpose. When they come to me and ask, "Do you know so-and-so?" My first question in response is, "What is your intent or purpose for networking? *Why* do you feel like you need to get to know this person?"

Typically, they don't have a well thought-out answer, or what they do say is often very transactional and based on an immediate need, such as job transition or a prospective client.

Fuzzy Goals

There is no shortage of relationship formulation—many can identify great contacts—but we often struggle with consistent

Relationship-Centric Best Practice: Purpose

Purpose, by the way, has nothing to do with what you do for a living. It is your guiding light and it starts with a healthy self. As my business partner, Jennifer Whitt, likes to say, “If you’re not centered—if you don’t know who you are, what you stand for, and your true intent for building relationships—how can you genuinely articulate the same to someone else or make course corrections in your efforts along the way?” There is no right or wrong answer here, but it is critical that you start your networking or relationship-building path with an overarching purpose. For example, there is the paternal purpose: *I want to pave an easier path for my children. If I build and nurture key relationships now, it will make it easier for them to get into better schools, land more promising jobs, and have access to a greater wealth of time and opportunities than I did growing up.* This is a purpose that is clearly independent of any particular point in time, geography, or specific functional job.

Others have defined their purpose as emotional discovery or perhaps self-mastery: By getting to know others, I get to know myself better and can grow both personally and professionally.

By starting with a succinct purpose of personal and professional development, building and nurturing productive relationships becomes your compass.

relationship development execution. Goals are the fundamental link to how you translate great ideas into actionable impacts in your life and in your personal and professional relationships.

The notion of business relationships is not a standalone concept. It’s an enabler not just toward achieving business goals, but also maximizing an individual, team, and organization’s

performance, execution, and results. Without succinct, measurable, and success-proof goals, many of your investments in relationship creation will be lost in the nurturing, development, and ultimate capitalization of those relationships. Said another way, you'll spend a lot of time and effort on unproductive coffee shop or lunch visits, and have little to show for that investment of time, effort, or resources.

Are you new to a project team, sales territory, divisional, or leadership role? How will networking help you succeed given the dynamics of your new role? Which relationships will help you enable, accelerate, or maximize your ability to achieve your goals?

By succinctly crafting three to five specific and measurable goals—not just simply self-directed ones such as “becoming a better person,” but those that will require collaboration with or cooperation from others, what we refer to as relationship-centric goals—you develop a crystal-clear destination for this desired journey. Many business goals such as attracting and retaining top talent, growing profitable revenues, cost performance, or lasting behavioral changes cannot be achieved in isolation. They require, instead, value-based relationships to accomplish. This is a critical point, as quantifiable relationships must have a barometer against which you can measure your efforts.

You Don't Have a Plan

The bulk of our training and consulting is focused on helping clients link their strategic direction with personal action—how to get good ideas to great execution by leveraging not just the *what* and *how*, but also *with whom*. Your approach to building and nurturing key relationships must be agile, similar to a speedboat, so that if you are not headed in the right direction, you can expeditiously make course corrections.

You simply can't improve what you don't measure. So, if you keep going out and getting involved with organizations and attending networking functions, how are you measuring

**Relationship-Centric Best Practice:
Vibration versus Forward Motion**

It's critical not to confuse vibration with forward motion. Many people equate busy work in networking with progress in relationship creation and capitalization, when in fact it's just that—vibration. Countless meals and coffee visits will seldom turn into newly acquired customers, great employees, or the execution of critical milestones. Unless you have PGP in place, you'll seldom realize the desired forward motion toward achieving critical business goals, objectives, and key strategic initiatives.

the results of that attendance? You constantly meet with the same group of individuals, either inside or outside the organization. Are those investments really producing any meaningful results in your efforts toward reaching your goals and objectives?

One of the fundamental reasons networking doesn't work is that most people network without a plan. They are not methodical, systematic, or disciplined about *which* events they attend, *why* they attend them, *what* they are trying to achieve while there, and *how* they will follow through after the event.

To quickly review, the critical first three areas in which networking fails are *purpose*, *goals*, and *plan*—PGP. This is a great mechanism to consistently think about not only *why* you are building relationships but also *how* you will drive results well beyond any single interaction.

In the *interaction* phase, different situations mandate unique rules of behavior, which will deliver relationship development effectiveness. Networking is not simply a noble cause but rather an endeavor to create preferential advantage. It cannot be left to chance. Here are some common culprits in this phase:

Your Efforts Are Haphazard and Reactive

The process of identifying, building, and nurturing relationships requires disciplined thought and action. In essence, this needs to become the dye in the fabric—not a patch. The dye permeates throughout the fabric. In many ways, the dye *defines* the fabric. A patch is just that—a bandage, a fix, a transaction. If building relationships becomes what you do every day, as opposed to something you feel like you have to do to get by, it tends to become less of an afterthought.

Let me tell you about my first encounter with Joan. It was 6:00 A.M. on a Saturday in May and I was standing in line at a local YMCA, registering my children for upcoming summer programs. Next to me stood an unassuming, five foot tall, middle-aged woman (as she later described herself) wearing no make-up, a T-shirt that should have been donated years ago, black Spandex, and with shuffled registration paperwork spilling from her arms. Curious, I simply began by asking about her children and which programs she was registering them for. As she reciprocated and we got to know each other, I met a giant personality beneath this unpretentious exterior.

Want to know what Joan does for a living? She orchestrates global events for some of the biggest multinational organizations, private conglomerates, industry associations, and nonprofit causes. Her broad sphere of influence extends beyond business contacts to include numerous policy makers and shrewd investors. My question to you is: How many Joans are you walking by every day? How many prospective clients, suppliers, and investors are you choosing to ignore simply because you perceive the circumstances to be inopportune?

Think of the last networking event you attended. A) Most people often have no real resolution or intent as to why they are there. The organization was getting together, so they thought that they should probably show up. (By the way, there is nothing wrong with the innate need to belong. In time, your involvement

**Relationship-Centric Best Practice:
An Opportunity Every Minute of Every Day**

You have an opportunity to build relationships every minute of every day—both within your organization and outside of it. Unfortunately, people go through most days with their heads buried in their respective checklists, running from one meeting to the next. I equate this to having a lot of machetes, making sure that they are all freshly sharpened and chopping down a lot of trees without ever stopping to ask if you are in the right jungle. “Let’s set aside two hours a day to network” is a patch. “I will make time to meet and really get to know a broad array of diverse, interesting people at every opportunity” is the dye. You never know whom you are going to meet at the grocery store, church, or standing in line registering your kids for summer camp. These are but a few opportunities missed every single day by those either too pompous to engage, or simply oblivious to the fact that our lives are all inherently intertwined in a bizarre way. The six-degrees-of-separation cliché is very real.

will provide a multitude of benefits.) B) Most have no idea who else will be at the event and tend to migrate to attendees they already know versus extending or expanding their reach to a broader contact base. And, C) Most are running late from all of the different *have-to* events in their lives, so they show up and get a chance to only grab a quick drink before the program starts. They don’t really give themselves an opportunity to engage current and prospective relationships and then end up leaving right afterward to attend yet another commitment.

Sound familiar? If this describes you, then why did you pay the entrance fee and set aside the time to attend the event if you

weren't going to be more systematic and disciplined? Are you really starving for more small talk?

Now, consider a different approach to the same networking scenario: First, you prioritize the organizations most relevant to your personal and professional goals and objectives. Many groups plan and publicize their events well in advance, so you aggregate a master list of upcoming events and prioritize your attendance based on those most strategic to your predetermined set of goals, objectives, and action items. You pay and register in advance and place a solid date on your calendar to avoid possible conflicts. Two weeks to a month in advance, you invite a handful of others who you think would also appreciate attending this event. You go online and google the speaker, subject matter of the presentation, or panel discussion so you can arm yourself with insightful perspectives. You show up early, as most events actually have the attendees' name badges at the registration table. You identify three to five people you would like to get to know better and give yourself plenty of time to meet and greet a broad spectrum of attendees. When you meet someone who may not be as engaging or relevant to what you do, you politely disengage.

Time and intellect are your two most valuable assets—you can't afford to waste either. If a conversation is not interesting or productive, you simply must be disciplined enough to move on. Most people get little to no value out of small talk. Instead, ask a poignant question to engage. I'd much rather attend an event and really get to know four or five dynamic, intelligent, interesting, quality people with whom I can follow up after the event instead of going to an event, working the room, and collecting a handful of often useless or irrelevant business cards. Let me save you the time and aggravation: there is something called the Yellow Pages, and it provides the exact same value as the stack of business cards you collected. But if you engage others in meaningful discussions, proactively listen to the content presented, and then have a systematic process to follow through with them afterward, you will have used your time much more fruitfully. Attending events

becomes a great deal more relevant if you have thought about your goals, strategies, and tactics in advance.

The other fundamental challenge here is the very reactive nature of most networkers. An example of this is when people are in job transition. What do they do? They network like there is no tomorrow. Their job becomes finding the next job. They ask everyone they meet, *Do you have a job? Do you know someone who has a job?* What typically happens when they find a job? I think we've all seen it. Most stop building those relationships and, worse yet, forget everyone who helped them get there until three years from now, when they call or e-mail you again. One guess as to what they want? That's right—the next job! By establishing this pattern, they build a reputation that says that the only time they call is when they want something versus proactively staying in touch and truly nurturing critical relationships along the way.

Recommended Readings on Social Networking

Years ago, my dad, an avid reader himself, told me: *Leaders are readers and readers are leaders.* I had no fluency in English when I first came to this country and, to this day, still go through the painstaking process of constantly looking up definitions and synonyms to grasp a contextual understanding of the broader content. Through this practice, I have managed to develop a passion for not only absorbing interesting content, but also really thinking through its applications in my life.

In my keynote speeches as well as in this book, I highlight many influential works. At any given point of time, I am often reading four or five books on a variety of topics. Instead of aimless music or obnoxious radio talk shows, I prefer books on tape, CDs, or insightful podcasts from a

dozen or so mentors on my iPod. Having read 100-plus books on the topic of social networks, my suggested readings follow. Most are available on the authors' respective web sites.

- Baker, Wayne
 - *Achieving Success Through Social Capital: Tapping Hidden Resources in Your Personal and Business Networks*
 - *Social Networks and Loss of Capital*
 - *Positive Organizational Network Analysis and Energizing Relationships*
 - *Enabling Positive Social Capital in Organizations*
- Beckstrom, Rod and Brafman, Ori
 - *The Starfish and the Spider: The Unstoppable Power of Leaderless Organizations*
- Burt, Ron
 - *Brokerage and Closure*
 - *Teaching Executives to See Social Capital: Results from a Field Experiment*
 - *Network Duality of Social Capital*
 - *Gossip and Reputation*
- Cialdini, Robert
 - *Influence: The Psychology of Persuasion*
 - *The Practice of Social Influence in Multiple Cultures*
 - *Training in Ethical Influence*
- Cohen, Don and Prusak, Laurence
 - *In Good Company: How Social Capital Makes Organizations Work*
- Covey, Stephen M. R.
 - *The Speed of Trust: The One Thing That Changes Everything*

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Recommended Readings on Social Networking (Continued)

- Gladwell, Malcolm
 - *Blink: The Power of Thinking Without Thinking*
 - *The Tipping Point: How Little Things Can Make a Big Difference*
- Putnam, Robert
 - *Bowling Alone: The Collapse and Revival of American Community*
- Rosen, Emanuel
 - *Buzz: Accelerating Natural Contagion*
 - *The Anatomy of Buzz: How to Create Word of Mouth Marketing*
- Watts, Duncan
 - *Six Degrees: The Science of a Connected Age*
 - *Small Worlds: The Dynamics of Networks Between Order and Randomness*

I'm often reminded of Harvey Mackay's book, *Dig Your Well Before You're Thirsty*. You have to build and nurture these relationships well before you need them. People are a lot less likely to respond and react if you only call when you want something instead of getting in touch to find out how they are doing and how you can become an asset to them. (See the section on *relationship givers, takers, and investors* later in this chapter.)

When I hear someone say, “I need to network,” that sounds desperate. That's *reactive*. They are looking for a job or they are behind in their sales quota and are scrambling to find prospects, or they are in trouble with their project deliverables. Success comes from being much more proactive. I recently had a chance to meet Keith Ferrazzi of *Never Eat Alone* fame, and I appreciate his advice in the book to keep your calendar full of opportunities to meet and engage a diverse portfolio of contacts.

I liken this kind of networking to playing a game of chess. What I love about playing chess is that it forces you to proactively think a number of moves ahead. Similar to what I understand of military situations, it also challenges you to constantly conduct situational analysis. Where am I today, what am I trying to achieve, what happens if I make these efforts, and what's next? Investing in your relationships is also a constant situational analysis. It's critical to think about relationships as investments, and like any other investment, it's imperative to evaluate your return on that investment. When it comes to relationships, ROI needs to be reinvented. Think about this in regard to your *Return on Involvement*. You belong to all of these different organizations and attend all of these functions. What do you have to show for it? Later in this book, we'll discuss *Return on Integration*, *Return on Impact*, *Return on Influence*, and *Return on Image*—all quantifiable perspectives on investments in a critical soft asset: your relationships.

What's In It For Me (WIIFM)?

You have to find ways to invest in others or make *relationship currency* deposits, as I cover in later chapters. Find ways to become an asset to others and in quantifiable measures, add value to their efforts. Those who understand the true *value* of a relationship will find a way to reciprocate—maybe not today, tomorrow, or this year, but reciprocity is a natural and undisputable law in the *favor economy*.

Unfortunately, many people overlook the critical nature of such reciprocity in favor of focusing solely on their own situation. Another observation that I've made at many functions has been the perpetual nature of many to think, *What's in it for me?* In essence, they attend functions with their hand out. To recipients of this posture, the interaction becomes a complete turnoff, as it is perceived to be insincere and self-serving. Questions that should be conversational come across as an interrogation, and

the person probing often asks intimate questions about information most people are not comfortable sharing with someone that they met just 15 seconds before. Their comments come across as scripted or somehow manufactured. They are, in essence, *harvesting conversations*.

Compare and contrast this approach with the one that we coach participants in our workshops to use, which involves investing most of their efforts in engaging the other person to really understand what they are about. Take the time to understand their issues and challenges, and give them a reason to want to get to know you better. If you add value to every conversation with a unique perspective, the comment you most often tend to hear is, "Wow, I never thought of it that way." And the perception becomes one of continued interest for a follow-up dialogue.

Relationship-Centric Best Practice: Asking Better Questions

If you want better answers, ask better questions! Alan Weiss often comments: "Ask engaging questions and you'll influence the conversation. Influence the conversation and you'll influence the relationship. Influence the relationship and you'll influence the outcome you desire." What engaging questions are *you* asking to influence your conversations and key relationships?

INSTEAD OF ASKING:

What do you do?
Are people *really* your
biggest asset?

TRY ASKING:

How are you measured?
Where would developing
intracompany
relationships rank in your
performance evaluation
plan?

Do your people know how to collaborate?

How effective is your formal mentoring program?

Tell me about your talent acquisition efforts.

Do you have teams or committees?

Have you thought about reverse mentoring?

Tell me about your fear of flight risk.

When I meet an executive or individual for the first time, I'm not gauging whether we can do business together, whether we can do a project together, or whether he can help me. Instead, I'm assessing, *Does this person understand and value relationships?* And if I start by making a deposit—by finding a way to become an asset in solving their challenges—will he find a way to reciprocate? It is important to point out that I am not talking about only doing for others who are going to do for you, but as we all know, it is a lot easier to ask for a withdrawal *after* you have made a deposit.

According to the psychological perspective of former PepsiCo, Lucent, and HP human resources executive and friend, Pat Dailey, Ph.D., “establishing relationships is a process of successive disclosures. You give me a little of you, I take it and make a judgment. I give you a little of me, you absorb it and make a judgment.” This evolutionary process comes to fruition faster for those with the DNA to process the give and take more quickly. However, you certainly don't have to be slick and quick to become an efficient relationship builder. In our experience, everyone has a unique pace in mastering these skills and behaviors and it is critical to clearly understand the line of too much, too fast in the early stages of relationship formation.

Every job has its issues and challenges. At the next networking function, start by asking people how you can be an asset to them. Think about who you know that can help them and how you can make an impactful deposit for this person.

I have a personal three-touch rule that I follow. I will make three investments without expecting anything in return.

As I meet individuals who are looking for knowledge, talent, or an introduction to an influential relationship, I'll go out of my way to somehow become an asset to them. But the fundamental challenge is that you simply don't have enough bandwidth to invest in all of your relationships equally. How you prioritize which relationships you invest in has to be congruent with your relationship-centric goals and objectives and your individual definition for a return on your relationship investments.

Everyone is tuned in to the same FM station—WIIFM. What's In It For Me. The next time you meet someone, instead of having your hand out and wondering what she can do for you, *lend* a hand by asking, “How can I *really* get to know this person and find ways to become an asset to *her*? How can I find ways to create *quantifiable value* for her?”

Relationship Economics @ Work: Bob McIntosh at Rock-Tenn Company

When Bob McIntosh, senior VP and general counsel for Rock-Tenn Company, is evaluating potential service providers, competency, service level, and expense are at the top of his evaluation list. But relationships are also an important factor.

“Performance comes first,” he said. “But relationships absolutely come into play. Take investment bankers, for example. These are very large firms that often service a particular industry. They are in the business. They are selling their services, but as a potential buyer, you also want an investment banker who will bring you deal flow when they come across an opportunity.”

Rock-Tenn's corporate strategy includes organic growth plans, as well as some inorganic opportunities, Bob said. These strategies are transparent to bankers, who are aware of the kinds of acquisitions the firm is interested in.

On a regular basis, investment banking firms who want to do business with Rock-Tenn will visit and share ideas about potential transactions that might interest the firm. This includes companies (or divisions of companies) that may be available for purchase.

“They may bring it up to gauge our interest,” said Bob. “Of course, the hope is that they build a relationship with us so that when a deal comes up that we’re interested in because it is a quality deal that fits within our growth strategy, we’ll choose them as the investment bank that assists us with the deal.”

Wrong People

Some of my favorite networking functions are early morning breakfast briefings. I am an early bird and most attendees have yet to face the minutia of the day, so they are likely to attend for the two critical factors: content and community.

I recently attended a Harvard Business School executive breakfast series held at the Buckhead Club in Atlanta, which featured Mark Fields, president of the Americas for the Ford Motor Company. It doesn’t get much better than this. The content was interesting, and so was the caliber of the people both anticipated and found in attendance. Doors typically open at 7:30 A.M. with the program starting around 8:00, and wrapping up by 9:00. I was simply amazed by the number of people who showed up after the program began and completely missed the opportunity to engage the attendees in advance of the content. Conversely, those who were prompt, if not early, had the opportunity to connect with some of the sharpest minds in the local business, political, and philanthropic communities.

Even at events with great opportunities such as this one, you tend to have those in attendance who, although polite and cordial, are not relevant to your current role, realm of responsibilities, or aspirations. Let’s just call one of these people “Steve.” He’s a poultry expert in a very obscure agricultural field that has little to no

relevance within my current intellectual radar. After a few minutes, I quickly gauged that not only did Steve and I have little in common personally, but I could find little value to add to his efforts. Similarly, he brought few insights or knowledge of the types of clients that my business serves. I thanked Steve for his time and simply mentioned the need to say hello to a few others at the event.

The number one mistake most people make when they walk into an event like this one is that they spend the entire 30 to 45 minutes talking to someone who is not relevant to what they are doing, and they get sidetracked from their game plan. When I refer to the "wrong people," it is not intended to mean that some people have less value than others. I am simply trying to get you focused on *relevancy*. How relevant is this individual to the goals and objectives that you are trying to achieve? Please understand that this comment is not to be construed as manipulative. It's not about an elegant way of using people, but about being smarter about how you invest your valuable time, efforts, and resources.

One of the best practices in this section is to identify what we call influential hubs. These are subject matter experts or those naturally highly connected who are consistently able to engage and influence others over a certain period of time. If you think of the classic bike wheel, they represent the hub in the middle with the many spokes fanning out from that position.

Certain functional roles lend themselves naturally well to this concept. The best commercial real estate agents I know are very well connected in their communities to a multitude of possible direct client or referral sources. The best attorneys, accountants, insurance agents, recruiters, nonprofit fundraisers, lobbyists, and industry consultants are often very good hubs because of the diversity of friendships that they build over the years. It is critical to your relationship-building approach to identify those hubs and find ways to become an asset to them.

Remember that one of the fastest ways to turn off a hub is to go to that person and say, "What can you do for me?" Though these hubs are typically genuine and go out of their way to help

Relationship Economics @ Work: Dan Brown and Heavy Hitters at Various Functions

According to Dan Brown, a personal friend and former executive at SunTrust Bank, “It all starts with relationship building. You have to find some common ground with whomever you are dealing. You can’t be too needy—it has to be a relationship of equals. This begins with a centered self. If I am at an interesting function and there are some heavy hitters there, I don’t necessarily have to approach them. If I am there having conversations with a group of people, some of these heavy hitters might come up to me and introduce themselves.”

So I asked Dan, how does he characterize a *heavy hitter*? “This is someone in a relationship-type area who deals with a lot of people, travels globally; they’re often an expert in their respective field—someone who if you are in that function, are [*sic*] deemed very influential.”

What makes some of these hubs more attractive than others? “It largely depends on the function and the person. There is the internal persona and then the function that they play. Some people are heavy hitters internally—no matter where they are, they are people you want to know. Others have a heavy hitting function, but they are not necessarily someone you care to spend any time with. Others, no matter what position they are in, they are an interesting person to get to know.

“Where do I spend my time? Sometimes you just spend time with people who [*sic*] you find interesting, not necessarily someone whose role can benefit you.”

Dan and I have been involved in the High Tech Ministries Prayer Breakfast for years, thanks to another personal friend and mentor, Charlie Paparelli. In many ways, Dan was instrumental in helping me focus my avocation as my

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Relationship Economics @ Work: Dan Brown and Heavy Hitters at Various Functions (Continued)

vocation. Six years ago, over a cup of coffee, he mentioned that I networked better than anyone else he had ever met and wondered if I would come to his church and speak about my approach to building and nurturing relationships.

Assuming there would be a dozen or so attendees, I prepared a few remarks only to find myself in an auditorium in front of 250-plus audience members. After a 45-minute speech, I stayed for 90 minutes afterward to answer individual questions and share best practices. From that one session, I was invited to speak to 30 other similar gatherings at other churches, Rotary and academic groups, which led to keynote speeches at corporate and association clients and the journey which has become our firm today. Dan remains a great personal friend and is now an interim executive on various operations and strategic technology assignments.

people, you will quickly brand yourself a taker by approaching them in this way. What is critical to hubs, or to any relationship development effort, is that you truly invest time, effort, and resources in advancing the achievement of others.

During the *follow-through* phase, systematic, disciplined thought and action will drive recognition. If you believe in the premise that most people genuinely want to help, then it becomes incumbent upon you to not just follow up (transactional), but follow through (transformational) the initial success in meeting and engaging interesting, relevant contacts.

Arming Others with Ammunition

When people say that networking doesn't work, they usually cite as evidence the fact that they have invested in others in the past without any reciprocity from the other side. When I inquire

specifically, *How did you arm them with the appropriate context to introduce or recommend you?* The answer is often a blank stare.

We can easily distinguish between the “Joe Blank” approach of looking for a handout, versus Keith Conley’s style of trying to figure out a way to become an asset in the best practice that follows. In this process, if you can get to know me, understand my business, and what my challenges are, you can uncover ways to help me. And when you do, my next logical question will be how

Business Relationship *Don'ts*: “John Nobody Sent Me!”

I recently received a voicemail to the effect of: “David, this is Joe Blank, friend of John Nobody (*whose name I honestly did not recognize at first and later recalled that I didn't care for him at all*). I was wondering if you could meet me on XYZ dates and times and let me pick your brain for some of your contacts in my current job search. John says you know everyone in town.” You can't make this stuff up.

I continue to wonder, *What was he thinking?* What in that voicemail could possibly propel me to take action? Nonetheless, acting on a favorite grandmother's advice to always be nice, I return Joe Blank's call to inquire about his job search. “Well, I'm looking for a VP of sales role,” he declares. “I have been selling for 40-plus years and can't possibly imagine a job out there that I couldn't do.”

I asked him about possible target industries, size, or types of companies, or relevant background and applicable strengths. With each of these inquiries, I consistently felt that he was making me draw this information out of him.

Because Joe Blank was not forthcoming in discussing his situation, I wasn't able to help him in the manner that he had hoped. He essentially wanted the return on his investment—without having to make any investment.

can *I* help *you*. That’s when you can tell me that you are in transition and looking for a VP of sales position.

Relationship Economics @ Work: Keith Conley on Credibility by Association

I was introduced to the head of the professional services group at NCR, Keith Conley, through Scott Jones, a friend at IBM Global Services. Not only did Scott’s introduction of Keith provide the credibility by association, but it was also done in person with a high degree of touch and care. Keith was well prepared, having viewed my background online, and presented me with a polished background and bio, as well as a highly customized personal marketing plan outlining specific organizations, contacts, and roles he would most like to pursue. After an extremely productive visit, he followed through with an introductory paragraph, soft copies of his resume and credentials, and a summary of contacts to whom I had offered to introduce him.

Another fundamental best practice further discussed in this book was Keith’s innate ability to gauge my interest in the relationship and the immediate added value he could bring from our continued interactions.

Most people have way too much on their plates to go through the Spanish Inquisition—especially when they are looking for help. A much easier and more effective approach is the example of Keith’s efforts and an offer to briefly visit and uncover specific opportunities of how you can be an asset to one another.

Create a one-page marketing profile that explains your background, past industries in which you have worked, and whatever your specific differentiators may be. This gives other people a snapshot of who you are and gets them thinking about who they know who could be an asset to you.

DAVID, 7 DEC 07
 I ENJOYED MEETING YOU LAST WEEK. YOU
 HAVE A STRONG PASSION FOR YOUR BUSINESS,
 WHICH CERTAINLY TRANSLATES WITH YOUR
 CLIENTS.
 THANK YOU FOR YOUR WILLINGNESS TO HELP
 PROVIDE ADVICE & CONTACTS FOR MY NEXT
 CAREER MOVE.
 I'LL LET YOU KNOW ONCE I LAND!
 ALL THE BEST,
 Keith Conley

FIGURE 1.1 Highly Personalized Post-Introductory Note.

Arm people with the appropriate information they need to help you. It is critical not to leave this to chance. Come to the table prepared with a systematic game plan that explains how we can become an asset to each other!

Personal handwritten notes such as the one in Figure 1.1 from Keith Conley elevate you above the market noise.

Relationship Economics @ Work: Pat Dailey on Becoming an Asset and Arming with Success-Proof Information

I met Pat Dailey several years ago when he was in career transition. Pat is a global HR leader who is passionate in the recruitment and integration of senior teams around the globe. As I got to know him, I learned that he is fundamentally an architect of employer-of-choice practices that attract top-tier talent. With each interaction, he clearly demonstrates deep expertise in transforming organizations challenged by strategic repositioning, globalization,

(continued)

Relationship Economics @ Work: Pat Dailey on Becoming an Asset and Arming with Success-Proof Information (Continued)

turnarounds, SG&A cost reductions, and reengineering. Working in a function that many believe is purely focused on the tactical aspects of the role, Pat is a clear-thinking business leader with a proven ability to upgrade both the credibility as well as the quantifiable contribution of the HR team.

His background includes chief administrative officer at Herbalife International, VP of global workforce management at HP, VP of HR for the network products group of Alcatel-Lucent, VP of HR for Banc One Services Corp., now a division of JPMorgan Chase, and a partner at Korn/Ferry International. Performance clearly trumps all, but beyond that, as we got to know each other, Pat has always offered to be an asset. In an effort to reciprocate his kindness, I offered to introduce him to a number of private equity relationships. What follows is an example of the information with which he armed me to not only make that offer more successful (After all, who best to present your credentials than you?), but to mitigate the risk of me formulating his credentials to chance.

Subject: Virtual Intro: Pat Daily—PepsiCo-trained Senior HR Executive

Neal—I had a good lunch visit with David today and he asked about the progress of our discussions, so I wanted to touch base to see if you've thought any further about getting the portfolio execs together in 2008. I will also call you early next week to follow up.

Separately, I want to introduce you and Steve to Patrick Dailey. Pat is targeting his search for a number one HR role—most likely with a company navigating business transformation and proactively upgrading its competitive capability. His geography is wide open and his hands-on expertise includes best practices at companies such as PepsiCo, Hewlett-Packard, and the U.K.-based BOC Group.

Pat is a leader with distinctive experience including:

- *Chief Talent Scout.* Recruiting, assessing talent, and assembling senior leadership teams, globally
- *Changing the DNA.* Leading and partnering a range of organizational transformation and performance initiatives
- *Succession Planning.* Developing the leadership pipeline and orchestrating leadership change with continuity
- *Board of Director Experience.* BOD Selection. Installing *performance-based* executive compensation plans
- *High-Performance Culture.* Building sustainable cultures and reward systems that guide and retain great talent
- *Protecting the Corporation.* Managing and monitoring SOX and Code of Conduct compliance and
- *Global HR Leadership.* Inspiring and coaching a lean, global HR team within a highly matrixed organization.

I can answer questions you might have about Pat but please feel free to contact him directly at XXX. His CV is also attached.

Best,
David Nour

Ideal Relationship Profiles

There are many social networking tools in the market today to help you find specific contacts. Some of the better ones I've found include LinkedIn, ZoomInfo, Spoke, and Plaxo. All of these tools enable you to identify contacts. The web site theyrule.net, for example, will show you who is on whose board and profiles these key individuals.

Type *Equifax*, one of the credit-reporting companies, based here in Atlanta, into ZoomInfo and you will see that Rick Smith, the current CEO, came to the company following

no shortage of resources for exceptional due diligence information to profile key individuals that are instrumental to your success. Most of these sites are limited to the more visible roles—mainly executives—but with Google, it is very difficult for any of us to hide. So if the individual you are trying to meet has ever written an article, been published, or spoken at an event, chances are that his profile, background, and points of interest are going to be online. I have also found *McKinsey Quarterly*, Booz Allen's *strategy + business*, and CEOExpress.com to be invaluable tools.

Absent Notion of Triangulation

Another common mistake in most people's relationship-building efforts is that they do not verify, validate, or void the critical assumptions that they make. You don't want to walk into a meeting, or any situation, with mis- or outdated information.

I'm embarrassed to admit that during a recent visit with a couple of executives at McKesson, I was politely taken aside and coached that the executive who referred me to them did not leave under the best circumstances and that the mention of his name in the future could be detrimental to my efforts.

So that they don't find themselves in similar situations, we coach clients to do what we call *triangulation*. (See Figure 1.3.)

Identify two or three independent sources who have a vested interest in gaining access or working with the same individual that you do. Double-check your information and the key assumptions that you're making about your relationship-development efforts. Is this person still in charge of this project? Is this person responsible for this engagement? Is this person physically based out of this office? I have heard nightmare stories of people getting on a plane for a meeting in New York only to find that the person they are meeting with changed jobs recently and is completely irrelevant to the critical opportunities at hand.

Triangulate realms of responsibilities. What is this person's real clout? What projects is he involved in? How many people

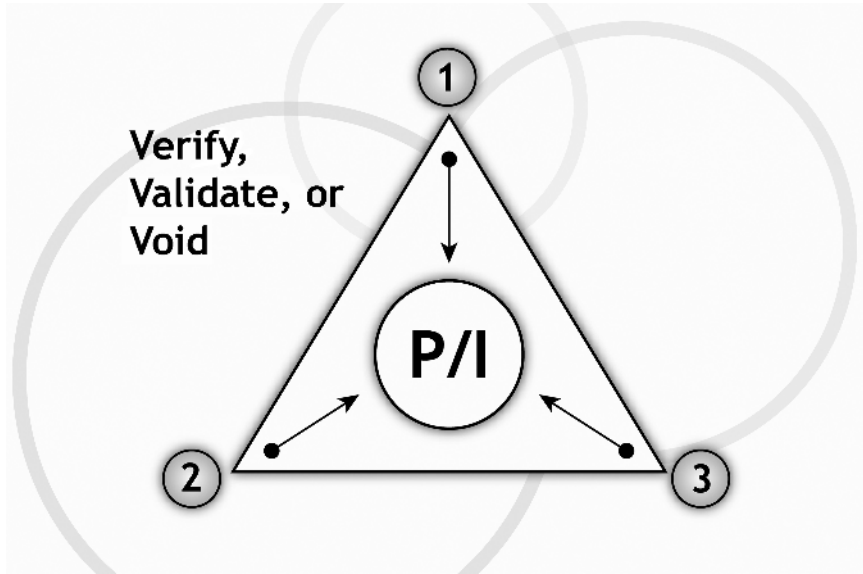


FIGURE 1.3 Triangulation.

are on this person's team? If this relationship is important to you, it is critical to do some research in advance to find other trusted sources that this individual works with.

A recent survey polled 100,000 executives about the best way to create access both inside and outside the organization. The overwhelming response—over 85 percent—was “through a trusted source.” That source could be a very viable lieutenant who works with them and knows you and can recommend you, or it can be an outside adviser such as an accountant, lawyer, or consultant whom this individual has worked with who can likewise recommend you. Triangulation and the KEI map I wrote about earlier also help you understand who a firm's trusted sources are. Who are their advisers? Who works with them, in what capacity, and how can you become an asset to them? Knowing this enables you to more effectively customize your presentation and add value to the individual with whom you are trying to work.

Givers, Takers, and Investors

In my experience, there are three types of networkers: Givers (God bless Mother Teresa), Takers (we've all known some), and Investors. Which one are you? If I asked your colleagues and your friends, which would *they* say that you are?

As I have mentioned before, some people only reach out to you when they want something. I call those people *takers*. They have a very "me centric" approach to their networking. I am not sure I would even call what they form *relationships* because their transactional network and contacts are made solely for their benefit—and only *their* benefit.

Business Relationship *Don'ts*: "Drive-By Greetings"

I'm an adviser to the DBM International Center for Executive Options (ICEO). Here in Atlanta, Jim Deupree and Bob Chaet do a great job coaching senior executives in transition to appropriately aim their compass toward an opportunity they'd be most passionate about in the next chapter of their careers. Unfortunately, having had the rug pulled out from under them (often through no fault of their own) most of these execs typically network like mad to uncover that next job. They fill their calendars with endless coffee meetings, countless e-mail touches, and a myriad of "networking events." They proactively reach out to everyone they used to live next to, go to school with, work with, play with, and even parents of their kids' soccer teammates. They really work it.

Until they find a job. Then, not only do they stop the activity and tend to go dark under the new rug (which will get pulled out from under them in another few years), but much more detrimentally, they forget the amazing alumni of friends and colleagues, advisers, and hubs who helped them

(continued)

**Business Relationship *Don't*s:
"Drive-By Greetings" (Continued)**

in the process. Other colleagues who are likewise in search of their next opportunity are suddenly forgotten. Favors promised are ignored. And catch-up visits with those still in the market become less important than that corporate visit.

Instead of embracing the very portfolio of relationships that enabled their success, these people further distance themselves. Until three years down the road, when they come looking for another job. How likely are you to help them? Most are not. I actually call them on it and outright ask, "When was the last time you called to see how *I* am doing and how *my* business has been since your last search?"

However, the altruistic givers are just as bad. Don't get me wrong—there is a certain nobility in being the Mother Teresa of relationship giving. All this crowd does is give. They are driven by doing for others, but they become sheepish when *they* need help.

Patricia, who is a good friend of mine here in Atlanta, is directly responsible for a great number of CIOs having found their current roles. Yet, when she could have used their help for a charity fundraising event, an incredibly worthy cause, for whatever reason, she was reluctant to seek their support.

What Patricia and all the other givers must realize is that when you give, you are making deposits—by doing for others—and those investments are perishable. You will lose on the opportunity to leverage those relationships and therefore will have zero to show for all of that generosity, other than self-gratification. It is critical to point out here that we are not talking about keeping score or only doing for others who do for you. But as with most things in life, too much of either of these—taking or giving—will fail to benefit you in any way. You must find an appropriate middle ground on which to form personal connections.

The savvy professional is a relationship investor. These are the people who understand that you have to start by giving. You have to make an investment to get a return on that investment.

Long before a need to capitalize or monetize relationships, an investor has accumulated a great deal of social capital through the development of a strong *Relationship Bank*. His name alone creates a sense of obligation to deliver value. Said another way, these are the people you would bend over backward to help, not only because they have gone out of their way to help you in the past, but because whenever you need help, they embrace you with open arms.

Similar to any other investments, relationship investors read their prospectus. They truly consider their portfolio of relationships to be their biggest asset and constantly aim to analyze and enhance their return on relationship investments. In Chapter 3, I discuss *Strategic Relationship Planning* best practices.

No one has enough resources to invest in every relationship equally, so you must prioritize your relationships and decide which to invest in more. This is not to say that you should be anything less than cordial and gracious in meeting and engaging others. But you also have to make sure they understand that true relationships are reciprocal in nature and investments made in building and nurturing relationships must be realized as a value-add at some future time.

Corporate Relationship Deficit Disorder

Business relationships are formed in a variety of contexts. One of the misconceptions of business relationships is that they are purely an external asset or liability. But a great deal of our work over the last several years has been focused on intracompany relationships.

Companies, regardless of size or industry and despite efforts to the contrary by their leadership, tend to build geographic, functional, and project-based silos. Have you ever heard the

ongoing disputes between the Los Angeles and New York offices, for example? By definition, those geographies will compete for mind share and wallet share of the corporate headquarters and often create geographic silos.

Likewise, when most organizations are structured by functional capabilities—whether they are practice groups in a law firm or finance, engineering, marketing, and legal within most corporations—they are forced to compete for resources. Doesn't that create functional silos?

Lastly, if key initiatives tend to be organized by cross-geography and cross-functional projects, isn't that project team often competing for access, influence, and resources? As such, aren't project-based silos not only created, but often nurtured in time? Many corporations, because of their sheer structure, performance expectations, measurements, and rewards, are not conducive to collaboration and not constructed for communication, and what suffers most are the intracompany relationships. And just like a family, when it is broken on the inside, guess who sees it.

Cultural Divide

An obsession with transactions first and relationships later often tends to distance us from other people instrumental to our personal and professional success. Many have heard of the socio- and certainly the economic divide. In more recent years, we have also heard of the digital divide. But I would submit that the cultural divide in our global economy is the biggest culprit in hindering the development and nurturing of both intra- as well as externally focused relationships.

Travel to the kingdom of Bahrain and you'll see that a business transaction often includes not only personal embraces, but a predominant focus on character—in essence, more emphasis on the DNA of the individual, and considerably less on the transaction. On a recent trip to the Middle East, I met Basim Al Saie,

managing director of Installux-Golf, and Fasil Ali Reza, managing director of Ali Reza and Sons. They represent an infectious level of patriotism and all that is right and good about the Arab world. These highly U.S.-educated (both went to school in Boston), affluent, family-centric business executives see more in an individual's character than they do the value of a transaction. As a matter of fact, much of the world comes to the United States and is surprised, if not offended, by our unquenchable thirst for transaction success before we show any signs of a personal connection.

Relationship-Centric Best Practice: Welcoming More than just the Employee

Think about it: the last time Michael and his entire family were transferred from San Diego to Chicago, his immediate manager barely got out an e-mail on the Friday afternoon before that Michael would be joining the team the next Monday. Why not organize a small reception at the manager's home, invite key employees and their spouses, Michael and his wife, Lori, and make it a personal mission to make sure they feel comfortable in their new personal and professional surroundings? Because despite popular belief, I would submit that: A) what Michael does for a living isn't who Michael is, and B) if Lori doesn't feel at home in Chicago, the stay for the job will be a short-term transaction rather than a long-term investment in the position of the company.

