

Reprinted from

HARTFORD BUSINESS JOURNAL

October 21, 2002

STRATEGY SESSION

When building your power base, network, network, network

By Carrie J. McIndoe



Whether you're an entrepreneur or a seasoned executive, one thing is true: you need to build your power base — the money and people — that makes it possible for you to get things done. Early in my

career of raising capital for early stage companies, as I was building my business, money was the key. My ability to acquire capital, generate revenue and manage to profitability dictated how successful I would be.

While money remains an important element in my business, as in any business, my ability to attract, retain and motivate people has become an even more important factor. And I am not just talking about being a good manager. You need to have an external network of advisors you can call on for feedback and whose connections you can access. This network would include your board of directors, board of advisors and an informal set of advisors. This network is your true power base.

So who do you want in your network? Think of it as a spider web.

In the center place yourself. In the inner sanctum, you want the people who will promote and validate your efforts. You want to find a champion. Champions understand your goals and objectives, can be and will be forthright in their critique, and assist in obtaining resources or capital for your company.

Exercise: Diagnose your professional and personal strengths and weaknesses. If you are like me, it's hard to come up with an accurate list. It's hard to be objective. In the coaching I do with entrepreneurs, I have found women need to know "What am I good at doing and what am I NOT good at doing?" A trusted advisor can help you get a clear picture of your strengths and weaknesses.

Now, ask yourself "What do I really love to do?" Take a look at your to-do list and notice which of the items you make sure you get to, and which ones hang around for a long, long time.

Is there a connection between those things you love to do, those things you are

good at, and the projects that get done on time or early? Absolutely. If you don't love it and you don't enjoy it, you're not good at it. Those things we aren't good at, we avoid doing. You need to have access to people who can complement your efforts by taking on the work you won't get to.

Armed with those insights, you can then add into your network, allies — those people whose strengths and interests complement yours. I'll give you an example from my own work.

A few years ago, I met an entrepreneur, well financed, didn't need money, aggressive and attractive. She liked: creativity, initiation and creation. She disliked: details, writing and planning. I like: details, developing and writing business plans. This was a great contact for both of us. Because our abilities were complementary, we were able to work together on her project to meet her objectives and play to both of our strengths.

You may have two or three champions, and you may have five or 10 allies, but you will have many more "connectors" in your network. Connectors are all the other people you meet. They are the people to whom you make referrals for business and from whom you get referrals.

Actively listen to those with whom you are networking to understand what they are looking for and what they need. Ask yourself "Is there someone I know that needs to know this person or is there someone I know that would be a good contact for this person?" Pass it down. When it comes to your turn, be succinct and help prompt the person you are talking to regarding who you are, what you are doing and what it is you are looking for.

In my business career I have observed hundreds of interactions with entrepreneurs and have noticed a difference in the way women and men network. I have a theory and a potential solution.

Theory: Women seem to have two bins they place other women in: the social friend bin and the work friend bin.

Social friends don't typically transact business; and work friends don't typically provide fun, social friendship.

But networking, while everyone is there to transact business, is inherently still a social activity. The arbitrary distinction we make between social and work friends leads

us to walk away disappointed from a networking occasion — because the setting leads us to want to make social friends, and yet this is not appropriate in a networking situation. It's business. It's not personal. And networking rarely has anything to do about making personal friends.

Solution: When you are going to an event in which you will have an opportunity to network, make it a goal to meet at least one person who can assist you with a business need and at least one person whom you can similarly assist.

Identify for yourself three things you need help with such as a referral to a prospective client or partner; a referral for a key position you want to fill; a lead on new office space. Think of it as a "wish list."

To the extent you are able, find out who will be at the event in advance and try to identify whom you think might be able to help you. Make a point to introduce yourself to those people.

When meeting someone new, always ask, "And how can I help you?" These six words will open the door to networking every time.

Be an active listener to discern whether the person you have just met can help you with one of the three things on your list. Even if you think they can't, make sure you make mention of your "wish list." You never know who might be in their network.

There's a lot of potential in networking that hasn't been fully exploited. My work with hundreds of entrepreneurs has led me to conclude that the single greatest untapped potential any businessperson has is her or his network. Whether you are just starting out, or have a thriving career and business, you need a power base from which to access the resources you need to be successful.

Effective networking puts you in a better position to build your power base and leverage it to achieve your goals. ■

Carrie J. McIndoe has been a strategic advisor to entrepreneurs for the past 10 years and through Strategic Capital Resources in Boston, has assisted companies in financing, strategic planning, accessing investors, and due diligence. She can be reached at (617) 338-5515. For more information, visit www.strategic-capital.com or www.businessplanbootcamp.com