

The 6 Types of Networks

There are at least six types of business organizations to consider joining in order to develop your business through networking. Depending on your time constraints, select at least two or three groups for participation. However – and this is critical, no matter what groups you end up participating in, remember that it's not called “net-sit” or “net-eat,” it's called “net-work,” and if you want to build your business through word of mouth, you must “work” the networking groups you belong to.

CASUAL CONTACT NETWORKS

The first of the six types of networking groups are Casual Contact Networks. These are business groups that allow many people from various overlapping professions. There are no restrictions on the number of people represented in any profession. These groups usually meet monthly and often hold mixers where everyone mingles informally. Casual Contact Networks may hold other meetings where there are presentations by guest speakers on important business topics, or to discuss issues concerning legislation, community affairs, or local business programs.

The best examples of these groups are the thousands of Chambers of Commerce and similar groups active throughout the world. These groups offer participants an opportunity to make valuable contacts with many other business people in the community. They offer significant breadth to your goal of developing a word-of-mouth-based business because they enable you to meet hundreds of other business people.

STRONG CONTACT NETWORKS

Strong Contact Networks are groups that meet weekly for the primary purpose of exchanging referrals. They often restrict membership to only one person per profession or specialty and tend to be more structured in their meeting formats than Casual Contact Networks. Their meetings include

- open networking,
- short presentations by everyone,
- a longer, more detailed presentation by one or two members, and
- time devoted solely to passing business referrals.

Such organizations require a far greater commitment from their membership. They usually have a set agenda, with part of the meeting dedicated to actually passing referrals you've picked up for members during the previous week. A good example of this type of organization is BNI, a group I founded in 1985 that is now one of the largest of its kind.

COMMUNITY SERVICE CLUBS

Community service clubs give you an opportunity to put something back into the community where you do business while making valuable contacts and receiving good PR to boot. Community service clubs can be a fairly good source of word-of-mouth business. Such groups exist primarily to serve the community; however, they can also provide an excellent opportunity for business people to meet regularly and develop relationships.

Although there is almost no overt networking, long-term friendships, which are critical to the success of a solid word-of-mouth-based business, are established. Good examples of these groups include Rotary, Lions, and Kiwanis Clubs. In many ways, community service clubs were the original networks. The oldest, Rotary, was established in 1905 by Chicago lawyer Paul Harris with the idea that one person from each profession would belong and members would, among other things, help each other in business.

PROFESSIONAL ASSOCIATIONS

Professional associations, or what John Naisbitt calls “Knowledge Networks,” have existed for many years. Association members tend to be from one specific type of industry, such as banking, architecture, personnel, accounting, or health. The primary purpose of a professional association is to exchange information and ideas.

Your goal in tapping into such networks is to join groups that contain your potential clients or target markets. A simple procedure for targeting key groups is to ask your best clients or customers which groups they belong to. This will give you an immediate list of at least three to give, and probably as many as ten to twelve, groups from which to choose.

Your best customers retain membership in the associations that offer the greatest value or for which there is some key strategic or competitive advantage. Similarly, the prospects you wish to target may, in many ways, operate like your best customers and have many of the same needs.

Some examples of professional associations are these:

- American Society of Personnel Administrators
- Certified Life Underwriters Association
- National Association of Professional Organizers
- American Bar Association
- American Medical Association
- National Speakers Association

SOCIAL/BUSINESS ORGANIZATIONS

Each year, more groups spring up that serve as both business and social organizations. Groups such as the Jaycees and various singles/business clubs openly combine social activities with business or networking, giving you an opportunity to combine work with a little pleasure.

If you are interested in combining work with social activities, I recommend the Jaycees. They tend to be very focused and professional.

WOMEN'S BUSINESS ORGANIZATIONS

Women's business organizations have been instrumental in shaping the nature of contemporary networking organizations. With the proliferation of women business owners in the 1970's and '80s and the difficulty they had in joining the “old-boys' networks” in place, many women formed structured, well-organized groups that met to network and provide professional support. These groups were created not as service clubs but as bona fide networking organizations. Many made no pretenses; the members were there to network, and everything else was secondary.

Women's business organizations are very diverse in their structure and makeup. The one thing they have in common is that they tend to be concerned with education and professional development as well as networking. Some are Casual Contact Networks; some are Strong Contact Networks. Others are industry-specific professional associations, such as Women in Construction. The benefits of membership depend on the type of group you join.

For many women, such groups can be an excellent and nonthreatening way to increase their business. Surprisingly, many women's organizations allow men in their membership. Assuming the man conducts himself professionally, he can truly benefit from membership and participation because he'll be more widely recognized within.

CHOOSING THE GROUPS BEST FOR YOU

Despite all that we've covered thus far, some people tell me they simply don't have time to go to business meetings regularly. I understand that objection well. If you feel this way, let me suggest that you throw away this book, pick up your telephone, and start making cold calls instead. Or, if you prefer, open your checkbook and start writing checks for more advertising. If you're serious about developing word-of-mouth business, there is no quick fix; you must meet people in a planned and structured way.

Which groups should you join? Don't let chance decide where you're going to spend your time and effort. Remember, the key is to *diversify your activity*. Don't put all your eggs in one basket; one type of business organization won't serve all your needs. Consciously select a well-rounded mix of organizations, with no two of the same type. If you have associates, partners, or employees, consider their participation when deciding which groups each of you will target.

Dr. Ivan Misner is a New York Times bestselling author and founder and CEO of BNI <<http://www.bni.com/>>, the world's largest referral organization with over 3,200 chapters in 18 countries around the world. His new book, Masters of Success, can be viewed at www.MastersofSuccess.biz. Misner teaches business at Cal Poly University, Pomona and resides in Southern California with his wife and three children.