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The Success Principles: How to Get From Where You Are to Where You Want to Be

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I asked my friend Ivan Misner, who CNN has described as the “father of modern networking,” to share his VCP Process[®] of networking with you here, because it addresses one of the major mistakes people make when they network. Ivan is the Founder and Chairman of BNI (Business Network International), the world’s largest referral organization with over 170,000 members in almost 7,000 chapters in 55 countries. BNI has fostered more than 5 million referrals a year resulting in \$6.5 billion dollars worth of business generated for its members.

NETWORKING IS ALL ABOUT RELATIONSHIPS

by Dr. Ivan Misner¹

I was at a large networking event with about nine hundred people recently. When I went up to do my presentation I began by asking the audience: “*How many of you came here today hoping to do a little business—maybe make a sale?*” The overwhelming majority of the people in the audience raised their hands. Then I asked, “*How many of you are here today hoping to buy something?*” No one raised a hand – not one single person!

This is the networking disconnect.

If you are going to networking events hoping to sell something, you’re dreaming. Don’t confuse direct selling with networking. Effective networking is all about developing relationships. I know, I know . . . there’s always someone out there who says, “*But, Ivan, I’ve made a sale by attending a networking event!*” OK . . . I’m not saying it doesn’t *ever* happen – it does. I’m just saying it happens about as often as a solar eclipse. Any businessperson can stumble on some business at a networking meeting from time to time. However, when you have most of the people at an event trying to sell and virtually no one there to buy, you’re crazy if you think the odds are in your favor to “sell” at a networking event.

So why go? You go because networking is more about farming than it is about hunting. It’s about developing relationships with other business professionals. Sometimes you go to a networking event to increase your *visibility*, sometimes you go to establish further *credibility* with people you know, and sometimes you may go to meet a long-time friend or associate and do some business and move to *profitability*. In any case, truly successful people know that networking events are about moving through the VCP Process[®] and not about closing deals.

¹ Called the “father of modern networking” by CNN, Dr. Ivan Misner is a *New York Times* bestselling author. He is the Founder and Chairman of BNI (www.bni.com) the world’s largest business networking organization. His newest book, *Networking Like a Pro* can be viewed at www.IvanMisner.com. Dr. Misner is also the Senior Partner for the Referral Institute, an international referral training company (www.referralinstitute.com).

VISIBILITY

The first phase of growing a relationship is visibility: You and another individual become aware of each other. In business terms, a potential source of referrals or a potential customer becomes aware of the nature of your business—perhaps because of your public relations and advertising efforts, or perhaps through someone you both know. This person may observe you in the act of conducting business or relating with the people around you. The two of you begin to communicate and establish links—perhaps a question or two over the phone about product availability. You may become personally acquainted and work on a first-name basis, but you know little about each other. A combination of many such relationships forms a casual-contact network, a sort of de facto association based on one or more shared interests.

The visibility phase is important because it creates recognition and awareness. The greater your visibility, the more widely known you will be, the more information you will obtain about others, the more opportunities you will be exposed to, and the greater will be your chances of being accepted by other individuals or groups as someone to whom they can or should refer business. Visibility must be actively maintained and developed; without it, you cannot move on to the next level...credibility.

CREDIBILITY

Credibility is the quality of being reliable, worthy of confidence. Once you and your new acquaintance begin to form expectations of each other—and the expectations are fulfilled—your relationship can enter the credibility stage. If each person is confident of gaining satisfaction from the relationship, then it will continue to strengthen.

Credibility grows when appointments are kept, promises are acted upon, facts are verified, services are rendered. The old saying that results speak louder than words is true. Failure to live up to expectations—to keep both explicit and implicit promises—can kill a budding relationship before it breaks through the ground and can create visibility of a kind you don't want.

To determine how credible you are, people often turn to third parties. They ask someone they know who has known you longer, perhaps done business with you. Will she vouch for you? Are you honest? Are your products and services effective? Are you someone who can be counted on in a crunch?

PROFITABILITY

The mature relationship, whether business or personal, can be defined in terms of its "profitability." Is it mutually rewarding? Do both partners gain satisfaction from it? Does it maintain itself by providing benefits to both? If it doesn't profit both partners to keep it going, it probably will not endure.

The time it takes to pass through the phases of a developing relationship is highly variable. It's not always easy to determine when profitability has been achieved—a week? a month? one year? In a time of urgent need, you and a client may proceed from visibility to credibility overnight. The same is true of profitability; it may happen quickly, or it may take years—most likely, somewhere in between. It depends on the frequency and quality of the contacts, and especially on the desire of both parties to move the relationship forward.

Shortsightedness can impede full development of the relationship. Perhaps you're a customer who has done business with a certain vendor off and on for several months, but to save pennies you keep hunting around for the lowest price, ignoring the value this vendor provides in terms of service, hours, goodwill, and reliability. Are you really profiting from the relationship, or are you stunting its growth? Perhaps if you gave this vendor all your business, you could work out terms that would benefit both of you. Profitability is not found by bargain hunting. It must be cultivated, and, like farming, it takes patience.

Visibility and credibility are important in the relationship-building stages of the referral marketing process. But when you have established an effective referral-generation system, you will have entered

the profitability stage of your relationships with many people—the people who send you referrals and the customers you recruit as a result.

The focus in “profitability” is that the relationship has reached a mutually beneficial stage where there is something going both ways. It could be referrals, information, support, etc. You are past credibility and there is now a meaningful and mutual payoff in the relationship.

Of course, this “profitability” stage of a relationship isn’t limited to making money from a new customer or client acquired through a referral. It may come in the form of a connection to someone who can help you launch a new initiative or otherwise grow your business. It may include access to a mentor, professional advisor or a contact in another industry who can help you expand your market share or enter a new market. It might be the ability to delegate more of your workload, gain substantial free time for your hobby or personal interests—or spend more quality time with family members.

Janet Switzer, my partner Patty Aubery and I know the value of being connected to a robust and well-connected network. We’ve generated millions of dollars in business from the connections we have developed over the past 40 years. Between us, we’ve amassed over half a million blog readers, half a million Facebook fans, and millions of customers, clients and students who follow our Success Principles work. We’ve developed personal contact lists with hundreds of key individuals who can help out with advice, direction, a name, an idea, resources, marketing assistance and more. My networks include the Transformational Leadership Council, the National Council for Self-Esteem, the National Speakers Association, the Speakers and Authors Networking Group—plus connections to networks enjoyed by colleagues in the human-potential movement. At any time, Janet and I can ask each other, *Who do we know who can help with this new initiative*—confident that we can go to our contact list and get our needs and wants addressed within days. That’s the real “profitability” of a network.

SOME OTHER TIPS FOR SUCCESSFUL NETWORKING

Ivan Misner also makes these suggestions for effective networking, whether you are at a designated networking event or at a potential networking event like a Chamber of Commerce meeting, conference, convention, or trade association meeting.

Get there early. He often says that if you’re not 10 minutes early, you’re late. This is particularly true with anyone that has any responsibility at a meeting, but it applies to everyone. Getting there early gives you a chance to meet the organizers and the other most highly motivated people.

Act like the host. In his book *The World’s Best Known Marketing Secret*, Ivan shares Dr. Adele Scheele’s experience of being at a cocktail party where she met someone who was hesitant to introduce himself to total strangers. Dr. Scheele suggested that he “consider a different scenario for the evening. That is, consider himself the party’s host instead of its guest.” She asked him, if he were the host, wouldn’t he introduce himself to people he didn’t know and then introduce them to each other? Wouldn’t he make sure people knew where the food and drinks were? Wouldn’t he watch for lulls in conversations, or bring new people over to an already-formed small group?

Scheele’s new acquaintance acknowledged the obvious difference between the active role of the host and the passive role of the guest. A host is expected to do things for others, while a guest sits back and relaxes. Scheele concluded that, “There was nothing to stop this man from playing the role of host even though he wasn’t the actual host.” There is nothing to stop you either from being far more active when you’re with a large group of people.

In this spirit, Ivan recommends that you volunteer to be an Ambassador or Visitor Host at the networking groups you belong to. An Ambassador or Visitor Host is someone who greets all the visitors and introduces them to others. If you see visitors sitting, introduce yourself and ask if they would like to meet other members.

If there are many other visitors to meet, ask another member to help you by introducing the visitor to the rest of the membership so that you can get back to meeting new visitors. By using this technique,

you'll start to develop excellent networking skills and get great exposure to many business professionals in a short time.

Open twos. When networking with someone, don't stand directly face-to-face. Stand slightly askew to create an opening so another person can easily join in. This is called an *open two*. A third person will multiply the possible connections between you. When that third person joins, create another gap for a fourth person and so on. Your connections will multiply exponentially.

Know your opening question. One of the things that can create awkwardness in a networking situation is not knowing how to start a conversation with someone you are meeting for the first time. By being prepared with a few open-ended questions, you can get the ball rolling and begin to quickly establish rapport. Here are a few great questions that you can use:

- "What brought you here today?"
- "What is your number one challenge (or headache) that you would most like to have resolved?"
- "I'm very interested in you and your business. How can I or those in my network help you with your biggest problem or challenge you're facing today?"
- *If you are talking to a salesperson:* "How did you choose sales as a career?"
- *If you're talking to a small business owner:* "How did you get started in that business?"
- *If you are talking to a couple:* "So, how did you two meet?" (What usually happens is they smile, then look at each other and laugh, and then take turns filling in the details of the story.)
- "How can I know if someone I'm talking to would be a good client for you?"
- "What do you like most about what you do?" Followed up by: "What do you dislike most about what you do?"
- "What is the most amazing thing that has happened to you today?"
- And here is a great one that Dan Sullivan from The Strategic Coach teaches: "If we were meeting three years from today, and you were to look back over those three years, what must have happened during that period, both personally and professionally, for you to feel happy with your progress?"

And remember, the key to effective networking is to listen more than you talk. Another good idea is to take a few short notes on the back of their business card so you can easily follow-up with them the next day. By doing this you'll build up a great sense of reciprocity and they will then want to help you in return.

Know your own value statement. When someone asks you the question, "What do you do?" don't reply with "I'm a financial advisor." Instead say, "I help people live the life they love through creating financial freedom." This will open up the conversation from the perspective of what value you can provide them. People are more likely to want to know more if they are interested in your value proposition. You can use the "eyebrow test" here. If their eyebrow moves up once you've spoken, you're in. If it moves down, you need a new value statement. Take the time to develop and test your value statement.

THE OPPORTUNITY TO NETWORK IS EVERYWHERE

Eighty percent of success is showing up.

WOODY ALLEN

Academy award winning director, screenwriter, actor and comedian

You never know where you'll find your next connection. Early one spring morning Jean MacDonald stopped at a Dunkin Donuts for coffee. The line was out the door but, longing for that caffeine fix, she decided to wait. While she was standing there, the woman in front of her commented, "With this kind of traffic, I should own one of these stores."

With that opening Jean started up a conversation and mentioned she was an entrepreneur who helped women look good and feel good. She went on to tell her she was with Mary Kay Cosmetics and that it was a wonderful opportunity. The woman in line told her she was a Girl Scout troop leader and she was looking for someone to come talk to the girls about skin care. Jean took her information and told her she'd be in touch.

Meanwhile, the woman behind them heard their conversation and told Jean she was a nurse and was interested in Mary Kay's hand-treatment products. She asked if Jean would come to her office and provide some pampering. Jean took her information, too.

But it didn't end there. The man behind her then joined in, telling Jean that his sister loved Mary Kay products, but she'd lost her representative. Jean took his sister's contact information, too.

Three strong leads, all just from chatting with people in line, and all before 7:30 a.m.

But the story doesn't end there, because at this point all Jean had were leads. Strong leads, but leads nonetheless.

Ninety-nine percent of all success in life is following up.

KENT HEALY

Coauthor of *The Success Principles for Teens*

Networking is so much more than just meeting people. It is following up and following through and continuing to connect and reconnect over and over again.

Jean connected with the Girl Scout leader, and she pampered 12 girls and several mothers. The troop leader loved what she did so much that she became a new consultant on her team.

The nurse was so pleased with the products that she met with Jean individually for a one-on-one appointment, and also became a new Mary Kay consultant.

Now, here is the kicker...the sister of the man she spoke with in line was the local mortician, and she told Jean she loved the look of the Mary Kay products on all her "customers." It turns out the products even gave luster and life to dead skin!!! Ultimately she introduced Jean to several of the local funeral homes resulting in about \$3,000 worth of product sales.

As a result of these connections, Jean's team became the leaders in the community for the Girl Scouts; they developed business with many nurses, doctor's offices and funeral directors; and Jean's team earned their first Pink Cadillac.

The moral of this story is you never know where you'll find your next connection. And once you find that connection, you must follow up to get the results.

The richest people in the world look for and build networks.

Everyone else looks for work!

ROBERT KIYOSAKI

Author of *Rich Dad, Poor Dad: What the Rich Teach Their Kids About Money*