# Networking Is About Personal Style, Not Convention



By Henrich Greve, INSEAD Professor of Entrepreneurship

# It's not all about how full your Rolodex is. There may be better ways you could be networking.

There is no shortage of advice for entrepreneurs, managers, and executives on what they should be doing in order to succeed in business. Some of the advice comes from people who really should be careful about giving advice because they haven't actually succeeded in business—they are just good writers.

Other advice comes from people who really should be careful about giving advice because they have succeeded in business once—and who knows what role luck had in that. No wonder, then, that many entrepreneurs, managers, and executives who read business advice in books and columns do so as a form of entertainment, and then proceed to ignore the whole thing.

But wouldn't it be great if some of the advice was actually backed by evidence? Especially if the advice were urging changes in key behaviors from individuals and businesses with the promise of superior effectiveness? Consider networking, an activity heavily promoted by business gurus and

that one takes up a lot of your time, most likely. Yes, the meeting and greeting, exchanging cards, memorising names, faces, hobbies, and spouses, and so on. It's a part of the daily life of management. You act as if networking is really important, especially if you are an entrepreneur building a new business or a new corporate unit. But just how valuable is it? Is it really that important to "never eat lunch alone"?

Let's look at the problem from the angle of an individual first, and then from that of a business. We think we know a lot about how networks help individuals succeed. We have been taught the adage that "You never know who might be able to help you somewhere down the line." But, when you look more closely, it is not just how many people are in your network, but how they are connected to you and to one another that really matters.

"It depends" is not a terribly exciting answer in itself, so let me give you just one example of how it depends. People have two styles of network building. One is network broadening, which means gaining more contacts and establishing rapport with each of them. The other is network deepening, which means maintaining and strengthening relations with your existing contacts. We often assume that network broadening is better, and plenty of guru-authors will affirm this. And in fact, this is true for entrepreneurs who are building businesses, because network broadening helps them initiate more business exchanges (suppliers and customers). Score one for conventional wisdom. But two words of caution are needed. The first is that these are personal styles, and people are often less effective if they apply a different personal style than they are comfortable with. The second is that we don't know enough about networking styles yet, and we may yet discover situations that are actually better served by network deepening.

We also recognise that networks help firms succeed. And the dynamic plays out in close similarity to individuals. Your business likely adheres to one of two network structures. Some firms have networks that reach many other firms, and these firms are in turn not well connected to one another, like a hub and spoke. Other companies have networks that reach fewer firms, and these firms are well connected to one another—the network is integrated. Both types of networks are effective, but under different conditions. Do you experience frequent turbulence, and do you need frequent innovation? Pick the hub and spoke: It will give you options and facilitate experimenting with different solutions under different circumstances. Do you experience stability (not all industries are turbulent!), and do you rely on good execution for

success? Pick the integrated network. It will give you efficiency, reliability, and stability.

Like many forms of business advice, "go network" is generally sound. But, like many forms of business advice, it is too often presented generically, as if there is a "one size fits all" answer. And that is often the conclusion we discover when we let evidence influence management advice. Thinking deeply and consulting multiple sources of input can be less entertaining and more challenging than some of the books you could read, but it's a better option if you want to do something that works.

This post was first published in **Strategy+Business** 

### **Further Reading**

Henrich Greve, Timothy Rowley, and Andrew Shipilov. Network Advantage: How to Unlock Value from your Alliances and Partnerships. 2013: Jossey-Bass.

Timothy J. Rowley, Dean Behrens, and David Krackhardt, "Redundant Governance Structures: An Analysis of Structural and Relational Embeddedness in the Steel and Semiconductor Industries," Strategic Management Journal, March 2000, vol. 21, no. 3, 369–86: On interfirm network types.

Balagopal Vissa, "Agency in Action: Entrepreneurs' Networking Style and Initiation of Economic Exchange," Organization Science, March/April 2012, vol. 23, no. 2, 492–510: On interpersonal network styles.

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