

# purposeful networking

By Mark DeSantis



Purposeful Networking is impossible without strong self organization skills.

*“To have friends is power.”*

Thomas Hobbes, *The Leviathan*

*“There is no power, only powerful ties.”*

Max Weber, *Economics and Society*

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## INTRODUCTION

Social networks are everywhere yet they are largely invisible. As a result, we often take the networks to which we are all connected for granted. Yet these social networks possess enormous latent power. The key to accessing and the deploying this power for economic development purposes is to first understand what social networks look like and how they function and then apply some basic tools utilizing those networks.

This article compares the traditional “elite” or top-down model of economic development with

## THE SECRET TO EFFICIENT AND EFFECTIVE ECONOMIC DEVELOPMENT MANAGEMENT

Every economic development project, regardless of the scale, goals or complexity, depends on the active engagement of a very diverse network of mostly strangers. The opportunity and challenge in economic development today is therefore getting the maximum benefit from these many and varied relationships. Purposeful Networking™ is both a set of tools and a philosophy for creating, managing, and deploying highly effective and efficient economic development networks. It is based on tried and true economic development practice and social network theory and can give anyone the means to achieve any goal or overcome any challenge when you lack the financial wherewithal and formal authority to get the job done.

that of a new network-based approach to economic development. This new mode of managing economic development efforts relies on the tools and philosophy of Purposeful Networking™. At its core, Purposeful Networking is a set of integrated tools and practices for creating, managing, and deploying social networks in service of larger goals. It is particularly appropriate in situations when the person taking the initiative lacks the apparent financial resources and formal authority to achieve his or her goals.

This article uses several case studies in economic development as a point of reference for describing how Purposeful Networking can be successfully applied to virtually any economic development project. It also draws on the experiences of the author in a wide variety of economic development efforts as well as the considerable research in social network, economics, and management theory. The article concludes with the notion that the traditional approach to networking is flawed and that a new network-based approach is called for.

## THE OPPORTUNITY

Almost all of us have been on at least one winning team in our lives. For those who have, the impression we recall is that of a tight knit group of like-minded individuals working hard toward a clear purpose. Economic development projects are team efforts. When done well, the experience of serving on an economic development “team,” whether as a private citizen volunteer or as a professional economic development practitioner, can be personally and professionally rewarding. When done poorly, however, the effort can come off like a poorly managed cattle drive and leave everyone touched by the effort cynical and anguished. It is the author’s experience that far too many development efforts needlessly come off like the latter when, with the application of some basic tools, more could resemble the

former. A reorientation of what constitutes an “economic development team” along with a network-oriented mindset can change that.

Two rectifiable challenges often block the success of most development efforts. One is the typical “model” of an economic development team, while the other is an outdated concept of the organizational structure of that team. Well-intentioned economic development projects, regardless of their scale, complexity or goals, are really exercises in community consensus building. Do we want retail development downtown? If so, what will it look like? Should we focus on young technology start-ups or put more emphasis on our traditional manufacturing base? How do we preserve our neighborhood culture while we grow? Development projects prompt these types of complex questions. The challenge is not the answers to these questions but who answers them. Who should be the “voice of the community” in economic development?

In an ideal world, every citizen has a voice. The reality of citizen participation in their community is far different. On occasion, direct citizen participation in economic development is possible as when a ballot question, say, for a new sports venue is put before the voters. However, the complexity and timing of economic development projects make ballot questions impractical for most development efforts. Nevertheless, the “voice of the people” in development is a necessary condition for success. The next best alternative to the ballot box is a citizen advisory group. These advisory groups come in all shapes and sizes and are often supported or staffed by professional development practitioners. Yet all too often even this method of achieving community consensus can be compromised. All too often the advisory team is either a façade for powerful political or financial interests or, equally bad, reflects an elitist “we know better than you” approach to development.

Another block to successful development is the failure of development practitioners to appreciate a basic and often overlooked management challenge: those associated with and touched by the development effort are *volunteers*. This network of volunteers not only includes the advisory team and development practitioners but every community, group, business, or institution impacted in a direct way – for better or worse – by the development effort. All are *de facto* members on the “development team” or more appropriately development network. This more expansive definition of the development team therefore compels development practitioners to think in terms of managing a network and not a hierarchical organization.

Practitioners must therefore embrace the idea that they are in the business of *Purposeful Networking*<sup>TM</sup>: creating, managing, and deploying volunteer networks. The foundation of Purposeful Networking is the assumption that every large and complex effort, whether that is building a business,

protecting our nation, passing legislation or doing economic development, is at heart about engaging networks of volunteers. The motivation of the network members is self-interest (and the specific nature of that self-interest differs for each volunteer) and a reciprocal expectation. Reciprocity is loosely the expectation we all have that if we give something to the network, the network will somehow, some way, and sometime give back.

Even the most bureaucratic of bureaucracies requires a deep appreciation for the power of self-interest and reciprocity. Harry Truman once lamented that, “I sit here all day trying to persuade people to do the things they ought to have the sense to do without my persuading them. That’s all the powers of the President amount to.” The old Soviet Union’s model of central planning, which relied heavily on coercion up to and including the threat of death, nevertheless required the tacit voluntary contribution of the bureaucrats ostensibly responsible for carrying out those plans. The Dictator Joseph Stalin knew that even his supposedly absolute authority was not really that absolute. He knew passive resistance could undo his grandest schemes.

Identifying and tapping into the collective self-interest of the network is central to managing and motivating your network. Yet motivating a network to be purposeful is not exclusively about pure appeals to self-interest. Self-interest is a starting point and only potent when it is embedded in a preexisting and two-way relationship of implicit trust between the person asking for help from the network and the individuals in the network itself. Trust ensures the promise inherent in reciprocity – I will give so long as I can have a reasonable expectation of receiving – will be fulfilled and it is the life-blood of networks. That is one reason networks can be so powerful.

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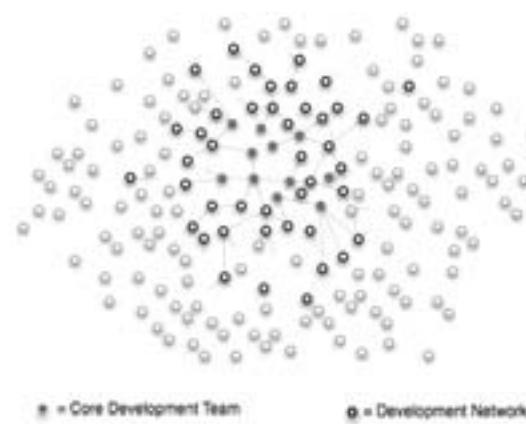
Development practitioners should take a cue from politicians when it comes to managing networks. In a Purposeful Network<sup>TM</sup>, think of an economic development effort consisting of two overlapping networks: (1) the Core Development Team and (2) the Development Network as depicted in **Graphic 1**. The Core Development Team is comprised of professional development practitioners and those more directly involved in the development effort. The Development Network is com-

prised of the many and varied groups, individuals, institutions, organizations, and communities touched by the development effort.

Practitioners, like expert politicians, must somehow artfully blend the individual self-interests of the volunteers in the larger development network with those at the core of the network – the Core Development Team – as depicted in **Graphic 1**. Only then can the overall Development Network truly become *purposeful*. Later sections will describe the tools for doing so.

### Graphic 1

Typical Social Network Pattern for Core Development Team and Development Network



The concept and theory of stakeholder management has aided development professionals and is closely related to Purposeful Networking.<sup>1</sup> For example, stakeholder management embraces the concepts of diversity and commitment. That is, ensure the engagement of a diverse group of relevant institutions and individuals and you will have a good shot at success. Yet stakeholder management stops short when it comes to understanding how to work through and with *networks* of individuals and also institutions. Stakeholder management, as practiced by many economic development practitioners, all too often translates into rounding up the usual suspects when assembling the Core Development Team. The fact is that the Core Development Team and the larger Development Network each bring qualities to both the character and the trajectory of the effort for years to come.

This article attempts to fill that void in understanding how, when, why, and where concerning the practical day-to-day role of networks in creating and implementing economic development. The following examples will set the stage for our discussion about the relevance and importance of networks to economic development that follows.<sup>2</sup>

#### *The Sports Franchise*

The mayor of a medium-sized US city conceives of the idea of a large, upscale retail district in the

heart of the city's chronically depressed central business district. The mayor believes "it is the best way to jump start downtown redevelopment." However, three years later, millions in tax dollars later with the depletion of a reservoir of community goodwill and the project fails to generate any economic growth. In fact, the community is now worse off than if it had done nothing at all. The mayor and his colleagues shake their heads. The director of economic development for the mayor's office laments in a recent press report, "We had buy-in from every community group in town. They did nothing to help us!"

This effort was billed as a "textbook collaboration," according to the mayor, between the mayor and the local business community, manifest in a local group called Team 21. This organization is a 35-year-old non-profit economic development organization comprised largely of the city's business elite. Its primary mission is to "promote and coordinate cross-sector collaboration" for economic development. Team 21's main funding sources include foundations, state government, and donations from the member companies (in descending order of size of contribution). However, the group's influence has waned in parallel with a slow and steady decade long decline in the local economy. Observers believed the mayor's ongoing budget problems distracted him throughout the effort. Others see the failure lying mostly with Team 21. Some observers see this most recent effort with the mayor as the group's "last hurrah."

#### *The University Incubator*

After much public fanfare, a local joint university and state funded incubator finally gets off the ground. The incubator's creators, two prominent local universities, maintain it will create no less than 10 new technology based companies over the next five years, employing a total of 3,000 people. Three years into the project and the incubator has spent \$3.8 million, gone through three executive directors and received outside funding for just two local companies. A most recent study commissioned by another local non-profit economic development organization estimates that the total net cumulative employment impact from the incubator currently stands at 45 people. "The reason we haven't met expectations is that we just can't find good management locally," bemoaned the provost of one of the partner universities in a recent interview.

This incubator was in part a response by the university to ongoing complaints by the local entrepreneurial community that the university "cared little about the local economy and even less about its entrepreneurs." The incubator board (including faculty from the two participating universities or non-local alumni entrepreneurs) recently formed a task force comprised of entrepreneurs-alumni from the two universities and other non-board faculty to

look into why the incubator has failed to meet any of its goals.

### **Sustainable Development**

The business, non-profit and political elite of a large mid-western US city convenes to develop a “comprehensive vision for the region.” The local corporate and foundation community spare no expense in funding the effort. Among other contributions, a top-tier management consulting firm volunteers four consultants full-time for six months to assist in the effort. In addition, members of the faculty of three local universities volunteer to support the effort. Even the local and (sometimes problematic) local government leaders pitch in. The goal of the project is no less than a “20 year strategic vision.” Regrettably, 18 months after the effort began it was mired in controversy and has little to show for the great effort exerted by all.

From the beginning, the effort is plagued by problems. The most damaging are the attacks from two groups, the local chapter of the Sustainable Development Action Team (SDAT) and a vocal, and some observers say, radical environmental group called Livable City Now (LCN). Both SDAT and LCN complain that the make-up of the group does not reflect the real interests of the community and, worse, it is merely a front for local gambling interests (who are seeking to convert stretches of the river line into casino property).

### **THE CHALLENGE**

What contributed to the demise of these three development efforts? There is not enough information to be certain of the precise causes. However, there are likely a number of causes. Some may cite a lack of vision or leadership. Others will reference contextual factors such as unfavorable economic conditions, weak political climate, social problems or some combination of all of these. Still others may say the effort failed because the core group lacked enough formal authority, economic resources or both to get the job done. It is not that these and other reasons are off the mark. Some or all of these reasons may be relevant. However, they all miss an important common thread: the character and quality of the networks of the relationships embedded within each effort.

Until recently, very little economic development research focused on the impact of social networks on the outcome of economic development projects.<sup>3</sup> Fortunately, that is changing. Thanks to the contributions of such disparate fields as sociology, economics, business strategy and even psychology, we have insight into how various kinds of networks such as regional clusters, innovation and knowledge networks, to name just a few, can make a difference in a development strategy creation and implementation.<sup>4</sup> As a consequence, economic development practitioners take as a given the bene-

fits of inclusion and diversity in generating the insight, ideas, and commitment critical to successful strategy creation and implementation in economic development.

Yet few practitioners apply the same sophisticated thinking to the business end of economic development: *capitalizing on and enhancing* the current social networks within the community to get the job done. Economic development practitioners need to talk the talk and walk the walk when it comes to economic development management.

Few economic development projects start off with all the money or formal political, administrative or legal authority they need to succeed. Yet some do succeed nevertheless with an apparent complete lack of the requisite money and power. President Theodore Roosevelt once said that the difference between success and failure in human endeavors was the ability to “use what you have, where you are while you have it.” In fact, the only real asset that most economic development practitioners have in abundance – regardless of the scale of the effort – are their relationships and the access they provide to still more relationships.

Thankfully, the skillful application of some effective networking tools can release the latent power embedded in any community’s social networks. Purposeful Networking can be learned and applied by anyone. And an important first step – even before a development strategy is conceived – includes answers to some basic questions. The following are examples:

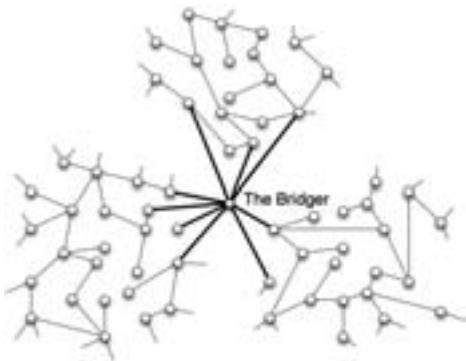
- What networks should be included in the effort given the objectives?
- What networks can be included in this effort?
- What unique bundle of relationships do the Core Development Team members bring to the effort and are they willing and able to spend their personal social capital to deploy those networks?
- How do the networks of the Core Development Team “map” against one another and the overall requirements of the effort?
- Is there substantial redundancy or overlap in these various networks or does each Core Team Member bring a differentiated network?

The answers to these and similar questions will give the development practitioner a three-dimensional picture of and a starting point for the project.

At the center of Purposeful Networking are a few ultra-connected people known as Bridgers. Every community has at least one Bridger, whether that community is defined by geography, professional affiliation, education, social status or some other factor. These truly unique people not only know a lot of people but, more importantly, they know *a lot about a lot of people*. The role of Bridgers goes well beyond being good kibitzers. Bridgers have real

## Graphic 2

The Bridger Fills Voids in a Network



power, the source of which is a “personal reach” that stretches across every imaginable boundary and into every corner of a given community. This reach is defined as the ability to deploy their current relationships in service of a specific goal. They have the power, through their influence and proximity to and control of information, to cause action at a distance.

**Graphic 2** depicts Bridgers as *the* critical connecting points in a given community network. Despite their very real power, most Bridgers would rarely be considered among the visible elite of their community. More often, they’re the doers whose actual power far exceeds whatever formal authority their societal or even economic status would justify. Interestingly, the author has found that many Bridgers view any kind of elite status or formal authority as an impediment to their efforts to create, manage, and deploy networks.

The secret to the Bridger’s success is his or her ability to fill “structural holes” in a community.<sup>5</sup> Interestingly, the author has found that the very act of a Bridger deploying their network often only increases the quality of their network.

A social void can be thought of as a gap in awareness, understanding or both between two or more

individuals, groups or institutions in a community (However that community is defined). This gap can be social as in “They should know each other”; economic as in “They should do business with one another”; cultural as in “They should understand one another” or otherwise. Bridgers possess a talent for perceiving these hard to perceive voids along with the skills and understanding of how to fill them. In a sense they are social brokers. Research has confirmed, for example, that you are far more likely to find good job leads through friends of friends (and friends of friends of friends) than you are from the people closest to you.<sup>6</sup>

Bridgers convey trust for without it there is no network. Trust within a network can be thought of as social capital.<sup>7</sup> In fact, social capital is the *lingua franca* of Purposeful Networking and is an outcome of reciprocity. Creating, managing, and deploying purposeful networks is really about creating, managing, and prudently deploying social capital. Social capital is hard to create, harder to manage, and even harder to deploy. Yet it can be the most powerful force at the disposal of the development practitioner. You may not have to become a Bridger to master Purposeful Networking but you should at least consider emulating them.

## THE ELITE MODEL VERSUS NETWORKS

One model of economic development is working exclusively through and with the political, social and economic elites.<sup>8</sup> This model assumes elites are the only ones in a given community who can bring the necessary visibility, clout, and access the development project needs to succeed. They naturally possess the status and influence and that counts when doing community projects. This model of development is as deceptive as it seductive.

For one thing, it ignores the reality of how collective community choices are made and work. Sound economic development demands the close cooperation and coordination of a wide variety of individuals and institutions – at all levels of a given

### How do I recruit a Bridger?

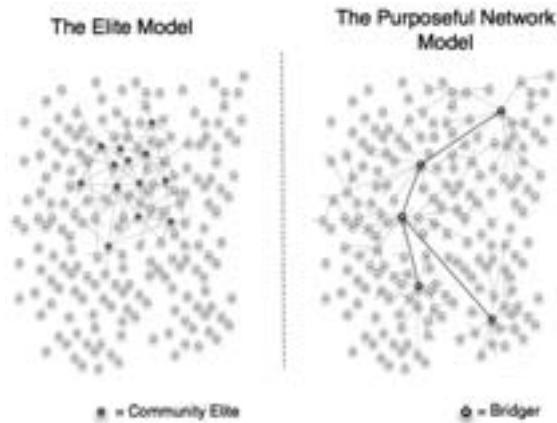
**Bridgers are in every community yet are hard to find.** However, there are a few clues to identifying a true Bridger. First, recall the people you know whom you have gone to time and time again for help and insight. Second, recall the people in your life who always seem to know substantive information about a particular pressing community concern, no matter how varied the matter. Third, think of the people with whom you interact who have always conveyed a deep sense of trust in your dealings with them. There is a fair chance that someone who meets all of these criteria is a Bridger.

**Recruiting Bridgers to your effort is trickier.** More than likely Bridgers will be recruiting you to your effort. That is, Bridgers are attracted to situations where they can see themselves as the essential gap filler and thereby exercise their considerable influence. They look for situations where the act of exercising their influence actually expands their influence. In fact, the ideal scenario for a classic Bridger is one of a virtuous spiral where the Bridger expands their network by engaging in the effort of helping the effort achieve its goals. If you can promise a Bridger the opportunity to grow their personal network and thereby their personal influence – in a high trust environment – you will have a good chance of recruiting them.

community – over an extended period of time. Countless consultants, government organizations, small and large businesses, and small neighborhood and community organizations will be touched by the effort. Yet surprisingly few elites possess the rich and varied networks required for them to be effective. Complicating the elite model is the fact that dicey personal and institutional conflicts often arise and need resolution and the participating elites will be called on to use their personal social capital to resolve these conflicts. Yet few elites, for understandable reasons, are willing to do so. Last, the development effort will likely take years, long after the original elites at center stage have departed. It is simply too much to ask of even the most selfless, well-meaning and connected community elites to meet all of these challenges at once. They will need help.

### Graphic 3

A Network Rendering Comparing the Elite and Purposeful Networking Models



Networks can be brought to bear. These networks, in order to be efficient and effective for purposes of economic development goals, must reach deep into every nook and cranny of the community. Without this essential quality, the development is analogous to a cruise ship run entirely by and from the control room.

One way the practitioners and Core Development Team and the Development Network can increase their chances of success is by finding and recruiting the Bridgers to the effort, becoming Bridgers themselves or both as depicted in the **Graphic 3**.

**Graphic 3** compares a stylized version of the “elite model” of economic development with the Purposeful Network. The premise of this graphic is that the success of the Core Development Team is in direct proportion to its “reach.” As the Graphic 3 shows, the main deficiency of the collective network of the elites is that it is surprisingly redundant. This redundancy is no way the fault of the elites or any one else and it happens despite the best

efforts of the practitioner to recruit a diverse group of elites. At the very least, the elite model should be complemented by the inclusion of a sophisticated Purposeful Networking effort including the addition of a few key Bridgers.

Development practitioners can be easily lulled in the sense that they have tapped into the power of diversity in their Core Development Team when in fact they are reinforcing uniformity. For example, we may think we've achieved diversity in our Core Development Team when, for example, the members include an African-American banker, a female architect, a Democrat and Republican elected official, the CEO of a suburban hospital, and so on. Yet when their respective networks are “mapped” and super-imposed on one another, we see an astonishing degree of overlap. The not so surprising phenomenon is the simple fact that elites in any community, no matter the size, are often isolated from the larger community (to varying degrees), often know one another well, and have many relationships in common.

Our respective personal networks are a reflection of our individual life experiences such as our life choices, priorities, values and, most importantly, our goals. We know the people we know mostly because of what we value and believe. The diversity of the people in our networks is the truest measure of the real value each of us places on diversity. This is as true for Core Development Teams as for individuals. The network mapping process (described briefly later in this article) is an essential step in Purposeful Networking.

Professional development practitioners need to think about what type Development Network is most appropriate for their project. The title of economic practitioner as used throughout this article refers to those who “own” the overall development effort. That can include everyone from elected and appointed officials, business executives, non-profit executives, and leaders. It can also include “ordinary” interested citizens. Ideally, it would include both. Whatever the makeup, every practitioner knows that strategy creation

### Some helpful definitions:

**Bridger** – An individual who enjoys an unusually large number of varied relationships.

**Core Development Team** – Those individuals formally tasked with initiating, managing and completing the development project.

**Development Network** – Those individuals and institutions touched in some way by the development effort.

**Reciprocity** – A relationship between individuals involving the mutual exchange of something of value.

**Social Capital** – The degree to which a community or society collaborates and cooperates (through such mechanisms as networks, shared trust, norms and values) to achieve mutual benefits.

**Personal Reach** – The extent to which an individual has the ability to affect change, cause or alter an important action, through and with his or her network.

**Network Mapping** – The process of identifying the various linkages between yourself and your friends, acquaintances and colleagues.

**Network Vitality** – The diversity, connectedness, reciprocity and level of trust inherent in a given social network.

and implementation originates with a core group of a committed few with ultimate ownership of the effort. For better or worse, these committed few and the relationships they bring constitute the DNA of the effort. That first, core network will determine the shape, trajectory and, ultimately, the success of that effort. Those first few members of the nascent network and most importantly the relationships they bring with them will form the key nodes of the final Development Network. Poor network choices by the practitioners will doom the effort. Above all, the network they create must be a *vital* Purposeful Network.

### WHAT IS A VITAL PURPOSEFUL NETWORK?

The author has found that most development practitioners are, by professional necessity, very capable networkers. However, professional networking of the sort we all practice from time to time is only one narrow aspect of Purposeful Networking. In fact, what does a social network look like? Among other things, the following four key attributes stand out:

- *Networks are nearly indestructible.* The loss of a few key nodes on the network can be compensated for by the presence of other nodes because most networks are random in nature. National intelligence services around the world are faced with this fact today as they try to destroy a terror network. In contrast, non-random networks, such as a power grid or computer network, are a form of a non-random network in which the loss of just a few nodes can bring the entire network down. In fact, most random networks are so robust because of the myriad possible connecting points we all share with one another.
- *Networks make the world a small place.* The number of possible connections each of us shares is astonishing. For example, sociologists believe that each of us accumulates about 10,000 acquaintances by mid life.<sup>9</sup> It is therefore no surprise that two randomly chosen people are separated by just a chain of six to seven relationships (even assuming substantial overlap).
- *Every network has “nodes.”* In any given community there are always a few people with a disproportionate number of relationships. Bridgers can be found in every community you are in or seek to access, however that community is defined.
- *Networks can be defined by their “vitality” which includes the quality, breadth, and depth of the interaction among the people in the network.* Every individual within a network can play an important role no matter the effort.

For most of us, networking is something we do in our off hours and outside our normal work routine, even having a slightly negative cast as something that smacks of manipulation or opportunism. However, like any powerful organizing and implementation

tool, it can be used ethically and sensibly or it can be used otherwise. Purposeful Networking is such a powerful tool that it allows the development practitioner to not only create sound economic development strategy but also ensure it is implemented.

Most of us think of networks in a narrow sense as something we use to get access to an individual, group or institution. And networks just sort of happen and therefore are seemingly outside of our power to control or influence. When we think of networks, we think of in-groups and out-groups, old boys and connected people. Yet some appreciate that each of us is a member in good standing in countless such networks and our ability to touch other people and, most importantly, influence events is well within our grasp. After all, we're employees and ex-employees, family members, neighbors, teammates, and former teammates, charter members, and students and alums to name just a very few of the myriad interconnections that bind us together.

Some networks just sort of happen. A neighborhood watch group might start out as one or two concerned citizens walking the block. In a short period of time, it evolves into a larger and more coherent group with a formal structure and more refined purpose. However, other networks are consciously created for a specific purpose, such as a bowling league, while others form to serve the collective interest of the members, such as an industry association.

For most of us, our networking efforts are ad hoc at best. In fact, the only time we think about networks or networking is when we have an all too urgent and specific need, such as finding a job. We may get there but in the end the network we worked so hard to create, manage, and deploy simply withers away once that job is done. Purposeful Networking breaks us out of that self-defeating spiral of wasted energy and generates a reciprocal, continuous, and virtuous spiral of interaction between you and the people in your network.

Most of us find “networking” frustrating because the results of the countless meetings, coffees, and drinks can be and often are unpredictable. Yet that is the point. Purposeful Networking is not about controlling people to achieve your goals. It is about freeing people to help you achieve these goals by giving them the what, why, who, and when of your personal and professional goals while letting your network supply the how. It encourages and capitalizes on the inherent complexity of networks, taking full advantage of the positive serendipity and unpredictability inherent in every relationship.

### WHAT IS PURPOSEFUL NETWORKING?

As **Graphic 4** shows, there are three self-reinforcing core activities in Purposeful Networking: creating, managing and deploying your network.

## Graphic 4

### The Core Activities and Practices of Purposeful Networking



Each core activity is comprised of several skills that require mastery if Purposeful Networking is to be applied and learned.

Creating Purposeful Networks requires the mastery of several skills. First, you must learn the *capability* and *capacity* of your network. The *capability* of your network reflects, for example, the varied skills, background, geography, perspectives, and experiences of the people in your network. Greater variation equals greater capability. *Capacity*, on the other hand, is the ability of your network to do real work. The Amish are able to readily call on their neighbors to join them in virtually any task, no matter the level of effort. These two elements must be consciously understood, balanced, and aligned with your long-term goals.

The ability to *set and align your goals* with those of the network is another essential skill and requires the instincts of the expert politician, the ability to blend your personal goals with those of your network in a way that results in a stronger network every time it is deployed. This can be very challenging because it will be impossible to identify goals that will encompass everyone in your network. Rather, the aim is to choose goals that have value to enough people from your network to make a difference in your effort.

*Managing your first contacts* – first impressions matter a lot more than you may think – and emulating Bridgers round out the skills for creating your Purposeful Network. The cliché remains true: first impressions count. Above all, make sure that impressions you leave people on first contact are the ones you intended or creating the Purposeful Network you want will be very difficult.

Managing your Purposeful Network requires mastery of other related and complementary skills. First, you need to understand the need for and *balance efficient and effective communication*. You cannot meet face-to-face with everyone, yet email and voice mail are poor substitutes for human contact. The

challenge is to use the appropriate mix of communication mediums depending on your goals.

Keeping your network *motivated and having a very strong sense of self-organization* are also critical to managing your Purposeful Networks. Creating and maintaining trust between yourself and the people in your network and also among the people in your network is essential. Some Purposeful Networkers the author knows have networks in the hundreds yet they have the ability to maintain that implicit trust level throughout their network.

Generating *intellectually honest feedback* from current and prospective members of your Purposeful Network is also critical to managing your network and maintaining the right level of trust. How, when and where you do that will vary depending again on the goals of the network and what is practical for you to accomplish, given limited time and resources.

The business end of Purposeful Networking is deploying your network. Chief among these key skills is the ability to *think in scenarios*. Scenarios are alternative stories about the future and you have to understand the implications of what you're asking people to do before you ask them to do it.

Another skill is the ability to *deploy one of several networking strategies*. This is akin to tactical planning in the military. Who among the people in my network should I ask for help? What are the best occasions to ask people to help? Where might they be best deployed? Last, you will need to *constantly reassess your network*, what it looks like and where it is headed.

Networks provide us with many things. In fact, they're often our best source of ideas and information. They can help us create and shape our own unique personal brand and, the case of economic development, the brand of the effort. Networks also provide each of us with options when our back is against the wall. They can give us the ability to take action at a distance. They even have the power to start, stop or alter important decisions that affect our lives. In fact, our ability to get anything important done in our lives is in proportion to our mastery of Purposeful Networking.

## THE CASE EXAMPLES

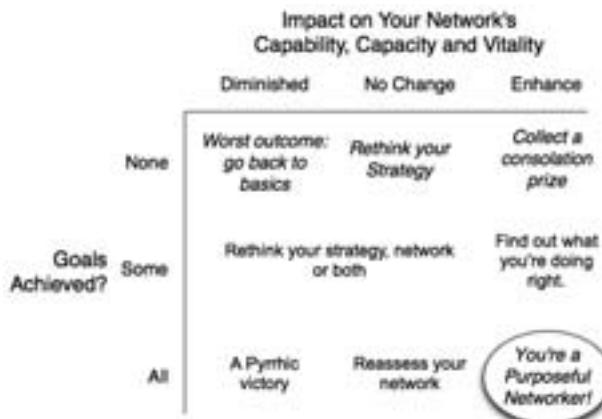
We now close by taking a second look at the cases in light of new understanding of the role of networks and, more specifically, the value of Purposeful Networking.

### *The Sports Franchise*

This is a classic case of an over reliance on the Elite Model. The scale of the effort requires the participation and engagement of Team 21 to be sure. Yet Team 21's reach into the community – particularly the community most affected by the redevelopment – was likely limited at best and possibly

## Graphic 5

### The Impact of Your Network on the Success of Your Efforts



waning. Team 21 should have been augmented by the engagement of two or three carefully chosen community Bridgers. The weakness is not the choice of the Elite Model of development but rather the exclusive reliance on that model.

### The University Incubator

The incubator project points to a common problem when similar institutions collaborate. This problem is particularly acute as when they are in the same "space," such as a common geography. Their networks overlap substantially and hence one does not get the power that true diversity brings. We must always resist the natural urge to connect only with people like ourselves. In this case, the university drew from a pool of people much like themselves: other academics. There is nothing inherently wrong with including or being an academic. However, the near exclusive reliance on this group, no matter how diverse it may be within its respective community, adds little to the effort to solve a problem that is embedded within the community outside the walls of the university. This is true particularly when the affected community is one that may have few real ties to the university – the community's entrepreneurs.

### Sustainable Development

An us versus them sentiment all too easily develops in economic development projects unless checked at the outset. Careful thinking about what networks could be brought to bear could remedy this situation at the outset. In this case, the core development team could have benefited from much greater diversity, possibly including members of the disaffected groups or, at the very least, having networks within those groups.

A clue to knowing you have reached the right level of diversity is when you experience a personal

discomfort with the level of diverging opinions, points of view, backgrounds and life experiences. It takes a great deal of personal courage to create and tolerate this level of diversity but it ultimately pays huge dividends in the end.

### CONCLUSION

Purposeful Networking is not just about achieving goals. It is also about enhancing your network on the way to achieving goals. As **Graphic 5** shows, applying the tools of Purposeful Networking carefully and thoughtfully should, in the end, leave your network more vital and with greater capacity and capability than existed before. How is this done?

First, understand and apply reciprocity everywhere. Trust is earned over time and flows as an outcome of the reciprocity. Second, follow the golden rule of leadership: Do not ask others to do for you what you would not gladly do yourself. Last, have fun. Life is not a series of grim tasks to which we yoke ourselves. The people you know and have met over the years are more than happy to help you achieve your dreams. You only have to ask.

### ENDNOTES

- 1 See *Achieving Excellence in Stakeholder Management*, Joachim Scharioth (Editor), Margit Huber (Editor) Springer, April 10, 2003 and *Stakeholder Management*, Stefan Walter Schuppisser, Haupt December 1, 2002 for excellent texts on the topic.
- 2 Each case is based on the direct experiences of the author with slight alterations.
- 3 See "The Structure of Founding Teams: Homophily, Strong Ties, and Isolation Among U.S. Entrepreneurs," Martin Ruef, Howard E. Aldrich and Nancy M. Carter, *American Sociological Review*, 2003, Volume 68, (April: Pages 195 – 222; "Innovation Networks and Knowledge Flows Across the European Regions," Raffaele Paci and Ernexitore Batteta, *Centro Ricerche Economiche Nord Sud*, December 2003 and "The Role of Social Networks for National Innovation Systems' Dynamics," Paper for Dynamics of Industry and Innovation Conference, Copenhagen, June, 2005 as examples of excellent recent references on the topic of economic development social networks.
- 4 *Regional Advantage: Culture and Competition in Silicon Valley and Route 128*, Annalee Saxenian, Harvard University Press, March 1, 1996 and *Building High-Tech Clusters: Silicon Valley and Beyond*, Timothy Bresnahan (Editor) and Alfonso Gambardella, Cambridge University Press, April 5, 2004.
- 5 *Structural Holes: The Social Structure of Competition*, Ronald Burt, Harvard University Press (reprint edition), August 11, 1995.
- 6 *Getting a Job: A Study of Contacts and Careers*, Mark Granovetter, University of Chicago Press (2nd edition) March 15, 1995.
- 7 *Achieving Success Through Social Capital: Tapping Hidden Resources in Your Personal and Business Networks*, Wayne E. Baker, Jossey-Bass, August 1, 2000 and *Bowling Alone: The Collapse and Revival of American Community*, Robert D. Putnam's, Simon & Schuster, Publishing, 2000.
- 8 *Local Economic Development: Analysis and Practice*, John P. Blair, SAGE Publications, March 29, 1995 and *Elites, Minorities and Economic Growth*, E.S. Brezis and P. Temin, JAI Press, December 1, 1999.
- 9 "Neocortex Size as a Constraint on Group Size in Primates," Robin Dunbar, *Journal of Human Evolution* (1992), Pages 469 - 493.