

Chairman's Perspective: Business Networking in Today's Competitive Environment



Greetings in the springtime 2016!

On the 50th anniversary of beginning my career in real estate finance, this **Chairman's Perspective** takes stock of how dramatically business networking has changed over the years. I **ask how today's professionals can craft a successful and efficient networking strategy - getting the most out of spectacular developments in technology, but using time-tested core principles as well.**

I invite you to take a few minutes to reflect with me about this. And feel free to call me (617-897-1152) or [email me](#) or one of [my colleagues](#) with your own perspectives. This is an important conversation for our profession.

Simple Beginnings

Fifty years ago this spring my career in real estate finance was officially launched when I was promoted from credit analyst to loan officer at State Street Bank. Looking back, I find it truly remarkable how much the whole activity of business development and networking has changed since that simpler time.

In the sixties we had very few tools for networking. There were no computers connected by Wi Fi, only stand-alone typewriters; no voicemail, only pink message slips; no widely read trade journals; and only one real estate trade association. We relied on the telephone and on face-to-face meetings.

As I embarked on building my career, I was astonished to discover that almost none of my peers or competitors saw the wisdom of making any active or consistent use of the networking tools we had. They just believed the customer would ring if something was needed. This state of affairs gave me a unique opportunity to differentiate myself, through active calling and individual meetings.

As time passed, other means for effective networking presented themselves. I saw that I had developed some valuable expertise in real estate finance, and began to share this by writing an occasional article for the New England Real Estate Journal. Soon I was invited to write a monthly column for the paper and, once people began to see my ideas in print, I began to be



viewed as an expert! As a result people began to ask me to teach and speak at conferences. These initiatives enabled me to seed valuable relationships with countless real estate finance professionals. And that proved to be the foundation of my career.

Gradually, the practices I used to build my network became commonplace, and outlets for them multiplied. New trade associations sprouted, broadening the opportunities for face-to-face meetings and for speaking at conferences. Industry journals proliferated, first in print and later online, providing a forum for finance professionals to author articles or be featured as industry experts. Companies made networking activities - especially calling - part of the job description for all professionals tasked with developing new business.

Networking Becomes Easier - And Harder



Then, beginning in the 1990s, came the explosion of technology. First, blast emails supported by contact management software, then webcasts, blogs, and finally the social media, especially Twitter, LinkedIn and Facebook.

Overall, this range of technological tools has made it easier to build what we used to call a "rolodex" of contacts, customers, and relationships. But, just because these tools are readily available to everyone, it has become harder for individual professionals to differentiate themselves from the crowd, or to communicate a clear "brand" or message. It's like trying to make yourself heard among cheering fans in a crowded sports stadium.

Key Technologies

Many real estate finance professionals now focus heavily on high-tech networking tools. LinkedIn enthusiasts spend huge amounts of time building their networks. Other professionals blast ever more emails to ever larger lists. While these initiatives have value, I'm convinced that the best approach is a carefully balanced use of today's technologies along with some of the non-tech, time-tested networking tools of the past I discussed a moment ago.



At the risk of being overly simplistic, let me review some of today's key technologies.

In concept, **LinkedIn** is very powerful, enabling the user to establish webs of contacts linked by common threads. But as more and more of these business links are created, their value gradually becomes diminished because one gets layered over the other. For instance, linking with a college friend initially might be useful. But, when one gets linked with a couple of dozen college friends or friends of friends, it makes the contacts less and less valuable.

Blast emails promoting a product or service have also become a powerful tool to reach targeted audiences. Use of this tool had been building gradually, but in recent years it's exploded. As a result, new "push-back" software, such as the Microsoft "Clutter" feature, is being added to the screening techniques that have been in place for some years. So, like LinkedIn, blast emails are losing their relative effectiveness.

Contact Management Software, whether proprietary systems or commercially available products like ACT!, have become an absolutely necessary means for storing, coding, and sorting information about business prospects. But the technology does busy work here, not thinking. The system must be customized to fit a well-thought-out sales program that can be implemented - that's the thinking part. And it must be updated and corrected constantly, or the efforts it supports will be blunted - or even backfire.

Blogs and Twitter feeds on a topic central to your business are a great development on the old activity of public speaking and writing articles. These communications are highly targeted and reach their audiences with great frequency. But you must have unusual talent and persistence to make them effective - and worth your professional time.

Non-Tech (and Time-Tested) Tools



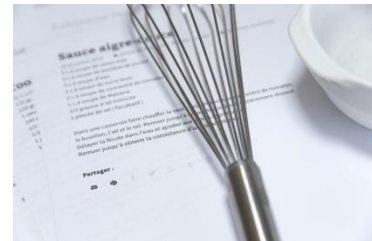
While **public speaking, attending conferences and authoring trade journal articles** do not have the impact they once had, they remain highly effective for professionals who choose their opportunities carefully. While less targeted than most of the higher-tech mean of communication, these networking tools are particularly effective in projecting outside a professional's existing circle of contacts, both building "brand awareness" and bringing in new business opportunities.

Although the networking value of **trade associations** has been reduced as the organizations have proliferated, they remain a very effective tool for building a network. However, you must pick your organization carefully. And generally, mere membership is of little value - you need to serve on committees and eventually rise into leadership positions. This requires a significant and long-term time commitment.

Calling and face-to-face meetings to explore new business opportunities have retained their power as a networking tool through the years. It is still the case that if you don't ask for the business personally and demonstrate your ability to add value, great numbers of contacts will not add up to an effective professional network.

Finding the Right Recipe

So where does this leave us? At the core of any networking plan is the goal of building and maintaining relationships. There are many ways to do this, and lots of tools available, but don't overlook the value of face-to-face contact or, at the very least, telephone conversations. Sometimes it can be uncomfortable to put yourself out there, but I firmly believe that you cannot build real relationships virtually.



Email, blogs, and social networking platforms are, of course, important and should be part of your mix, but the goal should be to speak or meet personally with your contacts and customers - and doing that may itself be the best way to differentiate yourself, particularly if many of your competitors are hiding behind technology. Things change, and change is good, but some core principles remain the same.

Cheers,