

Growth Strategies

AN INFORMATION ARSENAL FOR BUILDING BUSINESS

Working on ways to network

By WARREN STRUGATCH

Real estate developer Fred Komson had a tract of land he thought would be perfect for a movie theater. He realized he would need a partner.

"I thought of Magic Johnson," the retired basketball star turned movie theater developer. "But I didn't know Magic Johnson."

The Hauppauge developer did, however, know Steven Krauser. As for Krauser, he might not know everybody, but he comes startlingly close. The Port Washington-based founder of Network Associates is the commercial embodiment of the Six Degrees of Separation theory: you can bet he knows somebody who knows somebody who knows the person you want to meet.

It took three phone calls for Krauser to track down someone acquainted with a key Johnson staffer. Obtaining a direct phone number, he passed it to Komson, who made the call and found himself chatting with Johnson's key real estate decision maker. The conversation was pleasant and productive. He and Johnson's staff are now "in meetings." Komson recognizes he would not have gotten through calling cold,

"What Steve does is huge," says the First Development Corp. executive. "Networking with Steve is not the usual, meet-me-in-the-diner-we'll-have-breakfast routine. You sign up with him, you tap into the network of everybody Steve knows, and everybody those people know. When Steve starts working the phone and sending out e-mail on your behalf, you feel there is no one in the country you could not be able to meet if you wanted to." Seven years ago, convinced that there was money to be made helping entrepreneurs meet other entrepreneurs, Krauser sold the office coffee vending business he owned with his father, and formed Network Associates on the belief that business people would pay upwards of \$2,000 to belong to a well-run networking group.

It was not risk-free. While there are tens of thousands of business networking groups between Montauk and Monterey, most are run by people who see networking as a tool for growing their core business. For Krauser, networking is his core business.

"What's unique is that I don't just take your check and drop you in the group, I work with you and coach you so you get the full benefit of networking," says Krauser. Nicknamed the professor of schmooze for his ease in meeting people, Krauser delights in teaching the skill to others.

Network Associates now consists of 10 groups of 30 non-competing business people. There are chapters in Manhattan, Westchester and Rockland counties, Florida and Long Island. He also has introduced several industry groups serving such businesses as media and entertainment.

"I have a 12-year-old daughter, and I tell her my job is helping business people do business better by helping them meet new prospects," says Krauser. "Actually, that's a pretty good definition (of my work) no matter who asks."

Krauser will spend several hours working one-on-one with newbie's, beginning usually with what he calls the "airplane speech."



NETWORKING MAGIC: "Professor of Schmooze" Steven Krauser (front) helped Fred Komson of First Development Corp. make the necessary connections to meet with Magic Johnson.

"It's how you answer when the person sitting next to you on the plane asks, 'So, what do you do?'" Krauser says. "The common response is to answer by identity - 'I'm an accountant,' or 'I'm a lawyer.' That response hides behind your occupation, it doesn't really answer the question. That's why the conversation usually stops dead."

Networking tips

- ✍ Introduce yourself by describing how you add value
- ✍ Give to get – find opportunity for others first.
- ✍ Join groups where you don't have competition.
- ✍ Style counts – join a group where you feel comfortable.

Instead, Krauser suggests a response that elaborates on who your clients are, and how you help them. "You could answer, 'I help companies in the entertainment industry avoid tax problems.'" Or, "My clients are mid-sized businesses in and around New York City who hire me to keep them out of litigation."

The next step is usually indoctrination in the Networker's Creed, which could be called Give to Get. "If there is one misconception about networking, it's that you meet someone and are brought into that person's network," says Krauser. "Uh uh. You meet someone and bring that person into your network. Your task is to figure out how your clients can benefit by meeting this person."

The people you help will eventually reciprocate. But like a watched pot, nothing boils while you're peering inside. Says Krauser: "To me the worst thing is someone who comes into a network expecting others to bring him business. The second worst thing is the person who reciprocates but keeps score."

True networking begins when you obtain information and your first thought - okay, your second thought - is sharing the news with your network group.

"Recently I found out two law firms were merging, and yes, I did get some business" said George Brenner, a vice president with Telesis Communications Services, in Seaford. "I shared

the news too. I was thinking: A merger means a new letterhead, new office equipment, recruitment opportunities. I knew the principals, so I called a few (Network Associate) members and offered to make introductions. I know some people got business" from the referrals.

Most business people find their way rather quickly into at least one networking group, and typically join at least two or three other groups.

"As you develop your networking skills," Krauser counsels, "you become more aware that not everyone is a good networker. Not every networking group is a successful group. In fact, most fail."

Failure can often be traced to the leader's skills and level of preparation, or lack thereof. "The person who acts as leader or facilitator plays an important role," he asserts.

"That person sets the tone. Often the problem is failing to establish rules or procedures, so everyone does more or less as they want. Or the charter members have created a two-tiered system where they have one set of privileges that newer members don't have."

Groups should be specific about whether competitors are allowed in. "Personally, I think there's enough competition on the street. Let your competitor find a different group."

The third traditional bugaboo is selling to members. "Some people turn networking into a sales opportunity, and the leader permits it. If that's going on, it isn't a networking group any more. Get out fast."

He also dismisses groups where members pay cash for referrals. Krauser says: "The only currency that should pass between people who are networking is the word, 'thanks.'"

Be sure to attend a couple of meetings of any networking group before joining. Observe what kind of information is shared - and how it's shared. Successful groups spend little time disseminating general information, of the XYZ-Co.-is-moving-into-a-new-building variety. (That belongs on a listserv or other form of e-mail.) Instead, individuals should ask for referrals to specific individuals, as in "I'd like to meet Sue Jones of Widgets International."

Successful groups usually buzz with the sound of members scheduling private one-on-one meetings. If that's not happening, look elsewhere. Be concerned if no one seems to notice your presence or you feel excluded from conversations.

Krauser also suggests you be alert to personal presentation style. "Networking is a personal thing, and you've got to be comfortable with someone to make a referral," he points out. "When you consider joining a group, remember you'll be referring these individuals to your best clients. You better be comfortable, or keep searching, because this isn't the group for you."