



THE NETWORK
OF LEADERS

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Leveraging Your Links

Why successful leaders network

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Building a diverse network of personal contacts can provide the support, feedback, insight, resources and information that is necessary for leaders to tackle current and unforeseen challenges. This article lays out the value of a 'three-pronged' networking approach as a major element of leaders' professional development

There is no denying the ‘work’ in networking; people must step outside their comfort zone and into the unknown. The trick is to look for those personal contacts that will be great at advising objectively, or turn colleagues from nearby operations into a support system. More than anything – you may have to re-evaluate your outlook towards networking as a whole.

Based on the findings from our interviews with 30 executives, we found that most believed their success was built on working hard and focusing on the technical skills their jobs required. However, moving into a leadership role creates new challenges, in particular strategy-making that supported the business as a whole, and not solely the functional specialties they had always relied on.

Furthermore, our study revealed respondents had trouble grasping that they would benefit from interacting with people in roles

complementary to their own and that this was not a distraction from the ‘real work’, nor was it insincere or manipulative.

Our study has led to the development of three distinct categories of networking, each of which has a role to play at different junctures of the leadership transition:

- Operational – linking to functional tasks
- Personal – linking to individual development
- Strategic – developing new business opportunities

OPERATIONAL NETWORKING

Membership to this network is very simple – you are either involved in the job or not. It involves interacting with functional peers, superiors and crucial outsiders such as suppliers, distributors and customers. Were it not for these connections, the executive in question would not be in his or her role.



COMMUNITY COMMENT

David Kneeshaw
Chief Executive
Royal London 360

“Personal Networking is as much about enjoying the environment as it is about pursuing an objective. Simply being away from the desk, with its attendant minutiae and narrow urgent focus, creates a more open space in which to talk and share ideas. The result is a sense of perspective and rejuvenation of the mind. It is crucial to approach an event with a spirit of generosity and hope, not of immediate gain. To network in a mindset where you look for advantage from every conversation will be counter-productive and transparent to others. Networking should be about giving and enjoying, not just taking, to be a worthwhile experience.”



COMMUNITY COMMENT

**Lynda Gratton, Professor
of Management Practice
London Business School**

“Building networks, especially those outside your organisation, is increasingly a key leadership skill. A good networker juggles a diverse range of knowledge flows and the value lies in building reciprocal relationships that enhance this flow. Beyond the number of followers or connections you have, you should create value for your cloud of acquaintances so that later you get something back. Your social network is a community of practice in the sense that it has been built around a common shared interest or experience and it nurtures the feeling that you’ve been informed by a trusted colleague; a friend.”

It is the rapport and mutual trust of its membership that makes an operational network powerful and the executive must work to nourish these relationships

Operational networks are rarely created by executives; they tend to come along with the job. It is the rapport and mutual trust of its membership that makes an operational network powerful and the executive must work to nourish these relationships.

However, operational networking should direct an executive toward the important knowledge that bigger goals necessitate bigger networks and a fuller perspective.

Links are governed by routine, short-term demands. The network’s relations with outsiders, for example board members, customers or regulators, are those that are directly task-related, and tend to be bounded and constrained by demands determined at a higher level. But as an executive moves into a leadership role, his or her network must re-orient itself externally, and towards the future.

Take Alistair, one of our interviewees, who was unexpectedly promoted by his firm’s

founder to Financial Director and given a place on the board. Being the youngest and least-experienced, his immediate response was to strengthen his operational skills. After hearing a tip from the founder, he completely reorganised the accounting department in order to hold up in the event the company



COMMUNITY COMMENT

Matthew Blagg
CEO
Criticaleye

“Networking is about forming business relationships that will stand the test of time. It would be naïve to think that executives invest time and energy into networking without the expectation that they will get something back, but it is time to acknowledge that relationship building is a long-term investment. Furthermore, potential business relationships are all around us, not just at events or meetings set up for the specific purpose of initiating business partnerships. The interconnectivity of today’s business environment means it is no longer enough to network with other executives in the same industry as you. The challenges that face you at the top of the tree go beyond what can be gained from a purely vertical network so having access to cross-sector, cross-region information and a platform to ask questions and talk to other leaders is crucial. Fundamentally, leaders don’t know what they don’t know. Only those with strong and trusted relationships will have access to the information they need to be successful.”

went public. The upgrade was brilliant for his team, but he missed the fact that only a minority of the seven-person board shared the founder’s ambition. Alistair then realised that his time would have been better spent getting to know his co-directors.

PERSONAL NETWORKING

Many executives see personal networking as an insincere trade of string pulling. This sentiment is often intensified by the idea that personal lives and business should be kept very separate. But personal networking is not solely about making use of personal contacts; rather it creates flexible links to individuals with whom we have things in common.

Often, rising leaders become aware of their disproportionately internal and functional concentration, so they see the benefit in building their knowledge in domains beyond their areas of proficiency. By joining professional associations, clubs, and common interest groups, executives can widen their perspectives – both professionally and socially.

Personal networking can offer new executives a greater understanding and judgment of themselves and a deeper perspective of the surroundings in which they operate, and yet this type of networking is often surrendered because people don’t see the immediate link to their own business – or conversely, because they seek social ties in areas so far removed from their own interests that they feel more isolated than ever. They might

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KEY CONSIDERATIONS FOR LEADERSHIP NETWORKING:

- 1. You get out what you put in** – While some perceive networking to be too much extra work, others feel it is more about exploiting ‘who you know’ rather than gaining actual skills to get a job done well.
- 2. Seek out a good role model** – A different person’s approach can put behaviour under an improved light and can overcome the ‘who you know’ negativity; particularly if they are a respected character.
- 3. Find external common ground** – Establishing relationships is hard, but personal interests or networks that can be transposed into a strategic domain will help create a natural ‘excuse’ for getting in touch with senior individuals outside our domains; similarly, making use of functional interests or expertise will help (communities of practice exist in many areas of business, from brand management to Six Sigma to global strategy).
- 4. Master the skill of delegation** – Effective business leaders network in order to obtain information continually, not just at formal meetings. However, it takes time to gather the information they need to meet their goals; relying on informal discussions with a great and varied range of people, that are not necessarily in charge of an issue or task, means that the executive must master the skill of delegation or he or she will find a million reasons not to take time for networking.
- 5. Keep in touch** – Executives often wait until a crisis, or when they need something urgently, to network, but the best networkers take every opportunity they can to give to and receive from the network; a great way to start is with a simple request such as connecting two people or requesting an opinion from someone.

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also feel intimidated by new higher-level colleagues, in spite of common interests. Without linking outside contacts back to the firm and the business, the executive will not benefit from the true power of networking.

Personal networking offers the aspiring leader encouragement in the way of counsel. Advisors found through a personal network need not necessarily be a hierarchical superior or well versed in that person's particular field; the benefit of an advisor is their wider knowledge and experience in business of a general nature. These individuals can offer a new leader a fresh outlook on professional matters as a whole.

Take Michel, a recently promoted executive that we interviewed. When he was told to fix production resources, or shut them down. He joined a local business association and met a lawyer who offered contacts and advice for his dilemma. Eventually he was able to contact colleagues within his own firm who then acted as mentors and supported his battle to keep the plant alive.

STRATEGIC NETWORKING

The talent of being able to identify untapped prospects or vital individuals and parties is what separates leaders from managers. Strategic networking becomes a vital sustenance, providing the rising leader with a series of contacts and resources that can help to achieve both personal and organisational targets. Meeting people with divergent connections, experience, goals and motivations forces the new executive to establish business over operational objectives.

Many turn to management primarily because they take pleasure in being the boss. However, advancing in the hierarchy often means becoming increasingly reliant on others, over which our executives had little to no control. This forces leaders to make a difficult choice – however unwitting it might be. On the one hand they can acknowledge their growing reliance on those around and above them and build it into reciprocated authority. Or

they can preserve their autonomy and risk losing the ability to protect and advance their aspirations. Our study showed that many aspiring leaders opt for the latter and that this choice was frequently rationalised as a matter of personal principle.

Jody worked for a company whose leadership she found to be 'dysfunctional.' She adamantly rejected utilising her extensive internal network when her rivals gained from the leadership's shortfalls. She would not play 'silly power games', and upheld her moral perspective. Silly or not, the games cost Jody the respect and support of colleagues who clearly would not back someone who did not defend herself. In the end she resigned.

And she missed a key message: those that network strategically have the benefit not only of influencing those around them with their personal example, but they can actually form the environment to their advantage. While this individual rejected such tactics, her rivals did not. The shuffling and recruitment of subordinates, financing and lobbying for key allies in peer positions and altering supply and finance sources can strengthen your network.

THE POWER OF PERSEVERANCE

Many executives become frustrated when their networks don't immediately pay off. It is a developed skill that takes a lot of practice. We have observed people working at it, who not only develop a knack for networking, but who have also learned to like it. Traditionally, professional development has relied on the idea that successful individuals add fresh, but role-appropriate talents as they climb the corporate ladder. However, the transition requires subtraction as well as addition; creating space for new competencies, executives must come to depend less on their reliable established skills. To accomplish this they must alter their outlook on what to offer and how to add value. Over time they will transform how they think and, ultimately, who they are.

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