



Learning through networking with others

Most businesses recognise the benefits of developing their employees' knowledge and understanding of the industry and markets they work in.

Networking with others allows smaller businesses to share experiences and ideas and to improve in-house knowledge. Businesses can network with educational establishments, trade organisations and other businesses. Businesses that actively participate in networks generally find the partnerships more effective than passive participants.

This guide explains the workings and benefits of networking, the forms networking can take and how to make the most of active participation.

How networking works

Networking involves interacting with others for assistance and support.

When you network for business purposes you will have the opportunity to do some of the following:

- meet in organised or informal forums
- receive news bulletins and invitations to events of general interest, eg exhibitions, lectures by prominent business people or industry experts
- participate in debates on topics relevant to your industry or field of business
- contribute to or participate in surveys or research in your field or business sector

You stand to gain from the experiences of other businesses and share new ideas on a variety of subjects including:

- training and recruitment
- talent management
- new products and markets
- industry developments
- industry laws and regulation

You may meet customers, competitors, suppliers and service providers who are all looking for similar benefits and to widen their contact base.

When choosing a network or partnership to join, you need to think of your primary requirements, eg market information, training and development opportunities, or expert advice. Aim to balance your needs with the level of participation and involvement you are prepared to commit.

For example if you cannot spare the time to attend functions and events, you might focus on finding a network hosted on the Internet. Similarly if you do not think you will proactively pass information on or help someone else in return for advice, you might prefer a more passive network that supplies newsletters and bulletins (possibly for a subscription) and hosts online debates, rather than an events-based one.

Benefits of networking

For a start-up or small business, networking can provide a lifeline of support and business generation.

Networking can help you improve your business performance, products and staff skills. It can also help you develop **knowledge and skills**, by providing opportunities to:

- Participate in benchmarking, which can help you identify areas where you can improve your business performance.
- Establish staff exchanges and secondments. For example, an outside expert may join your business to oversee a specific project or you may second a graduate joiner to a supplier to learn about the supply process.
- Benefit from economies of scale by involving employees in joint skills development programmes for staff in your business sector.

You can use networking to boost your **reputation** and gather **new leads**. You can:

- raise your business profile by becoming an established and regular networking member, getting your face and the business known
- meet new people and build mutually beneficial business relationships
- expand your markets by generating new business contacts with potential customers, suppliers and partners
- establish overseas partnerships, eg through international exhibitions and conferences

Networks can also be a key source of **information and support**. You can:

- compare and discuss issues of common interest, eg legal and regulatory developments, staff retention, supplier networks, customer service and computerisation
- develop and share ideas, innovation and knowledge of best practice

The extent to which you benefit will depend on the events and services the network partnership offers and how actively you become involved. Some businesses are reluctant to seek advice or get help for fear of being embarrassed or giving a competitor an opportunity to take advantage. However, for most businesses, the benefits of taking an active role in a network usually outweigh any potential concerns or reasons not to network.

Different kinds of network

There are many types of network. Often they set joining criteria to take members with common attitudes or requirements, eg size of business or professional background.

You can establish links through a number of different channels. Some of these include:

- **Education and research organisations** - to explore development initiatives and to access studies or research into products, markets, customer preferences, best practice etc. See which organisations participate in networking on the Higher Education and Research Opportunities website - Opens in a new window.
- **Learning networks** - managers and other employees can attend training and development activities tailored to their responsibilities, keep up to date with best practice and current thinking, and hear from high-profile speakers and researchers. Approach relevant trade associations and industry bodies and ask them about their seminars and events.

- **Trade** development opportunities - find trade associations at the Trade Association Forum website - Opens in a new window.
- **Employers' federations** - eg the Federation of Small Businesses (FSB). You can find support and best practice on employment issues on the FSB website - Opens in a new window.
- **Regional/local organisations** - eg Chambers of Commerce, for advice, support and local news. Find details of regional and local organisations on the British Chambers of Commerce website - Opens in a new window.
- **Community organisations** - action groups representing local, ethnic or social interests. Find community organisations at the Business in the Community website - Opens in a new window.
- **Virtual networks** - internet-based communities providing opportunities to communicate with other business people and potential customers

There are also various forms of networking:

- **organised meetings/conferences** - structured ways of networking
- **e-based discussion and debate** - co-ordinated on many websites
- **business trips** - sponsored by a relevant trade organisation or similar, business trips can provide a co-ordinated way of establishing foreign contacts and learning about overseas markets
- **social events** - an informal way to meet people with a common purpose for attending
- **survey and focus groups** - allow you to meet fellow contributors and the organisers

Finding network partners

Many businesses find networking partners:

- through personal introductions by an existing network member
- by contacting the organisation or body they are interested in directly

General business networks

Business Collaboration Networks bring businesses together to address opportunities or challenges that they could not address alone. This is part of a range of support offered through the government's new Solutions for Business portfolio. Find information on the Solutions for Business portfolio. You can find out about Business Collaboration Networks in your area from your local Business Link . Find your local Business Link through our Contacts Directory.

For other sources of information about local networking groups or meetings, you could speak to your:

- local Chamber of Commerce
- business advisers, eg your bank manager, lawyer or accountant
- trade association - find trade associations at the Trade Association Forum website - Opens in a new window

Acas organises conferences, workshops and seminars for small businesses on latest developments and practices in employment issues. These are opportunities to network with other businesses and share best practice. Locate workplace training or a seminar in your area on the Acas website - Opens in a new window.

Skills and training networks

Seek advice on training and skills for your business and on suitable networking partners from your Sector Skills Council (SSC). SSCs are employer-led, independent organisations, and are at the heart of the Alliance of Sector Skills Councils network. Find information on SSCs on the Alliance of Sector Skills

Councils website - Opens in a new window.

It's a good idea to attend trade conferences and seminars to meet employer participants with similar businesses. You can gain useful knowledge through talking to the training providers or conference coordinators.

Contact Business Link or your local Chamber of Commerce for advice on your needs and joint skills development activities or initiatives. Find your local Business Link through our Contacts Directory.

You can also find accredited and approved Chambers of Commerce at the British Chambers of Commerce website - Opens in a new window.

Be an active participant in networks

Networks are established for collective benefits and are most successful and effective where there is give and take by participants and members.

This involves sharing your experience through dialogue and interaction with other partners, as well as learning from theirs. For instance, you could attend debates and discussion groups to contribute your ideas and experiences or offer to speak at a conference.

A network's strength in any particular area or service depends on how actively its partners **exchange information** with each other and reciprocate. For example, if you receive advice from a network partner, be prepared to offer your own help in the future.

Partners who are willing to pass on skills to each other will establish the network as a centre of excellence or expertise and facilitate future collaborations. If you have been pleased with a particular supplier, training provider or consultant, let your partners know why or arrange for them to give a presentation of their services.

A well-run network will thrive if its participants play an active role in keeping the network topical and relevant. If you have experienced the benefits of a network consider any other contacts who would enjoy them - talk to other businesses about what you have gained and introduce them to the network.

International networks

Many businesses have international dimensions, eg foreign suppliers or customers, overseas branches or staff with a foreign background.

Some belong to international networks of similar businesses because it helps them to manage those international dimensions better and to benefit from them.

Benefits of belonging to international networks can include opportunities to:

- receive **information** on developments in an overseas industry/sector or market
- set up **staff exchanges** to facilitate understanding, to help developing countries and to share practices and knowledge
- engage in **skills building** and training processes, eg employment processes, export/import procedures
- improve your understanding of **regulations** and **documentation**, eg for overseas customs or licensing authorities

You can research international networks through UK-based overseas Chambers of Commerce. Find details of overseas chambers based in the UK on the British

Chambers of Commerce website - Opens in a new window.

The British Council provides businesses with introductions to high-quality professionals in key industrial sectors from important developing international markets. Find out about the British Overseas Industrial Placement Scheme at the British Council website - Opens in a new window.

The UK Trade & Investment website provides useful guidance and information to help you carry out business internationally. Find out about exporting at the UK Trade & Investment website - Opens in a new window.

The Federation of European Employers offers business members networking opportunities through informal meetings. They also provide access to information and knowledge on employment issues such as pay, employment law and human resources policies, as well as guidance on staff contracts. Find out about networking opportunities at the Federation of European Employers website - Opens in a new window.

A European Economic Interest Grouping (EEIG) is a legal framework that allows businesses in the European Union to establish links with each other and work together in business without losing their independence. However, there are some drawbacks, eg the members of an EEIG have liability for its debts. Download a guide to EEIGs from the Companies House website (PDF) - Opens in a new window.

Here's how networking locally improved my business

Katy Moussaada

Motivation Through Training - Opens in a new window

Katy's top tips:

- "Make networking part of your business plan and allocate time to it."
- "Research, research, research."
- "Try everything that sounds promising, but monitor long-term effectiveness."

Motivation Through Training is a Liverpool-based company that provides specialist training and consultancy services to the tourism and leisure industries. Partners Katy Moussaada and Viv Cuthill have made networking a conscious part of their business development plan. Here Katy describes how she uses local networks for knowledge exchange and identifying new business opportunities.

What I did

Research opportunities

"Effective networking doesn't just happen, you have to put in the effort. When time is at a premium it helps to research networks in your area so that you can concentrate on those that will benefit your business most.

"I looked at trade-specific opportunities as well as more general opportunities provided by organisations like my local Business Link and the Mersey Partnership, which is a regional development body. Professional organisations are a good place to start. I became a member of the Tourism Society and the Institute of Travel and Tourism, which gave me access to networks of tourism professionals in the North West.

"Membership of an appropriate organisation also makes it easier to keep up to date with forthcoming events such as seminars, lectures or social evenings that you might want to attend."

Give and take

"Exchanging information with local tourism businesses is one of the key benefits of networking. I learn a lot about what's going on in the industry by talking to people at events.

"For example, several travel operators I've spoken to recently have remarked on the increase in verbal and physical attacks on their staff. As a result we're currently developing a personal safety training course to help companies deal with the problem.

"I've also found that passing on a piece of advice or being available to discuss a problem has resulted in a piece of business or a referral on more than one occasion."

Fly the company flag

"Networking has been an excellent way of publicising our company name, to the extent that we no longer advertise our services. However, it's important not to appear pushy or turn a conversation into an outright sales pitch.

"I always take business cards with me to an event, but I hand them out with care. If the moment isn't right, I make a note of the person's name and company and send them a polite email later.

"Remember that networking is longer-term activity, not a quick fix. I've often been contacted months after an event by someone who remembered me."

What I'd do differently

Make more time

"In the early days, networking was a bit ad-hoc and tended to happen only when I thought I had a couple of hours to spare. I now devote a proportion of my time to it every week and include costings in our annual budget to ensure that it remains a business priority."

Monitor effectiveness

"When I started networking, monitoring progress was a subjective affair. Nowadays I keep a database of my networking activities and contacts, so that I can make a rational long-term assessment of benefits against effort and cost."

Read more case studies that describe first hand how people tackle real-life challenges and opportunities

British Chambers of Commerce

024 7669 4484

Business Link Helpline

0845 600 9 006

Acas Helpline

08457 47 47 47

UK Trade & Investment Enquiry Line

020 7215 8000

Federation of European Employers

020 7520 9264

British Council Information Centre

0161 957 7755

Related guides on businesslink.gov.uk

Find a trade association using our Contacts Directory

Importance of knowledge to a growing business

Find your local Business Link through our Contacts Directory

How to find a training provider/course

Importing - an overview

Exporting - an overview

Here's how having an up-to-date business plan helped my business

Here's how I changed my management style as my business grew

Related web sites you might find useful**Read information on developing skills across industries on the Alliance of Sector Skills Councils website**

<http://www.sscalliance.org/home/home.asp>

See which organisations participate in networking on the Higher Education and Research Opportunities website

http://www.hero.ac.uk/uk/reference_and_subject_resources/groups_and_organisations1243.cfm

Find support and best practice on employment issues on the FSB website

<http://www.fsb.org.uk>

Find details of regional and local organisations on the British Chambers of Commerce website

<http://www.britishchambers.org.uk/6798219244118711479/find-a-chamber.html>

Find trade associations at the Trade Association Forum website

<http://www.taforum.org/searchgroup.pl?n=500>

Find community organisations at the Business in the Community website

http://www.bitc.org.uk/take_action/index.html

Search for SSCs in your specific industry at the Alliance of Sector Skills Councils website

<http://www.sscalliance.org/Sectors/SectorSkillsCouncils/SectorSkillsCouncils.asp>

Locate a workplace training or seminar in your area on the Acas website

http://www.acas.org.uk/elearning/registration/registration_add_s1.asp

Find out about the British Overseas Industrial Placement Scheme on the British Council website

<http://www.britishcouncil.org/bond/>

Download a guide to European Economic Interest Groupings from the

Companies House website (PDF)

<http://www.companieshouse.gov.uk/about/pdf/gb04.pdf>

Find out about regional support for exporting at the UK Trade & Investment website

http://www.uktradeinvest.gov.uk/ukti/appmanager/ukti/home?_nfpb=true

Find details of overseas chambers based in the UK on the British Chambers of Commerce website

<http://www.britishchambers.org.uk/6798219244317401703/international-chambers.html>

Find out about networking opportunities at the Federation of European Employers website

<http://www.fedee.com/about.html>

You can find this guide on <http://www.businesslink.gov.uk> by navigating to:
Home > Employing people > Skills and training > Learning through networking with others

© Crown copyright 2007