

## **Connections create networks – networks create connections**

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**Networks are becoming increasingly important for the economy and for individuals. Networks are useful areas of activity in our fast-living times. They help us to face the continuously changing environment and rapidly changing challenges of the future successfully.**

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It is not a simple task to define the term network. Purely factually, it consists of a series of connections between different people that, over time, will create mutual benefits for all those involved.

### **What are networks?**

The shorter development and product life cycles, the relaxation of strict hierarchies, the increasing importance of contacts and the increasing complexity of many processes are all typical characteristics of the times today. Do networks deliver the fitting answer to this modern problem? High expectations play a role here. Well functioning networks have their value and represent an important element in our ever more complex world.

In this connection, we should remember the following: "It is less important what you know than that you know where to find the relevant information." Networks between professionals help to maintain an active flow of information and provide an ideal forum for exchanges of ideas between colleagues. The better we are linked into such a network, the easier it is to produce the performance demanded by our rapidly changing society and face the challenges of the future.

### **How do successful networks function?**

Networking can only take place through personal contact. Each of us must bring ourselves into the network, get to know the other people, encourage and persuade them, never forgetting, however, that our own opinions are not the be all and end all of things, rather that a mutual benefit can only be achieved for the good of the whole. But the network must not become an impenetrable jungle where no one else can penetrate, but it must be open-ended. Only those who experience and care for the network in such a way will have the opportunity to truly benefit from it.

Networks live from "parade horses", active, competent, involved actors with communications and organizational skills. The reverse side, or price, of networks is their low security, high dependence on personalities and the danger of over complexity. Thus, networks find themselves in a continuous conflict between autonomy and dependence, control and trust, co-operation and competition, diversity and unity, stability and fragility, formality and informality. It is precisely here, in this continuous conflict, where lies the reason for their potency. Networks as networks of connections are thus no rope ladders that lead safely across the confusions of the age.

### **Different types of networks**

Within a company, networks help to collect information informally from various areas and so, for example, to develop an appropriate solution for its customers. Usually efficiency also increases, as the information paths are shorter.

Networks among representatives of different companies within the same sector allow benchmarking to be carried out and ideas to be exchanged at the technical level. These networks are, however, subject to the risk of being ineffective as the protection of business secrets and maintenance of competitive advantage prevent true openness.

If representatives, such as the managing directors, of different companies from different sectors, then exchanges can take place, without the risk of revealing business secrets, that may even allow cross-sector improvements to be made. Corporate heads often feel lonely in their functions and seek contact with people with similar responsibilities and similar problems. Within a suitable network, they can test new ideas, offer advice or discuss technological developments. Executive women, as a further example, can meet other women managers in order to discuss specific topics that arise from their leadership functions within a man's world.

### **Networking implemented in practice**

The term "networking" – the construction and maintenance of networks – can be interpreted and applied in very different ways. Networking certainly does not mean only attending business dinners, exchanging business cards and showing our faces, limiting ourselves to seeing and being seen. Because the network must provide a benefit to all its members. As soon as the motivation to attend a meeting, for example, declines, then the network is doomed to failure. Contrary to popular opinion, networking does involve some work and requires a certain level of know-how. To create a meaningful network, first the potential contacts must be identified. These may be satisfied customers who can provide contacts to new customers, or they could be friends, neighbors or people with similar interests.

To be successful in networking, contact must be actively sought with potential discussion partners:

- Knowledge of the sector: it is necessary to have some information on the sector, the company and the social status of the partner. The Internet makes the collection of this information considerably easier.
- Good basis: as when building a house, the digging and laying of the foundations take much longer than the construction of the house. It is the same with networking partners. First the basis of trust and common interest must be created and then the exchange of ideas becomes very much simpler.
- Reaction to information: if someone's success is mentioned in the local paper, it can be helpful to send a brief, positive reaction, perhaps with the comment that it may be interesting to talk about the matter in greater depth.
- Business cards: ask for the business card and treat it as if it were a great delicacy. Note the time and place of the contact and any other specific statements or information about your partner.

### The benefits of networks

Networks based on shared experience, such as experience of military leadership, bring the advantage that people “speak the same language” and that the same processes will be applied in stress situations. As well as producing contacts right across the economic spectrum, such a network can help to involve employees who then function in the same way. A network can also assist in filling jobs more efficiently. Through their contacts, job seekers can build a good picture of vacant positions and the corporate culture. For their part, employers can obtain personal and thus trustworthy references on possible candidates. This type of “vitamin B” can also assist to fill vacant positions with suitable candidates and thus reduce unemployment. As well as investments in the company’s human capital in the form of education and training, the maintenance of social connections helps to enlarge its social capital. This is an important pillar in the economic and professional success of any person and company. So: “Connections create networks – networks create connections.”



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