

What is the 80% rule?

80% of the networking you do in a meeting, should be focused on the other person

Value of 80% rule to people you meet:

- 1) People are paid to work "within" the company - so many have limited networking opportunities (or interest) outside of their firm
- 2) As someone who is networking, you can offer a great deal of value to them:
 - a) Share your networking skills - e.g. new uses of LinkedIn, methods for reaching out to possible contacts, etc.
 - b) Share your networking contacts - people that can build their business, potential customers, etc.
 - c) Provide leads for business - companies that are doing deals, expanding sales teams, entering into new markets, etc.

Value of 80% rule to people you meet:

- 1) Method for building a longer term relationship
- 2) Creates the spirit of true networking
 - a) If you open a meeting by seeing how you can help someone else completely changes the tone of a meeting - it demonstrates that you are there to network.
 - b) If you can provide some well thought out contacts, the chances of someone returning the favor is much greater
 - c) Makes you memorable - this is critical, as chances are when you meet someone they will not know of any jobs

Preparing for practicing 80% rule:

Preparation is all about coming up with something you can 'offer' your networking contact

- 1) Learn their business
 - a) What need are they trying to fill
 - b) Target clients
 - c) Target geographic region
- 2) Go through your contact's LinkedIn profile
 - a) What type of people are they connected to
 - b) Find areas of connection
- 3) Go through your contacts - who is worth connecting
 - a) Value to person in your network
 - b) Value to your networking contact

Expectation when practicing the 80% rule:

- 1) Prepare to give more than you might receive
 - a) It's the quality of the contact that matter, not quantity - so don't keep score
 - b) Not everyone practices this rule - so you may get a few that don't return the favor
- 2) This is an investment into the longer term
 - a) If you believe you will be looking for a job in the next 5 years (which is likely) - then you want to build and keep up the relationships

80% Rule of Networking

What Can You Do for Your Contact?

Networking contact	What YOU can offer	What THEY can offer
Professional Service Firms ▶ Lawyer ▶ Banker ▶ Auditor ▶ Insurance	▶ Connections to new CFOs ▶ Companies expanding ▶ Companies expressing desire for change ▶ Contacts for area of practice (e.g. Family business, etc.) ▶ Companies expanding, being acquired or spinning off divisions ▶ Insight into companies with whom you've networked ▶ Renewal period - when they review options (4 months +) - INSURANCE	▶ Commonly used network for candidate recommendations ▶ Changing Finance team (CFO) ▶ Clients who are expanding or in turnaround ▶ Contacts within target firms ▶ Insight into firms - growth, management style, hiring practices ▶ Sitting CEOs, COO, CFO, etc ▶ Clients needing help (with finance, marketing, etc.)
Consultant	▶ View with target companies of who the buyers are/styles/process	▶ Contacts within target firms
Investor (Angel)	▶ Expanding their network within their area of focus (med-tech, etc.) ▶ Deals that are 2 years out	▶ Companies that need help in getting ready for transaction (national focus)
Private Equity/ Investment Banker/ Venture Capital	▶ Expanding their network within their area of focus (med-tech, etc.) ▶ Deals that are 2 years out	▶ Companies that need help in getting ready for transaction (national focus)
Wealth Management	▶ Personal connections for executives of firms going public ▶ High net worth - looking for change (early retirement stage) ▶ Board member of non-profit investment committee	▶ Connections into executives, especially small-mid size business owners
Family business consultants	▶ Personal connections to family ownership ▶ Connections within family-business world	▶ Sitting CFO/COOs ▶ Insight into target firms
Contact at target company	▶ Connections that help them perform their job/make sales, etc. - they are internally focused	▶ Process for hiring, how finance works within firm, key players
In transition - same role as you are seeking	▶ Help people to understand their background - what they like/roles that fit ▶ Networking tips/Former firms ▶ Jobs outside your background	▶ Assess your 'pitch' ▶ Mutual sharing of networking tips and jobs that are not suited for their background ▶ Insight into former firms
In transition - other profession	▶ Same as in-transition ▶ Connections in their field	▶ See In-transition same role