

BSBTWK401

**BUILD AND
MAINTAIN
BUSINESS
RELATIONSHIPS**

BSBTWK401

Build and maintain business relationships

Release 1

Learner Guide

Aspire Version 1.1



Copyright Warning

**This product is copyrighted to Aspire Training & Consulting
(ABN 51 054 306 428).**

Aspire Training & Consulting owns all copyright to its products. Except as permitted by the Copyright Act 1968 (Cth) or unless you have obtained the specific written permission of Aspire Training & Consulting, you must not:

- reproduce or photocopy this product in whole or in part
- publish this product in whole or in part
- cause this product in whole or in part to be transmitted
- store this product in whole or in part in a retrieval system including a computer
- record this product in whole or in part either electronically or mechanically
- resell this product in whole or in part.

Aspire Training & Consulting:

- invests significant time and resources in creating its original products
- protects its copyright material
- will enforce its rights in copyright material
- reserves its legal rights to claim its loss and damage or an account of profits made resulting from infringements of its copyright.

Aspire also has learning resources available in these areas:

- Foundation skills
- LLN and employability skills (non-competency)
- Community services
- Early Childhood Education and Care
- Allied health

Aspire is committed to developing quality resources that meet the needs of our customers. However, occasionally Aspire finds, or is notified of, errors. Please refer to our website at www.aspirelr.com.au to see if there are any updates that may be relevant to you.

Every effort has been made to ensure the information in this book is accurate; however, the author and publisher accept no responsibility for any loss, damage or injury arising from such information.

Except where an information source is acknowledged, the names and details of individuals and organisations used in examples are fictitious and have been devised for learning purposes only. Any similarity to actual people or organisations is unintentional.

All websites referred to in this unit were accessed and deemed appropriate at time of publication.

Aspire Training & Consulting apologises unreservedly for any copyright infringement that may have occurred and invites copyright owners to contact Aspire so any violation may be rectified.

BSBTWK401 Build and maintain business relationships, Release 1

© 2020 Aspire Training & Consulting
Level 1, 464 St Kilda Road
MELBOURNE VIC 3004 AUSTRALIA
Phone: (03) 9820 1300

First published October 2020

Cover design: Anne-Marie Reeves Design
Printer: Doculink Australia Pty Ltd, 1d/28 Rogers Street, Port Melbourne VIC 3207

e-ISBN 978-1-76075-845-5 (PDF version)
ISBN 978-1-76075-844-8

Contact details

Participant
Name:
Start date:
Phone number:
Email:
Work location
Name:
Address:
Postal address:
Workplace supervisor name:
Phone number:
Fax:
Email:
Registered Training Organisation (RTO)
Name:
Address:
Postal address (if different):
Phone number:
Fax:
RTO contact name:
Mobile:
Email:

CONTENTS

Before you begin	vi
Topic 1 Establish business relationships	1
1A Identify networking opportunities	2
1B Engage with business contacts.....	12
Summary	16
Learning Checkpoint 1: Establish business relationships.....	17
Topic 2 Maintain business relationships	19
2A Use communication skills to establish rapport	20
2B Identify barriers to business opportunities and use contacts to negotiate a solution	25
2C Seek specialist advice.....	33
Summary	35
Learning Checkpoint 2: Maintain business relationships.....	36
Topic 3 Build and improve business relationships	39
3A Use strategies to promote and represent organisational interests.....	40
3B Participate in formal and informal networks.....	45
3C Communicate relationship issues to organisational personnel	50
3D Seek and respond to feedback	53
Summary	58
Learning Checkpoint 3: Build and improve business relationships	59

Before you begin

This Learner Guide is based on the unit of competency *BSBTWK401 Build and maintain business relationships*, Release 1. Your trainer or training organisation must give you information about this unit of competency as part of your training program. You can access the unit of competency and assessment requirements at: www.training.gov.au.

How to work through this Learner Guide

This Learner Guide contains a number of features that will assist you in your learning. Your trainer will advise which parts of the Learner Guide you need to read, and which Practice Tasks and Learning Checkpoints you need to complete. The features of this Learner Guide are detailed in the following table.

Feature of the Learner Guide	How you can use each feature
Learning content	Read each topic in this Learner Guide. If you come across content that is confusing, make a note and discuss it with your trainer. Your trainer is in the best position to offer assistance. It is very important that you take on some of the responsibility for the learning you will undertake.
Examples	These highlight key learning points and provide realistic examples of workplace situations.
Practice Tasks	Practice Tasks give you the opportunity to put your skills and knowledge into action. Your trainer will tell you which practice tasks to complete.
Summaries	Key learning points are provided at the end of each topic.
Learning Checkpoints	There is a Learning Checkpoint at the end of each topic. Your trainer will tell you which Learning Checkpoints to complete. These checkpoints give you an opportunity to check your progress and apply the skills and knowledge you have learnt.

Foundation skills

As you complete learning using this guide, you will be developing the foundation skills relevant for this unit. Foundation skills are the language, literacy and numeracy (LLN) skills and the employability skills required for participation in modern workplaces and contemporary life.

The following table provides definitions for each foundation skill.

Foundation skill area	Foundation skill description
Learning	<ul style="list-style-type: none"> Seeks opportunities to develop and extend expertise and identify areas for professional improvement
Reading	<ul style="list-style-type: none"> Sources and analyses information to establish networks that consistently promotes business opportunities
Writing	<ul style="list-style-type: none"> Uses appropriate vocabulary, layout and grammatical structure to convey ideas and information
Oral Communication	<ul style="list-style-type: none"> Uses persuasive language and appropriate non-verbal features to achieve mutually acceptable outcomes Uses active listening and questioning techniques to confirm understanding
Initiative and enterprise	<ul style="list-style-type: none"> Identifies and adheres to organisational policies and procedures
Teamwork	<ul style="list-style-type: none"> Looks for ways to establish connections and build genuine understanding with a diverse range of people Cultivates relationships with people with the knowledge, skills and influence to get things done or provide support
Planning and organising	<ul style="list-style-type: none"> Takes responsibility for planning, sequencing and implementing tasks required to build and maintain networks Uses analytical processes to identify problems, gather relevant information, evaluate options and determine solutions

What do you already know?

Use the following table to identify what you may already know. This may assist you to work out what to focus on in your learning.

Topic	Key outcome	Rate your confidence in each section
Topic 1: Establish business relationships	1A Identify networking opportunities	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1B Engage with business contacts	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
Topic 2: Maintain business relationships	2A Use communication skills to establish rapport	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2B Identify barriers to business opportunities and use contacts to negotiate a solution	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2C Seek specialist advice	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
Topic 3: Build and improve business relationships	3A Use strategies to promote and represent organisational interests	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3B Participate in formal and informal networks	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3C Communicate relationship issues to organisational personnel	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3D Seek and respond to feedback	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident



Topic 1 | Establish business relationships

- 1A Identify networking opportunities
- 1B Engage with business contacts

1A Identify networking opportunities

Relationship building involves interacting with people and engaging with them for mutual benefit.

Networking is a tool used by businesses to develop and maintain relationships with business contacts. It is used to meet a set of business objectives. For example, an objective may be to grow the business by promoting new products or services or finding new markets. This could involve an expansion of the business by building strategic partnerships. To achieve this, businesses need to establish and maintain relationships with relevant stakeholders, such as vendors, agencies, government authorities, and regulators.

Benefits of networking

Networking can help find solutions to problems through the use of negotiation skills.

To many people, networking is beneficial for improving job and promotion prospects. Networking provides introductions and opportunities to meet many people from a wide variety of jobs and industries, and with expertise. These contacts can be people with the same or similar job as yours, either in the same industry or another area. From an organisational point of view, having a network of business contacts provides a lot of value. Here are some details of the benefits of networking:

Finding new contacts and referrals
Networking is used to identify opportunities for partnerships, joint ventures and new areas of expansion for a business. It can also introduce your organisation to new suppliers, clients, investors, staff and advocates.
Increasing visibility
Meeting and communicating with contacts on a regular basis is part of what is required to maintain a business relationship. This contact helps raise the profile of the company by keeping it in the minds of the right people.
Staying up-to-date with industry news
Networking can provide important market information on the market conditions and trends in an industry.

Problem solving

Networking can provide solutions to business problems or an answer to a particular need. For example, you might be searching for new staff with particular skills or finding an investor.

Sharing knowledge and experience

Networking allows for the sharing of expertise and the experiences of others. This can save time and resources by reducing the research required to find answers or identifying the right person for information.

Follow business objectives

The business development goals of the organisation will determine its networking activities.

The need to develop business relationships will always be driven by the strategic objectives or goals of the organisation. Business objectives are what guides the management team in their planning, organisation, leadership and control functions. Strategic objectives are found in the organisation's strategic plan.

Using the strategic plan, managers can identify:

- the purpose of the organisation and the basis for the organisation's activities
- the area of business the organisation is in or wants to be in
- the competitive strategies to gain the advantage over the organisation's competition.

Business development objectives are the plans that will help the organisation achieve its strategic goals. They are the ideas, initiatives and activities aimed at improving and growing a business. They will also determine the nature of networking activities required for the types of business relationships that need to be developed to achieve the objectives.

Business development objectives can include:

- identifying new markets and growing the business
- countering the competitive strategies of other businesses
- improving performance.

Regardless of whether the networking is conducted by staff or contractors employed by a business, the 'driver' behind the need to develop a network of business contacts must always be the business objectives of the organisation.

Follow policies and procedures

Organisations expect employees and contractors to comply with their policies and procedures.

Businesses rely on their policies and procedures to direct and guide staff. All employees are obliged to work within certain boundaries and adhere to the standards, policies and procedures set by their employer. This ensures that protocols for communicating with other business contacts are followed to maintain the organisations brand and reputation.

Contract workers developing business relationships on behalf of an organisation may also need to adhere to the organisation's relevant codes of conduct or other standards when conducting networking activities.

A policy outlines its own specific requirements, processes and rules in keeping with legislated requirements such as privacy laws, discrimination laws etc. They are written to support the achievement of the objectives of the organisation.

Procedures are practical guidelines for ensuring compliance. They often align with policies but provide a step-by-step process for doing a task.

Policies and procedures ensure that people:

- treat clients consistently to a desired standard
- act in a certain manner every time when dealing with business contacts
- know what steps to take in all situations, particularly when there is a complaint or conflict
- deliver service in a manner consistent with the organisation's overall goals and objectives
- comply with legal requirements.

For people involved in networking activities, policies and procedures provide crucial information on how a possible network contact should be approached, the recommended methods of communication, responding to enquiries for information, handling potential conflict and conflict-of-interest situations.

Below are examples of policies and procedures relevant to business relationships.

Policy examples	Procedure examples
<ul style="list-style-type: none"> ▪ Code of conduct ▪ Anti-discrimination ▪ Communication ▪ Email usage ▪ Transmission of sensitive data ▪ Confidentiality ▪ Privacy ▪ Copyright ▪ Commercial sensitive information ▪ Social media ▪ Telecommuting ▪ Resource acquisition ▪ Customer service ▪ WHS ▪ Complaints ▪ First aid 	<ul style="list-style-type: none"> ▪ Use of social media ▪ Computer use ▪ Customer service ▪ Staff meeting ▪ Training plan ▪ Emergency response ▪ Consulting ▪ Conflict resolution ▪ Customer service

Networking strategy

A networking strategy will help to maximise the benefits of your networks.

Identifying network opportunities means thinking about how to:

- find new contacts
- maintain a circle of existing business contacts.

Depending on the objectives of the business, different types of networking can be undertaken to achieve different outcomes. According to Business Queensland, there are three types of networks.

Operational networks	Operational networks include direct reports, superiors, people with the power to block or support a project, and key outsiders such as suppliers, distributors and customers.
Personal networks	Personal networks provide important referrals, and people who can offer information and developmental support, such as coaching and mentoring.
Strategic networks	Strategic networks provide opportunities to look at the bigger picture through mentoring, or simply give a different perspective on an organisation.

To effectively use network opportunities, keep an open mind about how each contact may be beneficial. Don't dismiss people because their interests are in a field unfamiliar to you. You never know when their expertise may be useful.

Some contacts may be valuable because they can put you in touch with others. They can be seen as a 'network partner' that you work in partnership with to establish networks.

Every meeting offers a networking opportunity to exchange information and make a contact. Factors to consider in networking strategy include:

- the type of people you are contacting, either internal or external to your organisation
- the resources available to you
- your expectations or the benefits you hope to gain from the process.

Networking opportunities

Opportunities for networking can be found everywhere.

One of the most effective networking strategies is to maintain regular contact with people you have met through your local community. If you make a conscious effort to remember people, ideas and resources, you can draw on this information and use it when you need to.

The types of contacts you may choose to maintain could include both personal and business friends and acquaintances, such as:

- school, college, university or the local community
- current and previous workplaces
- contact lists from a supervisor and other work colleagues
- family
- clubs or associations
- clients or customers
- local businesses
- sporting clubs and community groups.

Here are some possible opportunities for networking.

Individuals

Seeking out an individual person can be an effective networking technique. You may have identified someone who could help you; for example, a person with the potential to become a good customer or someone with resources to assist with a project. Targeting individuals involves focusing on your target, preparing what you are going to say and finding an appropriate opportunity to say it, either through arranging a meeting or touching base in a less formal way. This may be arranging for a lunch or coffee to discuss mutual alliances or interests.

Business relationships don't have to be confined to people outside of an organisation. They may be people employed in the same company who work in different departments. Think creatively about all possible contacts and what expertise they can bring to a relationship.

When preparing a list of possible contacts, do some research and investigate all possible options.

Conferences

Conferences are an opportunity for people working in similar or related fields to come together and share information about their current work, findings and ideas. Thousands of conferences are held every year, representing many industries.

The format of each conference varies. A small conference may last one day and consist of papers presented by different people, with a lunch break where attendees can talk informally. A large conference may comprise a whole week of organised activities.

Conference activities

- One or more high-profile keynote speakers
- Papers presented by various speakers
- Workshops where everyone can participate
- Trade displays
- Debates and forums
- Social activities; for example, a cocktail party or dinner afterwards or as a final activity to close off the conference

Seminars and business functions

Seminars are smaller meetings, generally lasting from an hour to a day. One or more speakers present their work and ideas, and usually invite the audience to ask questions.

Business seminars and functions often structure activities where time is allocated for networking. Seminars offer opportunities to network with like-minded people; conversations that arise from these smaller functions are often very useful for sales and knowledge gathering.

Find information about seminars and business functions from:

- advertisements in trade journals, newspapers and business magazines
- work colleagues
- promotional material from professional associations and universities.

Professional associations

Professional associations are groups that represent the common views and interests of their members. Most industries have one or more professional associations representing them; for example, the accounting industry is represented by Chartered Accountants Australia and New Zealand, CPA Australia and the Institute of Public Accountants. Social media organisations, such as LinkedIn and Facebook groups, provide associations with the ability to form groups and organise their networks online.

Industry organisations usually require members to pay a fee to join, and in return they will have access to networking and training opportunities. Other benefits for members may include newsletters identifying industry issues, meetings and access to industry publications.

Depending on the constitution of an association they may have other roles such as arranging for an advisory committee to review information, canvass opinions or make recommendations to others about a situation or issue of importance to the association. Networking is used in these situations to help committee members understand the concerns and opinions of those affected by the recommendation. Lobby groups can be formally organised professional associations or informal groups of people with a common cause or interest. Lobbying can influence the creation of laws and policies.

Membership of professional associations may include access to:

- publications; for example, a newsletter, journal or website
- regulatory and legislative information
- conferences, seminars and business functions (including networking events)
- the right to use the association's member logo for promotional purposes
- staff training at reduced rates
- special interest groups
- research reports
- business advice
- business contacts.

Industry groups

Professional associations include organisations that are exclusive to one industry, those that are set up to benefit a particular interest group or those that are geographically based. Chapters or subgroups within a larger organisation also cater to the needs or interests of a specific group of people.

Events

Events are often used to bring together interested parties to network and talk at a more social event. For example, a key supplier may invite people outside of their organisation, such as major customers, to a sporting function or an annual dinner where outstanding sales staff are honoured.

Example

Establishing connections

Alicia is an agent for a company that sells cruises and specialist holidays in Scandinavia. She works for herself and has a contract with the company, whose head office is in Copenhagen. Alicia's job is to sell and promote cruise packages to travel agents in Australia and to represent the company here.

At a travel industry lecture and lunch, Alicia is seated with a Danish hotelier and a person who represents Tourism NSW. They exchange contact details at the end of the lunch.

A fortnight later, Alicia is speaking with the sales manager of the cruise company, and this person remarks on the difficulties with the hotel they have been using.

Alicia mentions that she has a contact with a hotel chain that might be interested in new business. She looks up the details and sends them to the sales manager.

A few weeks later, Alicia is pleased to receive an email from the hotel representative she met at the lunch, who has been successful in winning the tender for the business. He is keen to thank her for passing his details to the cruise company's head office.

Practice Task 1

Question 1

Draw a line to match the beginning of each sentence about organisational requirements to the correct ending.

- | | |
|-------------------------------|---|
| » Protocols for communicating | » Ensure the businesses meet their strategic goals. |
| » Policies and procedures | » Find solutions to problems through relationship building. |
| » Business objectives | » Maintain the organisation's brand and reputation. |
| » Networking activities | » Direct and guide staff on their legal requirements. |

Question 2

Match each network opportunity to its example.

- » Local group
- » Individual person
- » Seminars and conferences
- » Professional associations
- » Guest speakers presenting their ideas about the future and inviting the audience to ask questions
- » Groups set up to represent the common views and interests of their industry
- » A sporting club or community group
- » An informal meeting over lunch or a coffee

1B Engage with business contacts

Networking is about engaging with people and finding out about them.

Start by communicating with people and finding out about them, their job role and business activities. Second, decide how the person, their skills or their information could benefit you or your organisation, now or sometime in the future. Third, maintain and nurture contacts so that you can use them when you need them.

Exchanging information

Sharing information is an important part of building a positive business relationship.

Communication is a two-way process and while you are gathering information from someone, they are also gathering information from you. Mutual sharing of information can be extremely beneficial. By sharing information with contacts about network and ideas, you will encourage further sharing of information. This is one of the beneficial by-products of networking.

Once a relationship has been established, it is important to make sure there is a shared understanding of the processes for exchanging information. A communication process may be required for the exchange of information and ideas. This may need to be communicated in writing and verbally.

For example, sensitive issues (including commercially sensitive information) concerning funding, must be handled carefully. The group may decide to set up a collaboration software so they can control access to the information. They may decide they need to have regular meetings, either face-to-face on a video conference, to ensure any communication issues are resolved quickly.

Other sensitive information may overlap into privacy or confidentiality or personal information. In these situations, it may be necessary to seek permission before sharing information. For example, a person should be asked if they agree to having their personal contact details shared with another.

Other procedures that may need to be clarified include:

- all information remaining the property of the group
- how the relationship will work
- the need to report back promptly from any meetings
- expectations for quality and deliverables.

Ways of sharing information with business contacts include:

- in a report or email
- via social media such as LinkedIn
- at meetings
- as part of a verbal presentation
- accessing information from a shared database
- in conversation at an informal meeting, or formal function or event.

Using communication skills

The most effective networkers have excellent communication skills that cultivate and promote a professional business relationship.

The following are skills are essential for networking successfully.

Listen, interpret and evaluate

Actively listen to people you meet. Listening to and sifting through the information you hear and drawing out parts that may be of value are important networking skills.

Be interested

Effective networkers are interested in people and take time to listen to what they have to say, which encourages the contact to disclose information. You can then interpret the information, working out what it means for you and your organisation.

Don't make judgments

Don't make judgments as you conduct your networking; which function to attend, which people to talk to in a room and which people to follow up. The decisions you make will be related to your experience and current needs. Good networkers keep an open mind, as they never know what they might find.

Prepare questions

Good planning involves preparing some questions for specific people. Consider what you would like to gain from a meeting or contact. What questions can you ask to obtain the information? You could ask a friend or colleague for some feedback regarding your questions before you try them on your target.

Manage information

Keep accurate records of contact details and the possible mutual benefits to the organisation of a relationship. Being able to get the information you need when working remotely from an office may require access to a database or online application.

Know the material and audience

Knowing the topic thoroughly makes it easier to talk about when people ask questions. Be prepared with research on how much the contacts know and what they are hoping to learn.

Making contact

Sometimes an initial contact or a follow-up call is made by sending information.

Written communication may be in an email. This must be professional, accurate, written clearly and engaging, and use appropriate vocabulary. Well-written communication gives a good impression and is an effective way to promote business opportunities.

Written communication needs to be of interest and grab the attention of your contact. If it is a first communication, then it may need to outline the purpose of the message and what you are looking for by making contact.

You may include links to social media sites or an article, or attach a newsletter or other marketing material. You may then follow up the initial contact with phone calls, visits or an invitation to meet up. Some business contacts will not respond, while others will take up your offer to find out more and may even become key contacts.

Example

Maintaining regular contact

Staff at Larger Than Life have a meeting with a particular client every three weeks to maintain their relationship and contact with the client. This meeting involves staff in six different locations who all are involved in sales networking activities on behalf of the company.

The company has hired Larger Than Life to investigate possible growth opportunities for their business. Without a sales team in every state, they have engaged the company to identify potential markets and business contacts with the possibility of an alignment or merger.

Skype for Business is used to conduct the meetings. They appoint a mediator and can share documents and use the chat function as required.

A transcript of information discussed and presented during each meeting is provided in the minutes of the meeting. This is placed on SharePoint where each member of the team can access the information and where it is kept as a record of the activities undertaken by the sales staff. The minutes are used to compare the outcomes with the objectives of the project.

Practice Task 2

Question 1

Which of the following statements relate to networking skills? Tick all that apply.

- Listen and sift through information and draw out the most useful information.
- Make judgments about people, the way they look and talk.
- Research how much the contacts know and what they are hoping to learn.
- If emails are professionally worded, there will be a response every time.

Question 2

Select true or false.

A communication process for exchanging commercially sensitive information needs to be agreed upon at the beginning of a business relationship. >> True >> False

Summary

- Networking is used to help an organisation meet its objectives. The 'driver' for the development of networking relationships must always be the business objectives of the organisation.
- Networking can be used to find solutions to problems through relationship building and the use of negotiation skills.
- Policies and procedures help ensure that protocols for communicating with other business contacts are followed so the organisation's brand and reputation is maintained.
- To make the most effective use of network opportunities, keep an open mind about how each contact may be beneficial.
- One of the most effective networking strategies is to maintain regular contact with people you have met.
- Research and investigate the available resources and professional or industry organisations that may be useful.
- Effective communication methods, such as writing clearly, speaking logically, listening and questioning, are essential skills for networking.
- Organise and update information of contacts and possible networks.
- Agree to communication processes to eliminate the possibility of personal or commercially sensitive information being shared without permission.
- Databases allow you to collect the pieces of information about people and other organisations, and make them work for you.

Learning Checkpoint 1

Establish business relationships

Read the case study and answer the questions that follow.

Case study

Sharon has moved from rural Queensland to Canberra as a result of a promotion. The business she works for specialises in pre-built housing modules and wants to grow and expand. Sharon has been asked to identify business contacts in the area who might be suitable for an expansion of the business into the ACT.

She is unfamiliar with the city and has been asking colleagues for contact information. She has some good leads and one colleague shows her a promotion for an industry seminar happening in a few weeks' time. She registers her interest and reads the promotional material closely to see who the speakers are and the companies sponsoring the event.

Before attending the seminar, Sharon prepares to make the most of the networking opportunity at the seminar.

1. Which of the following are ways Sharon could prepare for the event? Tick all that apply.
- Conduct research into key speakers, sponsors and businesses who have registered.
 - Investigate the benefits of a partnership with each business.
 - Become familiar with the current policies and procedures around business alliances and networking activities.
 - Offer her services as a key speaker.
 - Prepare promotional documents suitable to distribute at the seminar.
 - Prepare some questions for specific people who will be attending.

Sharon makes a connection with a potential suitable contact at the seminar. They exchange contact details and Sharon arranges to call next week and arrange a meeting.

2. Which of the following are networking techniques Sharon can use? Select 'Yes' or 'No' for each one.

- a) Ensure she gets a shared understanding of the processes for exchanging information. >> Yes >> No
- b) Encourage her contact to disclose personal information. >> Yes >> No
- c) Carefully write down the contact details. >> Yes >> No
- d) Listen to information and draw out parts of the conversation that will be of value. >> Yes >> No
- e) Keep an open mind to meeting other contacts, as there may be other networking opportunities. >> Yes >> No

3. Which of the following statements relate to locating business networks? Tick all that apply.

- Join a professional association related to the building industry.
- Become a member of the local golf club.
- Ask colleagues for other possible contacts and networking opportunities.
- Post a message on social media about wanting an alliance partner.
- Tell your manager that the business objective is unrealistic and isn't going to work.



Topic 2 | Maintain business relationships

- 2A Use communication skills to establish rapport
- 2B Identify barriers to business opportunities and use contacts to negotiate a solution
- 2C Seek specialist advice

2A Use communication skills to establish rapport

Relationship management is maintaining effective relationships with others.

A business relationship must be based on good communication as well as positive behaviours of honesty, respect, empathy and trust. When such standards of behaviour are maintained, relationships prosper.

Learning to work cooperatively with others is the first step in building rapport with business contacts. You must look for ways to establish connections and build genuine understanding. To establish a new contact you need to adapt to the framework in which that individual or company works, such as their policies, codes and culture of their organisation.

Building rapport

Rapport is the process of building a relationship of mutual harmony and understanding.

People who build rapport have the ability to connect and emotionally bond with other people. Much of a person's perception of sincerity comes not from what is said, but how it is said. When rapport is established, trust and respect can be developed. This will encourage collaboration and loyalty, which is an ideal environment for establishing a business relationship.

Rapport is the key to influence. It starts with the acceptance of another person's point of view and their style of communication. In order to influence, you must be able to appreciate and understand other people's perspectives.

Good communication skills require a high level of self-awareness. This means being able to adjust communication to ensure it continues to be appropriate and effective in a number of different business environments. Rapport means demonstrating the following behaviours.

Authenticity	To be authentic and genuine, there must be a match between the verbal communication and the body language that accompanies the message. By matching words with body language, trust can develop and communication will be shared.
Positive regard	Show respect by having unconditional positive regard. This means accepting the other person unconditionally, without judgment or disapproval. This helps a person feel increased self-regard and value their own experiences.
Empathy	This means understanding and sharing the perspective of another. Having an empathic understanding means that another's perspective or internal frame of reference is recognised and appreciated.
Collaboration	A collaborative relationship demonstrates respect for another's ability to make decisions and choose options that best suit their needs. It involves working together to achieve something. Not collaborating can disempower and diminish self-respect.

Developing trust

When people trust each other, they develop confidence in the capabilities of others.

Building trust does not happen quickly but when there is an environment of trust, problems can usually be discussed, explored and resolved before they escalate. Having trust in another means they can be relied upon. Trust is an important part of business relationships.

Ways that trust is built
<ul style="list-style-type: none"> ▪ Tell people how you feel. ▪ Be open and honest. ▪ Share organisational information appropriately. ▪ Keep confidential information to yourself. ▪ Demonstrate that you are working in the organisation's interests, not solely your own. ▪ Demonstrate that others can depend on you. ▪ Keep promises. ▪ Cooperate with others. ▪ Behave in a consistent way.

Trust can also be rapidly destroyed.

Ways that trust is destroyed

- Act secretly.
- Act suspiciously.
- Be selfish.
- Keep organisational information to yourself.
- Betray the trust and confidence of others.
- Act aggressively.
- Be uncaring or intolerant.
- Be unreliable, unpredictable or inconsistent.
- Ridicule others.
- Disrespect others.
- Make moral judgments about others.

Building and improving relationships

It is important to be aware of your own behaviour and how it affects others.

People can have entirely different perceptions of each other and these perceptions can make or break business relationships. There are several behaviours that demonstrate to others that you understand them and value the relationship.

Behaviours that demonstrate respect

- Show real interest in what the person has to say.
- Provide positive feedback and compliments.
- Be friendly and warm.
- Be genuine and honest.
- Offer help and support.
- Ask for help and support.
- Support decisions.
- Accept individual differences.

Example

An advisor rather than a salesperson

Chris is a successful business development manager (BDM) with a funds management company. His manager, Jan, periodically evaluates the performance of his team and sees that his results are consistently good.

Jan needs more people like Chris in her team. What is his secret? She watches him at functions as he talks to clients, but he seems to be doing exactly what the other BDMs are doing. She talks to him about what he does to create such great business relationships with people. His answers are not really different from those of his colleagues.

So, with his permission, Jan decides to talk face-to-face with his clients (financial planners) and find out why they are so loyal to him and how he manages to bring in such good results every month. She finds that although he is a salesperson with targets and budgets, his clients do not see him as a typical salesperson. They say he is honest and upfront, and always follows up and does what he says he will do within a short period of time. He is more of an advisor and supporter than a salesperson.

Quite simply, it is the way Chris takes the time to build relationship with the clients that sets him apart. By talking with clients, Jan discovers that the other BDMs are not as helpful in their approach and talk more than they listen.

Practice Task 3

Question 1

Which of the following are ways to build rapport and a positive relationship? Tick all that apply.

- Adjust communication so it is appropriate for each different business environment.
- Allow others to make decisions and choose options that best suit their needs.
- Work out what information should be kept secret and not shared.
- Support people who provide positive feedback.
- Accept other people unconditionally, without judgment or disapproval.

Question 2

Draw a line to match each term about business relationships to its definition.

- | | |
|-------------------|---|
| » Collaboration | » Building a relationship of mutual harmony and understanding |
| » Empathy | » Knowing that a person can be relied upon |
| » Rapport | » Accepting the other person unconditionally, without judgment or disapproval |
| » Trust | » Working together to achieve something |
| » Positive regard | » Understanding and sharing the perspective of another person |

2B Identify barriers to business opportunities and use contacts to negotiate a solution

Activities around networking and establishing a relationship with another contact begin with identifying the business development objectives.

A business's development objectives might be to:

- identify new markets
- counter the competitive strategies of other businesses
- improve performance
- grow the business.

Sometimes there are barriers that make it difficult for a business to implement their objectives. Problems can be within the organisation or they may involve external factors that need further investigation. Some barriers reflect the poor planning, lack of a vision or a clear sense of direction, resistance to change or financial pressures that many business experience at some stage in their operations.

Examples of some of the barriers to reaching business objectives are:

- inability to grow the business due to cash flow problems or access to working capital, supply chain problems, lack of staff skills or expertise, or lack of competitor intelligence
- lack of information on market trends of competitors
- not identifying the right customers or nurturing them as profitable repeat business
- not accounting for risk or making contingency plans
- poor vision, mission or unrealistic business plans
- loss of business due to a poor or unresolved negotiation
- lack of staff or the correct staff to lead and innovate or introduce change.

Internal barriers may be:

- losing a supplier to a competitor due to dissatisfaction with service
- work not being completed on time or to the required standard
- people arriving late for work
- lack of resources including staff with particular skills or expertise
- poor information flow.

Using contacts to find a solution

Networking activities aim to develop mutually beneficial relationships.

Business contacts can provide valuable information and contacts. They might know of a useful contact to help fill a new position. For example, a network connection may provide a connection to a contact such as:

- an experienced employee to fill a skills or knowledge gap
- a supply chain company that can help with a short-term distribution problem
- a contact for finance or for an alliance

They may also be willing to provide information or knowledge based on their experience or expertise. A network connection might also provide advice, such as:

- expert/specialist advice on a business problem or how to prioritise opportunities and challenges
- industry information on current trends and future predictions
- how to develop a clear vision or goal
- ways to factor in time for business development
- ways to recognise and reward business development and sales success
- best practice sales management practices.

Building business alliances

A business alliance is where two or more organisations come together to create benefits for themselves or their customers and, in doing so, create an advantage for each other.

Often alliances are formed between extremely different organisations (such as petrol stations, supermarkets and credit cards, or banks and supermarkets), yet they can also be formed between similar organisations (such as airlines or internet search engines) and those linked by a supply chain (such as materials providers, manufacturers and distributors).

Many alliances make decisions by voting, so the process of decision-making may be prolonged and may result in conflict. Therefore, negotiation skills are vital in the building of business alliances.

Negotiating

Negotiating involves settling on an agreement or idea where everyone gets a share of what they want.

This is reaching a mutually satisfactory agreement, commonly known as a win-win situation. For this to happen, there must be mutual trust, honesty and integrity from both parties. Part of the work in nurturing a business contact is reminding each other of the things that each party values in the relationship and the benefits from the relationship.

Useful negotiating skills

- Active listening
- Questioning and clarifying
- Communicating openly and positively
- Assertiveness
- Acknowledging feelings and emotions
- Collaboration
- Bargaining and making offers and counteroffers to create solutions
- Conflict reduction
- Stress management
- Empathy

Using problem-solving techniques to negotiate

Before you begin to negotiate, you should have a good understanding of the objectives or purpose of the relationship and what you hope to achieve.

When networking begins, the planning and organising tasks involve building networks to help meet the business development objectives. This involves working together to find a positive outcome and workable arrangement that is agreeable to everyone.

Negotiation is a skill that requires the parties involved to find common ground among the different attitudes, needs and motivations of each party. When reaching out to another business or organisation, you want to establish a mutually beneficial relationship. You represent your organisation, and your business contact will have expectations about the relationship and what it is you are willing to give in return.

Here are some key considerations of a successful negotiation plan.

List the issues

List the issues to be negotiated. One party's priorities may be different from another's. What issues should be avoided? There is no point in bringing up issues that are not relevant to the current aims.

List the priorities

What issues are more important than others? Rank items in order of importance, so the crucial issues are dealt with first. There will be some things you need to have (you won't come to an agreement without them), others you would like to have (you'll work hard to get them) and trade-offs (areas where you are willing to bargain and concede to the other side).

Ask questions

What questions need to be asked? Use the facts of the situation as a basis for your questions. Use questions to find out as much as possible. Knowledge is powerful. Are there outside influences affecting the negotiations? What other information may be relevant?

Be assertive

Being assertive means being confident enough to state what you want. By stating a position, there is less likely to be confusion over what you will concede or the outcome you are working towards.

Implementing the negotiation plan

Once research has been conducted, the negotiation plan can be put into action.

Begin with a few minutes spent on introductions and scene-setting before beginning. People should be made to feel at ease, which encourages agreement.

Throughout the negotiation use active listening skills, such as paying attention to what the other person is saying, focusing on them, making eye contact and acknowledging what they are saying by nodding or using 'verbal nods', such as 'I see'.

Here are examples of how you may proceed during the negotiation.

Defining your objectives

Develop the objectives or goals of the negotiation. Clearly stating what you hope to achieve from the negotiation assists in ensuring your negotiation strategies and techniques are geared towards achieving your goals. By defining the objectives, you are finding out about the other party's goals and expectations.

Negotiating
Start the negotiations using the plan and prepared questions to guide you. It may be useful to take notes. Refer to your plan frequently to make sure you stay focused on your goals. Be flexible, open and reasonable. Discuss the issues, with each party stating their position. Each party will try to persuade the other side to agree with their point of view.
Expressing disagreement
If disagreement occurs, think about how you can turn it into something positive. When conflict is dealt with effectively, it brings people closer together.
Reassessing
You need to confirm, at an appropriate stage, what has been discussed and where the two parties stand. It is useful to go over areas of common ground and restate the objectives you are both aiming for. Both sides may need to make compromises in order to reach an agreement.
Reaching agreement
An agreement must be settled on by both parties. Everyone must be clear about what has been decided. It is best to put your agreement in writing, confirming the actual wording with the other party. The two sides can then sign off on what they have achieved.
Reviewing
Reviewing what has happened can be useful to establish whether you have achieved your objectives, where you may have gone wrong and what you could learn from the experience for next time, as well as what you did well and how you could repeat that success in the future. It is a good idea to take notes and document the negotiation.

Problem solving

If a problem arises in the relationship with a business contact, it needs to be handled in an appropriate manner.

If handled well, the relationship will be stronger and lead to greater understanding. This begins with listening carefully to the problem and letting each person respond in turn.

Problem solving involves the following steps:

1. Identify sources of conflict.
2. Identify the problem.
3. Analyse the problem.
4. Develop options.
5. Choose options.
6. Act on the chosen options.

Analyse the problem

Solving a problem requires some analysis. It is easy to jump to conclusions and base a response on incorrect information. Analyse the potential causes of the difficult situation. Causes for problems can be complex and varied.

For example, if someone is not completing work to the required standard, it could be that the person has never been made aware of the standards expected or they lack some of the skills required to complete the work. The person may have more important work competing for their time or have inadequate equipment. In this situation you need to analyse the needs and fears of those involved. Talk to them and find out how they view the situation. What do they really want?

Different types of conflict

- Discomfort – you sense that people are not happy, something is wrong.
- Incidents – minor outbursts often indicate suppressed conflict, with the reason for conflict being unrelated to the minor incident.
- Misunderstandings – problems can arise from poor communication or imagined conflict.
- Tension – negative and inflexible attitudes exist, or perceptions of the situation are distorted.
- Crisis – extreme behaviour is evident, both verbal and physical.

Develop options

After analysing a problem, seek possible solutions. Be creative – the more ideas for solutions, the better. There are many ways to react to difficult situations, some better than others. You need to determine the most appropriate reaction to each problem. It may be important to involve the network contacts in discussing options. It may be that a straightforward suggestion is made that everyone agrees to.

Use persuasive language and agree to an outcome

A person skilled in networking can ‘read’ and interpret the communication cues of others. They can adapt their responses according to the needs of the person or group. Persuasive language can be used to state a position, bring about action or summarise the ‘feeling in the room’.

Persuasive technique	Description
Appeal to the needs of the person/group.	Some theories suggest people are motivated by unfulfilled needs, such as a need for financial security, success or belonging. Targeting the specific needs of individuals and groups will provoke a desired response or behaviour.
Point out the benefit of your solution/idea.	The person or group needs to hear how they will benefit from the solution or idea, compared to the current situation. Motivating factors such as the benefits of leadership, pride, self-respect, recognition, security and reward work well. For example, a new work process could be sold on its greater efficiency, leading to reduced workload for employees. In a group situation, when one member is convinced of the benefits of a change, this can have an impact on others in the team.
Make concessions and negotiate.	When a big change or adjustment is required, it may be necessary to make concessions on certain points. In preparation for a negotiation, you need to identify the aspects of the proposal or idea that are not essential to achieving your objective. These can then be 'traded' for other aspects that are essential to the success of your idea.

Here are some more persuasive practices to incorporate into your negotiation.

- Deliver information with confidence.
- Handle questions authoritatively.
- Create a welcoming environment where everyone feels comfortable to make a contribution.
- Make the audience the focal point for references and examples.
- Discuss problems and ask others to provide a solution.
- Be consistent and repeat key messages.

Act on chosen options

The work done must be followed through with action. Many negotiations fail because the solutions chosen are never implemented.

Make sure all parties understand the proposed solution and are clear about what their responsibilities will be. Document the tasks that need to be done, who will do them, when they will be done, and how and when progress will be reviewed. When solutions are found, these can be seen as constructive and result in a range of positive outcomes, such as improved work practices, better communication, new ideas, more motivated staff and increased self-awareness.

Practice Task 4

Question 1

Which of the following are techniques for negotiation? Select 'Yes' or 'No' for each one.

- | | | |
|--|-------|------|
| a) Develop a plan with a list of issues, priorities and questions. | » Yes | » No |
| b) Aim for a win-win situation. | » Yes | » No |
| c) Never give ground by agreeing with the other party's point of view. | » Yes | » No |
| d) Make a verbal agreement and sign off at a later date. | » Yes | » No |
| e) Shut down the negotiation at any sign of conflict. | » Yes | » No |
| f) Persuasive language can be used for explaining a position. | » Yes | » No |

Question 2

Number each step from 1 to 6 in the order you would follow to solve a problem.

- Choose options.
- Act on the chosen options.
- Identify sources of conflict.
- Identify the problem.
- Analyse the problem.
- Develop options.

2C Seek specialist advice

Contracts and agreements are legal documents that can be a written document or a verbal promise.

According to the Australian Government's business webpage, written contracts provide more certainty than verbal contracts.

A memorandum of understanding (MOU) is sometimes used as an interim written agreement, outlining the framework or key terms they will later be included in a formal contract. It brings the parties together to discuss and agree on terms and conditions for their business relationship, and ensures all parties are on the same page. Generally speaking, the MOU is not legally binding.

It is unlikely that you would have the authority to sign a contract on behalf of an employer. A manager can provide information on the protocols for business contracts. There may be a process to follow in terms of who can sign a contract and who in the organisation needs to receive copies. In many cases, a contract needs to be viewed by several departments within an organisation, such as the executive team, legal representative or board of directors.

When a contract involves a long-term arrangement or where larger amounts of money are involved, it is recommended that advice be sought from an industry association lawyer, business advisor or other expert. These specialists may be employed by an organisation or they may act as consultants, and they review documents before they are signed.

Expert business advice is available from the Australian Government business website here: aspirelr.link/business-expertise-advice

Develop expertise

Seek opportunities to develop expertise and identify areas for professional improvement.

The following are some ideas for ways to develop your expertise in writing contracts and other ways to improve your business skills.

Ask for help
Speaking to experienced people, such as a manager, can help identify how to manage relationships. Be prepared with questions to ask, such as: 'I'm not sure how to advance the relationship once it is established, so how can I demonstrate that they can trust me?' and 'What can I do to maximise the benefits to our organisation?'
Gain feedback
You could ask a manager to monitor your work to help you identify your own qualities and behaviours, and any weaknesses that may affect your ability to develop contacts. Develop one aspect at a time, such as the way you approach people or the strategies you use to negotiate with a contact who has misunderstood you.
Make observations
First impressions are important. Watch others in action at conferences and meetings to see how they use their expertise to approach and develop a contact's confidence and trust. Make notes, then practise when attending your next networking event.
Gain professional experience
Join a professional industry association to get access to a range of services, such as journals, special interest groups, and training and business advice.
Seek specialist advice
When developing a contact but the technical knowledge required in the specific area is not available, identify who the most appropriate person might be – either within or outside the organisation – and make an appointment to speak with them. Be prepared with the questions and the specific specialist advice needed.

Practice Task 5

Question 1

Which of the following statements relate to seeking specialist advice? Tick all that apply.

- A specialist can fill a knowledge gap, such as writing a contract.
- A manager can offer advice based on their experience.
- Asking lists of questions will make you an expert.
- Its good practice to seek advice about a contract from a lawyer or business advisor.
- A MOU is part of a contract and is legally binding in a court of law.

Summary

- Business relationships must be developed and maintained in order to provide benefits for the organisation.
- The trust and confidence of business colleagues must be gained by being honest with people, sharing organisational information appropriately, keeping confidential information to yourself, supporting and cooperating with others, and demonstrating that others can rely on you.
- You need to be careful as there are many ways you can lose the trust and confidence of colleagues. Effective negotiation skills may be required to maintain business relationships.
- When undertaking negotiations with business colleagues, negotiations should follow a process of getting to know each other.
- The skills required when negotiating with business colleagues include active listening, questioning and clarifying, communicating openly and positively, acknowledging feelings and emotions, reducing conflict and empathising.
- To resolve difficult situations and conflict, you need to identify the sources of conflict, identify the problems faced, analyse the problems, develop options to resolve the conflict, choose an option to resolve the conflict and then implement that action.
- You may need to seek advice from a specialist.

Learning Checkpoint 2

Maintain business relationships

Part A

1. Which of the following will help improve skills in maintaining a business relationship?
Tick all that apply.

- Your behaviour outside working hours has no bearing on your business or professional relationships.
- Seek advice on writing contracts when you don't have the authority or experience.
- Speak to experienced people, such as your manager or other specialists, about how they manage relationships.
- Observe other people's behaviour at business functions or conferences.
- Continue doing what you are doing, and hope things get better with experience.

Select true or false for the following questions.

2. Sometimes financial pressures make it difficult to implement a business objective such as taking on more staff. » True » False
3. Business contacts may offer solutions to problems such as a distribution problem. » True » False

Part B

Read the case study and answer the questions that follow.

Case study

Emily heads a project management committee of three colleagues along with Ross, who is part of her external network, and Mai, who is representing a government agency. Emily needs the committee to reach an agreement on how to apply for funds for the project and to negotiate the different roles for managing the project.

Emily sets up a meeting and is prepared with a list of questions and discussion points.

As the meeting gets under way, it becomes clear that each party has a different opinion about their role in the project. Ross queries the time frames for each phase of the project and argues that they are not feasible. Two others agree. Mai explains the funding process they should follow, and immediately one of her team interrupts and starts talking about previous unsuccessful applications.

The discussion is becoming heated, but Emily makes sure everyone has their say.

1. Draw a line to match each communication technique Emily can use with its example.

- | | |
|--------------------------|--|
| » Be an active listener. | » Match words with body language. |
| » Develop trust. | » Allow others to make decisions and choose options that best suit their needs. |
| » Be authentic. | » Show that a person can be relied upon. |
| » Collaborate. | » Show real interest in what the person has to say by asking questions, making eye contact and confirming her understanding of what they are saying. |

2. How could Emily use problem-solving techniques in her negotiation? Tick all that apply.

- Identify the problem by listing the issues and priorities.
- Find common ground among the different attitudes and objectives of each party.
- Look at different options and compromise in order to reach an agreement.
- Review what happened and whether her objectives were achieved.
- Take notes so she can do the exact same thing next time.
- Be assertive and insist on getting what she wants.



Topic 3 | Build and improve business relationships

- 3A Use strategies to promote and represent organisational interests
- 3B Participate in formal and informal networks
- 3C Communicate relationship issues to organisational personnel
- 3D Seek and respond to feedback

3A Use strategies to promote and represent organisational interests

Contacts bring significant benefits both to the organisation and to you personally.

The success or failure of an organisation can be directly related to how well it manages its business relationships. It is essential to allocate time to ensure business contacts feel valued. To gain the greatest benefits from a relationship, it should be nurtured consistently, and this should become part of the way business is conducted.

The strategies chosen to maintain business contacts depend on what the business hopes to achieve (their objectives) and who is being targeted. Different strategies require different resources such as time, money and human resources.

Consider your areas of expertise. You may be able to offer support and advice to other businesses or speak at events on the topic. This can help raise the profile of the business and increase their visibility.

Making contact

The purpose of the message is to act as a reminder of the shared interest and value of the business relationship.

The method used to make contact will vary. For example, information in an email may be sent to a contact to:

- alert them to your latest products and services
- share a recent industry or government study or report that would be of interest
- invite them to join you at a seminar or event.

Each of these activities promotes the organisation by keeping it in the mind of the business contact.

Often personal calls, visits or invitations are used as a follow up to an email or casual meeting. The protocols for following up a contact must be tailored to the business and follow organisational standards. For example, an event may require a RSVP and so it may be appropriate to confirm the business contact is able to attend. If sending a bulk email to contacts, such as a newsletter, ensure virus protection is in place and your email is not recognised as spam, and you don't inadvertently spread a computer virus.

Online/social media networking

Treat online or social media networking with the same detail and care as you would a face-to-face networking relationship. Communication cues are different online. Networking is part of business activity and so all communication needs to be kept professional, and basic courtesies still apply. Online networks or groups can be found through industry and business associations or by searching online via social media, such as Facebook or LinkedIn. A good place to start is by asking colleagues, customers or suppliers or others in the industry what groups they use.

Be prepared

Before attending a networking event, prepare what you want to say about your business.

- Make a list of ways the businesses can benefit each other and any features that make the business stand out. Ask colleagues or a manager to help develop your key points and make the message clear and succinct.
- Make sure that you research the people and businesses you'd like to meet. They may offer to listen to your pitch.
- Arrange a suitable time for the business contact to respond and tell you about their business. Remember, networking is a mutually beneficial relationship.

Appropriate strategies

Some communication strategies yield immediate results, while others take longer to produce benefits.

Choosing the appropriate strategy for the purpose will become easier as you gain experience in networking. There are many ways to cultivate beneficial business networks.

Here are some tips:

- Act quickly and efficiently on any referrals you are given. It's important to follow up with people soon after a meeting so that you are still fresh in their minds. Make sure you deliver on any promises you make, whether it's a phone call or a special offer.
- When you contact other businesses, make sure you know who the key people and decision-makers are. Talking to the right person will save you time. Not talking to the right person may mean you get passed around or your email is sitting in an inbox before someone follows up or forwards it to the right person.
- Remember, when people give you the names of others to contact, your actions are a reflection on them. Make sure you do not act in a way that reflects negatively on the person referring you.
- It is important to make sure the information you receive is accurate, current and unbiased. Verify information by checking authenticity and currency before acting on it.

Make effective use of information

After making new contacts, retain and update information. After attending a meeting or meeting a potential contact, record the networking activity, including details about who was contacted or in attendance and possible ways to use the information. Include initial follow-up reminders, noting when to contact the people and why.

Technology such as smartphones and cloud storage make it easy to record, store, sort, retrieve and analyse information. You can record the details of a casual meeting or some snippet of information about a competitor's product, market intelligence and other network information in a database.

Databases allow you to collect different pieces of information about people and make them work for you. Social media databases like LinkedIn can provide you with a way to organise the groups or people you are networking with and assist in promoting your brand and reputation.

Databases can be relatively simple, such as an electronic organiser or address book where you record people's contact details and when you last contacted them. A more complex system, like a database for recording sales prospects, may record a larger range of information, such as name, address, business interests, every interaction with the contact over time and their responses to the interactions.

Think about how you can improve the ways you manage contact information by inputting more detail, checking the accuracy of the data and regularly checking the database.

Keep a schedule or set up reminders in email calendars of when a contact needs to be contacted.

Information on a contact includes:

- name of the event or who introduced you
- the name of the organisation
- the name of the contact
- the type of work they do or their job title
- what their organisation does
- who and what they know, such as further introductions or contacts they suggested
- how the information can be helpful.

Example

Make time for networking

Riley is one of three project managers at a building and construction company. The company has recently been struggling to gain any new business. Riley's company is suffering financially and, as a result, he has had to let a number of staff go, including the two other project managers.

Riley is now the sole project manager and has been busy supervising the company's remaining projects.

Riley is invited to a one-day construction-industry networking function. He is reluctant to attend because he is too busy. His manager persuades him to go the function to reconnect with some of the company's important business contacts who will also be attending.

Riley allocates time in his work schedule to prepare for and attend the networking function.

On the day of the function, Riley talks with some other building and construction consultants during morning tea. Through the informal chat he finds out about a number of upcoming tenders for new projects that haven't yet been formally announced or advertised. This information gives Riley and his company an advantage over their competitors as they can anticipate and prepare for upcoming project opportunities that could bring significant financial benefits to the organisation.

Practice Task 6

Question 1

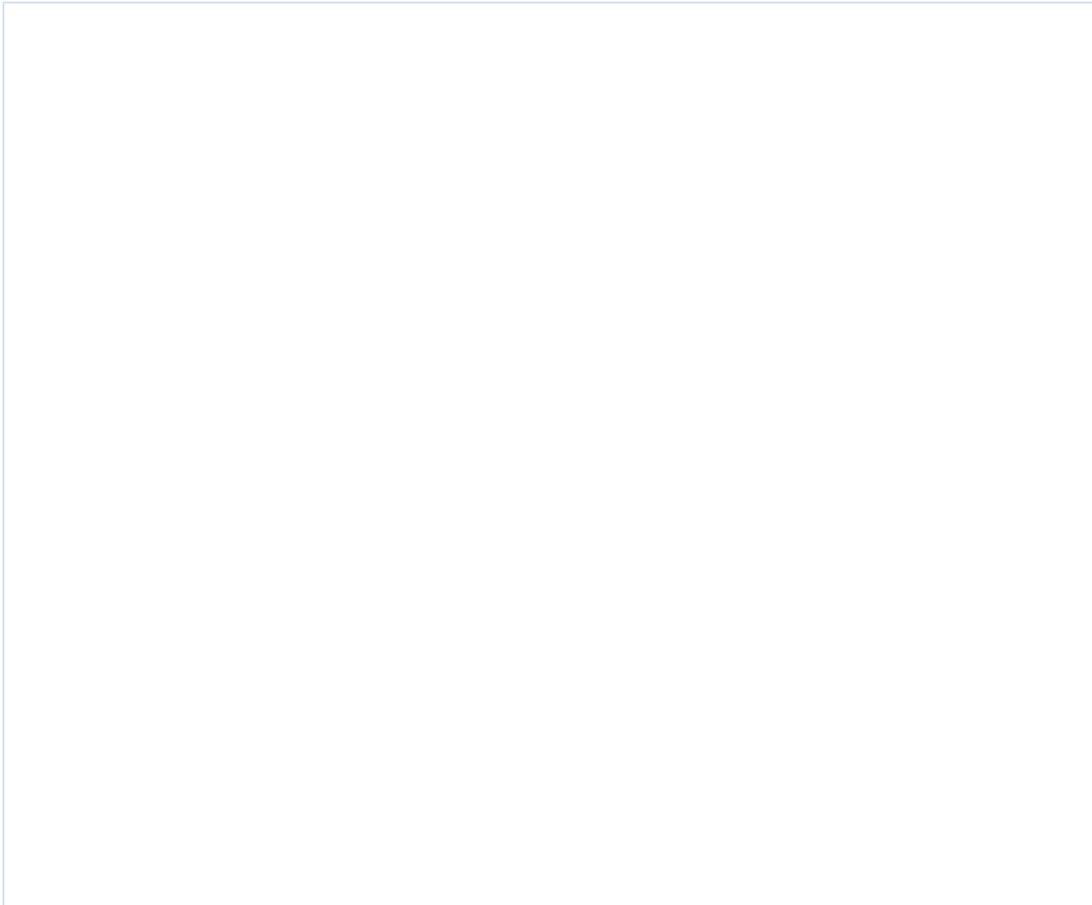
Which of the following promote the organisational interests when networking?

Tick all that apply.

- Offer to speak at an event as an expert in the field of networking.
- Send emails to contacts as a reminder of your shared interest, such as an interesting industry article.
- Join all online networks and groups that have a link with the industry or business contacts in your database.
- Be prepared with research on the people attending the event and what you want to say about your business.
- Identify the key people and decision-makers so you speak with the right person.

Question 2

Identify three things to consider when representing your business at a networking function or event.



3B Participate in formal and informal networks

These two types of networking are not mutually exclusive because you may be targeting a specific contact at an event but also introduced to other valuable contacts who are worth following up.

Formal communication passes through defined channels. These are strategic and focused because a specific business or contact has been targeted and the meeting or communication is planned in advance.

Informal networking happens spontaneously. For example, a person may be speaking to a supplier or colleague, and they mention they know of a person who may be of assistance or worth contacting because of their experience or expertise.

Here is some information about formal and informal networking opportunities that can be used to promote business.

<p>Conferences, trade fairs, seminars or industry functions</p>	<p>You can find out about upcoming conferences and trade fairs by:</p> <ul style="list-style-type: none"> ▪ researching online ▪ looking for advertisements in trade journals, newspapers and business magazines ▪ hearing about them from colleagues ▪ receiving conference promotional material.
<p>Professional associations</p>	<p>These organisations act as bodies for professionals working in the same or similar fields. They can define the profession and assist members with ongoing learning, quality control and research. They help maintain standards within a profession and provide professional development to members.</p> <p>Here are some examples of types of professional associations and groups.</p> <ul style="list-style-type: none"> ▪ Society of Automotive Engineers ▪ Australian Human Resources Institute ▪ Australian Library and Information Association ▪ Australian Institute of Office Professionals ▪ Association of Australia Rural Nurses ▪ The Institute of Chartered Accountants ▪ Master Builders Association

<p>Partnerships</p>	<p>Some organisations seek to establish organised and productive relationships or alliances with other organisations and groups, in order to achieve common goals. Partnerships or alliances may be with other organisations, suppliers or community groups.</p> <p>Developing partnerships with other stakeholders may provide more accessible services for mutual clients or help share facilities, expertise or knowledge. Some goals of partnerships are:</p> <ul style="list-style-type: none"> ▪ providing assistance to others for philanthropic or social development reasons ▪ obtaining access to overseas markets ▪ strengthening links with community sectors, cultural groups, people with special needs or local community groups ▪ establishing cooperative buying or supply arrangements ▪ working in a business partnership for mutual benefit.
<p>Professional networks</p>	<p>Professional networks and associations help engage with industry and establish professional contacts. Examples of types of professional networks are:</p> <ul style="list-style-type: none"> ▪ work teams, such as an accounts team, a sales team or a warehouse team, who have specialised knowledge or skills ▪ suppliers of products and services who can introduce a business to other providers ▪ other organisations such as manufacturers, marketers, purchasers, supporters, advocates and regulators who each have their own industry organisation ▪ government agencies such as Austrade, AusIndustry and inter-agency groups within local, state and federal government departments, who can provide contacts, networking opportunities, funding, information, support and advice that may help a business grow.
<p>Individuals</p>	<p>An effective networking strategy is to target individuals who may be able to assist you and your organisation. If an individual has the potential to become a valued client or help with a particular project, you might approach them 'cold'. This means contacting them without prior introduction or warning.</p> <p>Think carefully about the reason you are approaching them, how they can help you and how you can help them.</p> <p>Consider the most appropriate way of approaching them, such as at a function, by email or telephoning to arrange a short meeting at a convenient time. Be sure to plan what you are going to say and prepare some questions.</p>

Online networks	<p>Online networking can provide lot of new contacts. However, be aware of the authenticity of these contacts, as well as the etiquette that dictates how you should communicate within the group. Check the frequently asked questions (FAQs) to determine what is appropriate within the site. Be very careful also about confidentiality. Never reveal private information or speak about your organisation's confidential operations online.</p> <p>The 'Our Community' website offers practical resources and links between community networks and the general public, business and government.</p>
Social media networks	<p>Social media sites provide an open service online where anyone with a valid email address can register. Users create personal profiles describing where they are from, where they work, where they have studied, and any other information they choose to share.</p> <p>Social media sites provide good opportunities to share information, educational resources, ideas and opinions. Facebook, Twitter and LinkedIn are popular social media sites used by people from all over the world to connect with others. Most relevant to the commercial world is LinkedIn, which incorporates social activity, but is mainly used for professional networking.</p> <p>Consider the following things when using social networking: Users are required to constantly update their profiles and connections.</p> <ul style="list-style-type: none"> ▪ Users are required to pay for premium use. ▪ There is a risk of associating with 'fake' profiles. ▪ Users may exaggerate their skills and experience. ▪ Resources and information accessed may not be credible.

Actively participate in networking

Be an active participant at any networking event.

According to Business Queensland, there are several ways to get the most out of a networking event and be an active participant in the promotion of a business to others.

- Arrive early and join in groups as they are forming. Meeting one person at a time is often less daunting than meeting a crowd.
- Give your card to people you have engaged with, but keep in mind that networking is about building relationships, not just handing out business cards. If you have made a promising connection with someone, they may prefer to add your details to their phone than take a card.
- Avoid messy finger food and alcohol. Holding a drink and food can make it difficult to hand out or accept business cards or shake hands with people.
- Follow up all new contacts, by email, phone or newsletter, or make arrangements to meet again (e.g. for coffee).

- Avoid using gimmicks to get noticed. They might help people remember you, but it could be in a negative way.
- Talk casually about yourself and make sure you ask other people about themselves and their business. You don't need to be overly formal with people, just be polite and avoid being too overbearing and doing the 'hard sell'.
- Shake hands confidently, and smile and look people in the eye when you talk to them.

Making a connection

There's nothing wrong with a simple 'small talk' comment to start a conversation, such as, 'Great venue, isn't it?' or 'What did you think of Jenny's presentation?' or 'Do you mind if I join you?'

What you know can be just as important as who you know. Let people know that they can contact you for the latest information on whatever is relevant to your field. Take the initiative to share knowledge with others. However, don't share any commercially sensitive information or probe for information that is likely to be confidential. Try to keep conversations away from controversial subjects, and social and personal issues, and keep discussions non-political.

Maintaining the contact

For many people, networking doesn't come easily. They may find it difficult to locate new contacts or to keep in touch and maintain the relationships already developed. There is a limit of time where a business contact has not heard or had a response from an organisation, before they decide that the relationship is not worth pursuing. They may even seek another contact.

Reasons for not maintaining a network relationship may be due to:

- time constraints
- lack of confidence
- people leaving an organisation
- a change in focus and therefore a change in business development objectives.

Example

Establishing connections

Ella works in the HR department of a national manufacturing company. She perceives her role as just getting her work done well and on time. When her manager asks her to attend a seminar run by a professional association for people working in HR, Ella is sceptical and cannot see how it is relevant to her job. At the seminar, she is interested to learn about new global developments in HR, which could mean that her role will become more interesting over the next year. She also starts chatting to Rebecca, who is sitting next to her. They are about the same age and have similar jobs.

After that positive experience, Ella decides to join a special interest group for people with job roles similar to her own, organised by the professional association. The group meets once a month. At each meeting, they listen to an invited speaker and then stay for dinner. Rebecca has also joined the group and the two of them have both made further friends and acquaintances with similar work and personal interests. They have exchanged email addresses and Ella finds the group is a valuable resource when she needs advice or information.

Practice Task 7

Question 1

Which of the following statements are correct about formal and informal networking?
Tick all that apply.

- Contacting a person 'cold' is an example of formal networking.
- Bumping into a contact at an event is informal networking.
- Sharing an idea or opinion on a social media site is formal networking
- Sending an invitation to a business contact for a professional development workshop is formal networking.
- Asking a contact their opinion on a political matter is an example of informal networking.

Question 2

Select true or false.

'Small talk' comments have no place in a professional business relationship. » True » False

3C Communicate relationship issues to organisational personnel

One of the most constructive ways of resolving issues and minimising damage to important relationships is using effective communication. This needs to be done in a timely manner.

There are many issues that will arise through any relationship and these are to be expected. Some of the issues may arise as a result of:

- poor communication, such as:
 - too much correspondence
 - lack of communication
 - unprofessional communication
- lack of trust, such as:
 - confidential information being given to an unauthorised person
 - leaking of commercially sensitive information
- unprofessional conduct with business contacts, such as:
 - making contact without permission or using a contact provided by another person and not forewarning the person that this was going to happen
 - exaggerating a business relationship to be more than it is or before a formal relationship has been established
 - using influence to poach a client of supplier
 - not sharing information or keeping information secret
 - not collaborating on decisions that affect both parties
 - being unreliable by not following up on promises or commitments
 - giving poor or incorrect advice
 - showing disrespect by being judgemental or speaking negatively about other people.

Many of these issues can seriously affect a relationship and should be avoided. If strategies and protocols for a business relationship are discussed and agreed upon at the beginning, these can be avoided.

Communicating issues

The seriousness of an issue will determine who in an organisation needs to be involved.

A serious breach that risks damage to the relationship will need to be shared with a manager or executive team or board of directors. Some issues may be able to be dealt with within a department or work team. For example, the control of the amount and frequency of marketing material being sent to a potential contact would need the input of the marketing team. If a person is not following up on promises or commitments, it could be discussed with a direct report or manager.

Involving the expertise of a department such as People and Culture or a legal department will help. They can provide advice on ways to repair and contain damage to reputation, a breach of confidentiality or commercially sensitive information, or a complicated contract.

Ways to communicate

The way information is shared within an organisation will be decided according to established procedures and processes.

This may include:

- in a report or email
- formally in a face-to-face meeting.

Usually there will be some actions that arise from a meeting to resolve an issue. These must be recorded in the minutes of the meeting. Actions can be allocated with specified reporting timelines and details of the follow-up meeting. For example, it may be determined that advice from a legal representative or marketing manager needs to be sought. A follow-up meeting can then be organised to capture their suggestions.

Practice Task 8

Question 1

Which of the following statements are correct? Select 'Yes' or 'No' for each one.

- a) Leaking of commercially sensitive information would need to be reported to senior management. >> Yes >> No
- b) Confidential information being shared with others outside of the business relationship would need to involve management. >> Yes >> No
- c) An incident of disrespect can be described on social media. >> Yes >> No
- d) A potential business relationship should be promoted online as soon as discussions begin. >> Yes >> No
- e) A formal face-to-face meeting is a useful way to discuss a serious issue. >> Yes >> No

3D Seek and respond to feedback

Continuous improvement is a cornerstone of business. Feedback is an important tool for monitoring performance.

Feedback must be provided to management so they can monitor the quality of the organisation's business relationships. This feedback may come from business contacts themselves, or you may be required to provide information on the relationships with various business contacts to management.

Feedback can be used to highlight:

- issues that need to be overcome
- areas where the relationship can be improved
- areas where the relationship is particularly fruitful and mutually rewarding.

When a need for change or improvement is identified, there may be several people and groups in the organisation that need to be provided with the information and a meeting arranged for a discussion. You may need to report to client service representatives, senior management, other departments within your organisation, committees, suppliers, contractors or external organisations.

Seeking feedback

Management may require further investigation to gather more information regarding the feedback.

Constructive feedback is suggestions that encourage change or corrective actions. This can be mostly positive but can also contain suggestions for improvement. Positive feedback is easy to absorb because it means keep doing the same thing. When you receive negative feedback, it needs to be viewed as an opportunity to improve performance. Feedback may come from a supervisor or management or from a business contact themselves.

Management may wish to investigate the success of promotional and networking activities and use the information to train staff and improve practices.

The method used to gather information needs to have clear instructions, and be brief, easy to complete and relevant to the type of business contact and the type of relationship. For example, some business contacts don't know much about the operations of your organisation as this is not relevant to their relationship with the company. Other contacts will be able to provide more insights because they have a more intimate understanding as a result of long-term and well-established business interaction.

Remember that businesspeople are busy and may be put off or reluctant to be involved in a long and drawn-out feedback process. For example, if they already feel overwhelmed with emails inviting them to events, they won't want to spend much time giving feedback. The business contact can be given some options for the way they can give feedback, but the method chosen rests with the organisation as it will need to devote the resources, such as time, money and staffing, to collect and interpret the information gathered.

Here is a summary of different ways to collect feedback:

Feedback forms	These are usually voluntary and completed online. A business contact can be encouraged to complete a form or it can be sent to them to complete and returned via email.
Surveys	<p>Surveys are used to collect both qualitative and quantitative data for the organisation. A survey targets a defined population of respondents (your existing or potential clients) to obtain their thoughts, opinions and attitudes on a range of issues.</p> <p>Survey questions are structured and standardised so every respondent answers questions in the same way. This reduces bias and ensures the feedback is reliable and valid. Surveys can be:</p> <ul style="list-style-type: none"> ▪ research-administered, where the questions are administered or read to the respondent by the researcher ▪ self-administered, where the respondent answers the questions themselves in their own time ▪ online, where the client is sent a questionnaire either by email, via a link to the company's website, or after chatting online with a client service representative.
Informal feedback	Often the easiest way to elicit feedback is through casual conversations with business contacts. Informal feedback from clients can be gathered from telephone calls, emails or casual meet-ups.
Interviews	<p>Interviews may be performed in person at the organisation's premises or on the telephone. Having a representative of the organisation conduct the interview enables better control over the feedback process, as the interviewer can guide and assist the client through the interview process.</p> <p>Interviews allow the organisation to drill down on particular issues and explore them in depth.</p>
Focus groups	A focus group brings together a group of people to seek their attitudes and opinions. They are an effective way to obtain feedback because the group can explore issues the organisation may not have considered. A facilitator guides the group through a series of questions and keeps them on track. Drawbacks are that they are time-consuming to organise.

Third-party feedback	<p>Obtaining feedback from third parties, such as consultants, suppliers, contractors or industry bodies, is a useful way to measure service performance. They may also be valuable and independent sources of information on how clients perceive the organisation and its reputation in the industry. Satisfaction levels on the following topics could be the purpose of third-party feedback:</p> <ul style="list-style-type: none"> ▪ communication ▪ planning ▪ conflict resolution ▪ negotiations.
Secondary research	<p>There are many reliable forms of client service performance data that already exist within an organisation. This is secondary data; that is, data originally collected for another purpose, but also useful for providing an analysis of client service performance. For example, the marketing or sales department may already have data on different customers or the frequency of sending out marketing materials.</p>

Implementing changes

Business contacts will be encouraged by seeing that their feedback has been taken seriously.

Some changes or improvements can be implemented immediately. They may include small things, such as a change in processes for the way networking is undertaken, or where and how contacts are made.

Some improvements may take longer to organise and involve several steps, including obtaining an approval or budgetary sign-off, before they can be enacted.

Suggestions on ways to improve business relationships may include:

- decreasing the time taken to respond to queries
- improving communication within departments to share information on contacts
- employing more staff to locate and research networking opportunities
- being more accessible
- improving the interpersonal skills of staff
- increasing training
- finding a more efficient database or system for recording business contact information
- developing new relevant policies and procedures or updating documents
- increasing the amount of contact with business contacts
- making the website more attractive and engaging.

Example

Analyse customer feedback

An organisation uses a feedback form to record customer-service trends over the past year. Many improvements were made as a result of new systems and processes being introduced to improve service levels (such as the time it takes to answer phone calls, problem resolution and sending of information). The effectiveness of new initiatives and programs can be tested.

A corresponding spreadsheet is used to keep track of the average responses from all clients each quarter over a 12-month period.

Client satisfaction feedback form

Please circle the number that corresponds with how you feel about our service delivery over the past three months.

1 = poor; 5 = excellent

My phone calls are answered promptly.	1	2	3	4	5
Any problems or queries I have are resolved quickly.	1	2	3	4	5
Client services staff have good product and service knowledge.	1	2	3	4	5
Information I have requested on products and services was sent quickly.	1	2	3	4	5
Invoices were received on time and were accurate.	1	2	3	4	5
Client appointments are useful and helpful to my business.	1	2	3	4	5

Analysis				
Questions	Q1	Q2	Q3	Q4
My phone calls are answered promptly.	2	2	3	5
Any problems or queries I have are resolved quickly.	3	3	4	4
Client services staff have good product and service knowledge.	4	4	4	4
Information I have requested on products and services was sent quickly.	2	3	3	4
Invoices were received on time and were accurate.	4	4	4	3
Client appointments are useful and helpful to my business.	3	3	3	4

Practice Task 9

Question 1

Which of the following statements are correct about feedback? Select 'Yes' or 'No' for each one.

- a) Negative feedback can be seen as an opportunity to improve. >> Yes >> No
- b) Feedback can be gathered by a variety of methods such as surveys, interviews and focus groups. >> Yes >> No
- c) Improvements must be implemented, then approval or budgetary sign-off can be arranged. >> Yes >> No
- d) The business contact should be able to choose the method of feedback. >> Yes >> No
- e) The information gathered must be as detailed as possible and conducted over a long period of time. >> Yes >> No

Summary

- Strategies to promote and represent the interests of an organisation need to be tailored for each business contact. They need to see the mutual benefit in the relationship.
- Participation in networks can occur as a targeted activity or may be more casual, such as an encounter or an unplanned meeting.
- When issues arise in a business relationship, they need to be escalated according to the procedure or reporting protocols of the organisation. This may include both a written and verbal presentation of the issues and ways to improve.
- Feedback can provide information on business relationships to determine if improvements can be made.
- There are many feedback strategies available to determine the service needs and satisfaction levels of contacts, such as surveys, focus groups, interviews, and feedback forms.

Learning Checkpoint 3

Build and improve business relationships

Part A

1. Which of the following are types of formal and informal networks? Tick all that apply.
 - Three-day interstate conference organised by a professional association
 - Industry event such as a celebratory dinner
 - Parent-teacher interviews at the local school
 - A meeting with a colleague from another department
 - Social media posts
2. Which of the following are strategies that promote and represent an organisation? Tick all that apply.
 - Send a sales brochure and keep following up until the contact returns your call.
 - Be known for your skill in 'cold calling' contacts without prior introduction or warning.
 - Invite a contact to an event and follow up on their availability.
 - Research to find the key contact to speak with.
 - Prepare a list of ways the businesses can benefit each other and features that makes the business stand out.

Part B

Read the case study and answer the questions that follow.

Case study

Sally works for a large organisation that prides itself on having excellent relations with its business contacts. She has helped build their reputation within the industry over the 20 years she has worked there.

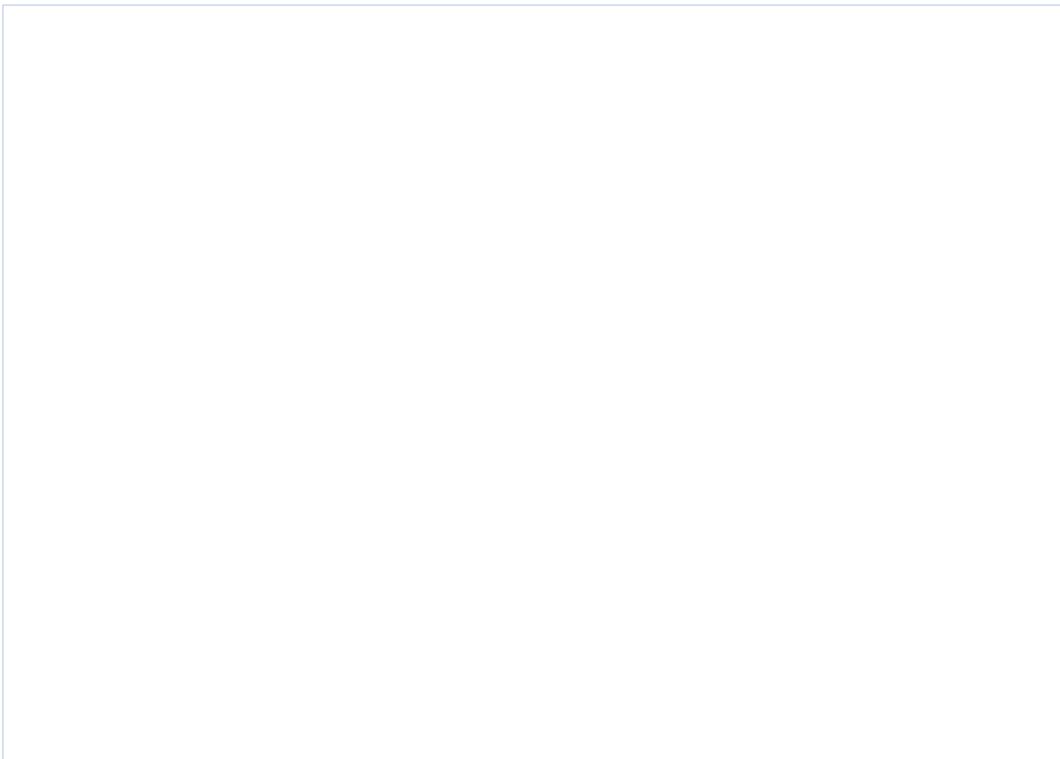
The organisation has recently purchased a small business that will be absorbed into the existing company. This has resulted in more staff and an increase in business sales.

Sally wants to find out how the enlargement of the company has affected the relationships with the clients, suppliers, contractors and business networks. Sally wants to gauge the level of satisfaction contacts have in their interactions since the enlargement of the company.

She develops a simple online survey with the help of the HR team and sends the instructions and purpose of the survey to all the contacts. The response rate is 73 per cent.

On analysis of the data, Sally is surprised to read that many of the contacts noted there was a reduction in the quality of their relationships with the company since the purchase of the new business.

1. Identify two things Sally should consider when communicating these issues to management.



2. How should Sally respond to the feedback provided by her manager? Tick all that apply.

- Any negative feedback she receives should be an opportunity to improve her performance.
- She should work as hard as possible, to make up for the poor feedback received.
- Sally needs to phone each contact to make sure they don't damage her reputation any further.
- Sally may need to prepare a report for staff on the results and strategies for improving business relationships.
- Sally may be asked to review processes for the way networking is undertaken.