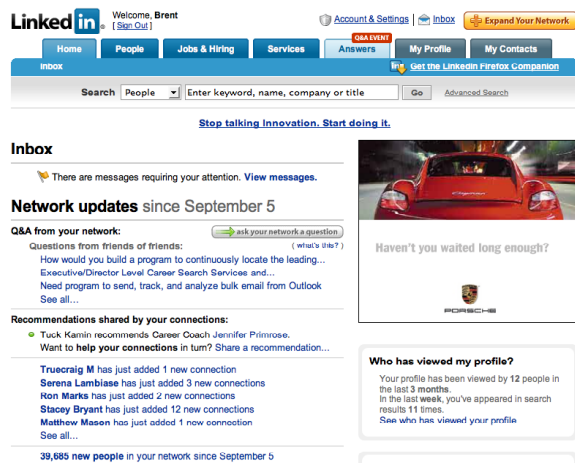


# BiGHandout: Social Networking for Business



## Rethinking networks

Networking is as old as business and can be as primitive as a rubber band around a stack of cards or as elegant as an oil baron's dining club. We make and leverage connections via handshakes, phone calls and chance encounters. We store these networks in our heads, our address books and our email inboxes, and most of us happily provide a recommendation or a reference to a trusted colleague when called upon to do so. All of this works very well, in a twentieth-century sort of way, until our networks get too large or disconnected to manage.

The internet, of course, has a newfangled idea for just about every traditional process, and a lot of them have been pretty bad (does anyone remember Web-Van, the internet grocery company? Anyone? I didn't think so). But, so far, a lot of good has come from the web for businesses – things like email, e-commerce, search engines, online maps, and so on – so that sooner or later it's reasonable to assume that some of the trickier nuances of business might be improved by the web as well.

Networking on the web has evolved along two paths, and both are mature enough at this point to really sink your teeth into them and begin using them like your other business tools. The first type of networking is general networking – the "I know you, you know me" type of networking that we all use for references and referrals. The second type of networking has evolved from the same concept behind MySpace and other social networking systems; it's more specialized and geared toward folks with common interests. If the first type of network is the people you meet at the airport or the coffee shop, the second is the type you cultivate in the private dining club. Let's look at each in turn.

## General Networking

The general networking market on the web is dominated by one company: LinkedIn, which can be found at [www.linkedin.com](http://www.linkedin.com). LinkedIn exists solely to build networks of colleagues and connections and leverage them as much as possible. LinkedIn has been around since the initial web boom and has a large base of users, though it is still nowhere near the size

You've heard the horror stories. In fact, if you have a child of a certain age, you've probably already experienced the sense of powerlessness, futility and utter disconnectedness that so many parents of teens are encountering these days. I'm not talking about drugs or alcohol. I'm not talking about pre-marital relations or skipping school or general juvenile delinquency. I'm talking about MySpace.

And, in a sense, I'm talking about all those things when I talk about MySpace. MySpace.com – by all counts, the most popular "social networking" site on the web – has become the bane of every concerned parent and teacher as it slowly consumes the social lives of half the population that happens to be between thirteen and thirty years old. MySpace bills itself as a "place for friends," and its recommendation-based, uncensored approach to building up "networks" of friends has become the electronic equivalent of locker rooms, note-passing, hall gossip and every other form of clique-building that makes high school and college such socially difficult places.

Whether or not MySpace spells the downfall of civilization or is just another one of those "kids these days" moments will be decided in time. But the idea behind MySpace – as well as a host of other like-minded services – is something that will likely change the way we interact with each other in many different situations, including business. The internet has already changed the way we communicate in business; email is more popular and ubiquitous than just about any other form of business communication. Get ready for more, because social networking on the web promises to shake up the way we do business networking as well.

it really needs to be to have a huge influence on the business market as a whole. Still, if you know anyone on LinkedIn, it's easy to sign up for the service, find your colleagues and begin building your network.

The main features of LinkedIn revolve around connections. You make connections, get recommendations and build a network of people that mutually trust each other to honestly recommend people and services. LinkedIn takes care of all the emails and approvals for you; this means that your effort is minimal, but this also tends to mean that your involvement is minimal as well. If hundreds of your colleagues are members of the service, it can be a great way to make sure that most of the people you do business with are vetted in some simple fashion. But if you know only a few members and you don't put a lot of effort into bringing others into the service, it's useful mostly just as a directory. Luckily, you can sync it up with your contact management software so you don't have to manage two sets of contacts.

Another networking tool worth mentioning is Plaxo ([www.plaxo.com](http://www.plaxo.com)), which doesn't have true "networking" features but is quite useful in the business realm as well. Plaxo is simply a way of keeping your contact information current with everyone that you keep in touch with. You keep Plaxo up to date with your current information and it makes sure that everyone else you know that also subscribes to Plaxo gets your current information as well. Plaxo has the same issue as LinkedIn: until it reaches a critical mass, there still aren't enough users to really make it a universal tool. Nevertheless, it's a slick product and it synchronizes automatically with your contact manager as well.

Both LinkedIn and Plaxo offer free and "enhanced" version of their services, but the free versions seem to do the job just fine. Of course, I'm on both if you want to look me up.

## Social Networking and Niches

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Getting back to the technology that drives the parents of teens crazy, networking has also evolved along a more socially engaged path, and that's where some of the more interesting changes are occurring. If you've ever signed up for an industry-specific email digest or participated in a discussion board, you know that groups grow around common interests and that people love to trade recommendations, digs and tips.

Social networking sites have been capitalizing on the energy and enthusiasm of dedicated groups of interested individuals for years, and the tools they provide for interacting among members are very good. Facebook ([www.facebook.com](http://www.facebook.com)) began as a site for college students to talk about themselves and network but is rapidly becoming a business networking site as well. The advantage of sites like Facebook and others with "closed" access (anyone can sign up, but you have to know people to connect) is that they tend to filter out all the extraneous junk; they essentially "self-regulate."

My guess is that Facebook and sites like it will eventually dominate the social networking market for business as more users see the value of creating specialized groups of professionals online. Look for a lot more specialized social networking sites for business in the near future; I'll review more in the next few months.