

3 How Leaders Create and Use Networks

1. Chapter Overview

The transition into a senior leadership role represents a critical inflection point that demands a **fundamental reorientation of professional identity**. For many emerging leaders, this shift is jarring because the technical mastery and functional expertise that secured their promotion are no longer the primary drivers of success. At the executive level, one must move away from the comfort of analytical tasks toward the complex **organizational circuitry** of relational work. This evolution requires a leader to transition from an individual contributor to a **boundary spanner**, weaving together a diverse fabric of personal contacts. This is not a distraction from "real work" but is, in fact, the primary vehicle for strategic execution. Success depends on the cultivation of **social capital** to secure the resources, information, and support necessary to navigate the modern corporate landscape. **Learning Objectives** Upon completion of this chapter, the reader will be able to:

- **Differentiate** between operational, personal, and strategic networking forms to diagnose their unique contributions to leadership efficacy.
- **Construct** a balanced networking strategy that integrates current task coordination with future-oriented strategic priorities.
- **Leverage** "inside-outside" links to bridge unit-level operations with enterprise-level imperatives.
- **Identify** structural gaps in their current network that create professional "blind spots" and inhibit strategic foresight.
- **Analyze** the "referral potential" of their personal network to extend influence through the "six degrees of separation" principle.
- **Execute** a deliberate time-reallocation plan that prioritizes the ambiguous rewards of networking over the immediate payoff of task completion. Once a leader understands these three distinct forms, they can begin to address the specific **leverage** required to bridge them into a cohesive leadership strategy.

2. Core Concepts and Definitions

In a high-stakes leadership context, networking is defined as the **fabric of personal contacts** who provide the support, feedback, insight, resources, and information necessary to achieve results. It is far from a transactional "luxury" or an elective social activity; it is a vital organizational tool that enables **discretionary effort** and cooperation across boundaries. **The Networking Dilemma** Emerging leaders often face a paralyzing tension between their established technical command and the new relational requirements of their role. Most rise through the ranks based on functional

excellence, yet leadership requires them to step out of their specialty. The dilemma lies in the fact that many view these interactions as distractions, failing to realize that at the senior level, the relationships *are* the work. **Operational Networking** This form is centered on **depth and coordination** . It involves building strong working relationships with people essential for accomplishing immediate, routine tasks. Its purpose is to ensure cooperation among stakeholders who must trust one another to meet assigned objectives within the existing organizational structure. **Personal Networking** Personal networking focuses on **breadth and professional development** . These are discretionary links to "kindred spirits" outside the immediate organization. This network provides referrals and offers a "safe space" for a leader to develop new perspectives and social skills away from the high stakes of their primary role. **Strategic Networking** This form is characterized by **leverage and future-oriented priorities** . Strategic networking involves a set of relationships that help a leader determine the organization's future direction and enlist the stakeholders necessary to get there. It plugs the leader into the "big picture," allowing them to anticipate market shifts and internal power shuffles. Collectively, these three forms represent the "heart" of a leader's new role. Understanding their interdependence is the first step toward moving from a functional contributor to a strategic influencer.

3. Detailed Conceptual Explanation: The Three Forms of Networking

The three forms of networking are fundamentally interdependent; a leader who underutilizes any single form creates a significant professional blind spot. While most managers are comfortable within the confines of their operational unit, a failure to develop personal and strategic ties leaves them isolated and unable to influence the broader organizational trajectory. **Operational: The Nondiscretionary Foundation** Operational networking is largely "nondiscretionary" because the contacts are prescribed by the task and the organizational structure. The danger lies in conflating **technical excellence** with **leadership influence** . Consider **Alistair** , an accounting manager promoted to financial director. He focused entirely on his operational network to "clean the books" for an IPO, successfully upgrading his department's capabilities. However, he assumed his technical output would speak for itself and ignored the strategic need to sound out his fellow board members. He eventually discovered that his success was rendered irrelevant by a polarized board he had failed to influence. In this sphere, the structure provides the contact, but the leader must provide the rapport and trust to make that structure move. **Personal: Referral Potential and Development** Personal networks consist of external links to people who share common interests. Their power lies in **referral potential** —the ability to reach information through a chain of connections. For **Timothy** , a software company principal, personal networking served as a "safe space." To manage a painful stutter, he used social gatherings to practice social skills in low-stakes environments. This boosted his confidence, eventually allowing him to master his stutter and transition those social

skills back into his professional environment to network across his company. Personal networks allow a leader to find mentors and "coaches" who provide perspectives that the internal hierarchy cannot. **Strategic: The Big Picture and Leverage** Strategic networking allows a leader to look beyond the immediate demands of their unit. Without **lateral and vertical relationships**, a leader cannot anticipate shifts in the environment. **Sophie**, a logistics manager, was blindsided by a radical reorganization of her function because she focused entirely on her high-performing internal team. She lacked the **inside-outside links** required to bridge unit-level operations with the CEO's new imperatives. Strategic networking provides the **leverage** to marshal information from one sector to achieve results in another, transforming a manager from a target of change into an agent of change. The ability to bridge these networks is what provides a leader with the leverage required to move the organization forward.

4. Framework: The Three-Pronged Networking Strategy

This framework serves as a roadmap for leadership development, illustrating the necessary shift in focus as a professional advances. | Feature | Operational | Personal | Strategic || ----- | ----- | ----- | ----- || **Purpose** | Getting work done efficiently; maintaining group functions. | Enhancing personal/professional development; providing referrals. | Figuring out future priorities; getting stakeholder support. || **Location/Temporal Orientation** | Mostly internal; oriented toward current demands. | Mostly external; oriented toward current and future potential interests. | Internal and external; oriented toward the future. || **Players/Recruitment** | Nondiscretionary; prescribed by task and structure. | Mostly discretionary; not always clear who is relevant. | Context defines the players, but specific membership is discretionary. || **Network Attributes/Key Behaviors** | **Depth:** Building strong working relationships. | **Breadth:** Reaching out to contacts who can make referrals. | **Leverage:** Creating inside-outside links. |

Breakdown of Network Attributes

- **Depth:** In an operational context, depth refers to the quality of relationships—rapport and mutual trust—that allow for smooth coordination of routine tasks.
- **Breadth:** In personal networking, breadth refers to the diversity of the circle. A broad network allows a leader to utilize the "six degrees of separation" to find mentors or specialized information across industries.
- **Leverage:** This is the most critical attribute for strategic leaders. Leverage often involves **indirect influence**—the ability to convince one person in the network to get a third party to act. It involves using information from one sector (e.g., an external market trend) to influence another (e.g., an internal board decision). These attributes interact to support a leader's agenda: depth provides the stability to execute, breadth provides the information to grow, and leverage

provides the power to change. Implementing this model, however, requires overcoming significant psychological and temporal hurdles.

5. Applications and Implications: From Theory to Leadership Practice

Building a leadership network is less a matter of "talent" than it is of "will." It requires the strategic creation of **Inside-Outside links**—relationships that bridge the internal organization with the external environment. **Strategic Imperatives for Implementation**

1. **Mind Your Mindset:** Abandon the idea that networking is a distraction or unethical. Seek out ethical role models who network effectively. **Gabriel Chenard**, a general manager, used travel time during branch visits to solidify relationships, turning downtime into a primary vehicle for relationship building.
2. **Work from the Outside In:** Use functional expertise or extracurricular passions as "hooks" for senior-level contact. **Linda Henderson**, an investment banker, used her passion for the theater to host buffet dinners for clients. This created a natural reason to engage with senior colleagues about client insights, turning a personal interest into strategic capital.
3. **Reallocate Your Time:** Networking requires a difficult **temporal trade-off**. Leaders must choose the ambiguous, often delayed rewards of networking over the "obvious payoff" of a task accomplished. This necessitates mastering delegation to free up capacity for relational work.
4. **Ask and You Shall Receive:** A network is a **living system** that thrives only when used. It is a "give and take" philosophy. Do not wait for a crisis to reach out; take every opportunity to connect people or make small requests to keep the "ball rolling."
5. **Stick to It:** Networking is a long-term investment. Many "drop the ball" during a crisis, much like **Harris Roberts**, who abandoned his alumni network when a major project became overwhelming. By retreating into his functional silo, he lost the strategic perspective required for his promotion. Ultimately, networking is a practiced skill that requires the discipline to stay engaged even when initial efforts do not yield immediate rewards.

6. Common Misunderstandings and Conceptual Errors

Many high-performers possess an innate resistance to networking, often rooted in misconceptions about the nature of professional influence.

- **The "Work" Fallacy:** The belief that networking is a distraction. In reality, networking is the **primary vehicle for strategic execution**. For a leader, "the relationships are the work."

- **The "Manipulation" Myth:** Viewing networking as insincere "political games." **Jody**, who refused to activate her network during a dysfunctional leadership coup because she viewed it as "unethical," suffered the **ethical cost of inaction**. Her refusal to "play the game" cost her the respect of her team, as they lost faith in a leader who would not defend her own unit.
- **The "Database" Delusion:** Equating a network with a large contact database rather than active, utilized relationships. A network is a living system; if you aren't "picking up the phone," you don't have a network.
- **The "Extrovert" Requirement:** The false belief that networking requires a gregarious personality. It is a practiced skill of intentionality, not a personality trait.

7. Chapter Summary: Key Takeaways for the Aspiring Leader

Long-term career success is predicated on moving beyond functional contribution toward network mastery and the acquisition of social capital. **Identity Transformation**

1. Leadership requires a fundamental shift from analytical tasks to relational ones.
2. Your technical skills become a liability if they prevent you from developing strategic ties.
3. Networking is a core requirement of the job, not a luxury or a distraction. **Strategic Navigation**
4. Strategic networking plugs you into the "big picture," allowing you to anticipate shifts in power and market priorities.
5. A lack of lateral and vertical relationships creates "blind spots" that can isolate even high-performing managers.
6. The most effective leaders use **leverage** and **indirect influence** to move the organization. **Tactical Execution**
7. Operational networking ensures task coordination but rarely addresses nonroutine challenges.
8. Personal networking provides a "safe space" for development and referral potential.
9. **Inside-Outside links** are the bridge between being a manager who "does things right" and a leader who "does the right things."
10. Networking requires a deliberate temporal trade-off; you must choose relational work over the immediate satisfaction of a completed task.

8. Reflection and Discussion Questions

Conceptual Discussion Questions

1. How does the temporal orientation of a strategic network differ from an operational one, and why does this matter for long-term planning?
2. Analyze the "Networking Dilemma." Why do most successful technical experts find the transition to relational work so psychologically taxing?

3. What is the specific value of "referral potential" in a personal network, and how does it differ from the direct cooperation found in an operational network?
 4. Why is it dangerous for a leader to have a high-performing internal team but no external strategic links? Use the case of Sophie to support your answer.
 5. Explain how a leader can use "indirect influence" within a strategic network to achieve a goal without having formal authority over all parties involved.
- Application-Based Questions**
6. Identify one "opinion leader" outside your unit whom you have previously ignored. What "outside-inside" hook could you use to initiate contact this week?
 7. Evaluate your current calendar through the lens of the "temporal trade-off." Which routine functional tasks could you delegate to create time for one strategic networking meeting?
 8. Reflect on a time you "dropped the ball" on your network during a crisis, similar to Harris Roberts. How would having a broader strategic network have provided the "outside support" needed to rescue the situation?