

Business and Higher Education Round Table

Networking the Networks

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Networking allows you to make others successful and in the process increasing your opportunities.

Good morning Ladies and Gentlemen.

Thank you for allowing me to speak to you on Networking the Networks. Today I will share some experiences of how networking has added value to the regional business community in central Victoria, and how networks themselves need to be networked to facilitate growth of social and financial capital for a community.

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Community Strength as we know from the experience with Community Bank Community Telco and the Central Victorian Business Network that community strength lies within the community – the relationships within. We also know that the aggregation of relationships of unified communities and their suppliers/purchasers builds sustainable communities.

All three examples were started by the community networking together, understanding that there was a particular need and a solution required.

In the Case of the CVBN, it started with David Ensor and I having a coffee 2 and a half years ago. This was followed by a series of breakfasts with 6 other like minds. What followed was 8 networking events with on average 260 people in attendance.

In any event Collaboration was the method to bring a range of community participants together for a local solution to build local prosperity.

Community and University Engagement.

The following a statement is from Dr Brendan Nelson Federal Minister responsible for Higher Education....

“Regional initiatives recognise the significant role of universities, particularly those in regional area’s, in the economic and social lives of a community”.

As La Trobe’s Professor Terry Mills has stated in one of his papers “The Minister is making a point that universities should interact with their communities. On one hand

Universities provide wonderful intellectual resources from which local communities can benefit. On the other hand, local communities and enterprises offer academics inspiring questions that can lead to innovations in teaching and researchⁱⁱ

Following on from that I believe that Universities can identify pathways for communities to maximise the return on a community's assets. Equally communities can offer case studies for research and applied learning.

Let me add, that for Community economic success to occur there must be “productive interaction between public and private sector institutionsⁱⁱⁱ”. Universities, as part of the public sector, are a vital ingredient to understanding economic activity.

Regional Success Stories

The fact is that networking forums provide a basis to showcase regional success stories. I ask you to imagine 200 businesses in one room and the surrounding walls with displays of local product, produce and services.

Many of which would not have been seen before. There are numerous businesses which trade outside the region but not within, networking changes this.

Imagine the information exchange when you have all those businesses networking together. Exchanging business cards one day doing business the next.

Behavioral needs of a community

I ask you to consider Maslow's needs model to understand the psychological needs of people within community. Clearly it is about motivation and internal needs of people.

Focus on three needs...

1. Personal Needs being the need for self esteem, achievement accomplishment fun freedom and relaxation
2. Social Needs Being the need for friendship, sense of purpose, knowledge sharing and understanding
3. Safety Needs Being the need for financial and economic well being

Achieving all three the community is well positioned to become more dynamic and successful - achieving economic and social sustainability.

Unlocking the Region's Potential

If you understand a community's strengths and needs, if you showcase the regions best in business and provide a forum for information exchange, a community will unlock its potential.

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CVBN was developed by a group of people and organisations interested in enhancing the productive output for the region.

The logic behind CVBN was to provide a forum where all silo's of business government, healthcare, education, not for profits employees and youth would be brought together into a networking forum, after all, all those silos are in business.

The objective was to create opportunities for all in the community, local sales creating local production and employment instead of importing production and exporting jobs.

Consider that Networking accounts for approximately 87% of all business in the market place today and in rural communities this is thought to be even higher. That is according to Ms Robyn Henderson, Global networker and entrepreneur^{iv}.

After 2 years with 15 volunteers in 2 committees CVBN has:

- Held 9 Quarterly events
- on average 260 in attendance at each event
- 100 local business stories in the media
- 19 sponsors including 3 media sponsors
- In fact sponsors are approaching CVBN
- \$1300 donated to charity
- web site developed
- 2 Cluster developed
- partnerships with Government, education, sporting and business interests
- Cash flow positive
- Importantly our members have developed and sold new products as a result of CVBN
- Relationships in the United States

You might say they are nice words but what business has occurred.

One fruit shop increased its turnover by \$1,000 per week 2) for another business CVBN accounts of 10% of its turnover 3) another company has achieved Government and Corporate Clients and Now designed a product for small corporates. This company's turnover has increased by between \$300,000 and \$500,000 as a direct result of CVBN.

The Clarence Valley Experience.

In February 2004, 4 councils were forced into amalgamation under the direction of the State Government of NSW. This in fact divided a community with many bitter arguments against the merger.

The CVBN Model with our Community Bank is helping to unit the community of the Clarence Valley.

Networking Programs offer a number of benefits:

- 1) Networked Businesses do business with each other, “thereby raising activity levels and potential to reduce leakage of expenditure out of the community”^v
- 2) Businesses learn from the successes and failures^{vi} of others creating solutions and opportunities for business and community growth
- 3) A collaborative framework builds the ability to create the aggregated demand model for the supply of goods and services
- 4) Attracts new businesses to the region and community
- 5) Provides a pipeline to new ideas and opportunities.
- 6) Gives a community a sense of purpose, makes them more competitive in national and international markets

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Finally, overall the benefits help create a more successful local economy. Business networking multiplies a communities resources creating a more productive region and community.

I hope that I have been able to demonstrate that networks are an important key to developing economic growth and developing community social capital. Just as networks within geographic areas, such as central Victoria are important, the networking of networks becomes the next level of strategic growth...networking Bendigo retailer networks with manufacturing networks...with retailer networks in Echuca or even the Clarence Valley

The fact is there is no conclusion only a limit to your imagination.

Final Slide – Acknowledgements

ⁱ B.Nelson, *Our Universities: Backing Australia's Future*, (Commonwealth Department of Education Science and Training , Canberra, 2003). P39

ⁱⁱ TM Mills *A Mathematician Goes To Hospital* 2004 pg2

ⁱⁱⁱ Beer; Maude; Pritchard. *Developing Australia's Regions Theory and Practice* UNSW Press, 2003 p21

^{iv} Ms Robyn Henderson Midland Express August 10, 2004 p.4. “Rural Women in Business Launch”

^v Beer; Maude; Pritchard. *Developing Australia's Regions Theory and Practice* UNSW Press, 2003 p18

^{vi} *Developing Australia's Regions Theory and Practice* UNSW Press, 2003 p18