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Business network rewires the bush telegraph



Worth networking: Ivan Misner, Geoff Kirkwood, Joe Dorfman and David Byers at a Melbourne BNI function last week.

Photo: *Pat Scala*

Philip Hopkins
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AUSTRALIANS call it "the bush telegraph"; in America, it's known as "word of mouth". Whatever the moniker, the message gets spread without anyone having to lift a finger.

Ivan Misner has taken this principle and transformed it into a business form. His organisation, Business Network International, formalises the practice of networking, and since being formed in his native America 21 years ago, has spread around the world.

Dr Misner, who was in Melbourne last week to celebrate BNI's 10th anniversary in Australia, said the mission of the group was simple: to help people increase their business through a structured word-of-mouth marketing program.

"We aim to educate members how to network," he said. "They are used to direct selling and advertising, but they don't often know how to network."

The caveat is that only one person in each professional classification is eligible to join an individual group, or chapter. For example, only one printer is allowed to join a specific chapter to avoid situations where fellow members have to choose one person over another.

BNI has now more than 4300 chapters with more than 86,000 members in 30 countries. Australia is the fourth largest participant with more than 150 chapters and 3000 members, 600 of them in Melbourne. An average chapter is 20 people, but 30 to 40 is not uncommon.

Dr Misner said the number of referrals annually through BNI was now 3.3 million, generating business worth \$2.4 billion.

Each chapter meets every week, and members pay an annual fee. BNI follows a formal meeting structure, with a leadership team of a president, vice-president, secretary-treasurer and education co-ordinator.

Members are given a 60-second timeslot every week to speak about their business and advise the group what a good referral is for them. They are also allocated a 10-minute presentation slot about twice a year, depending on the number of members in the chapter.

BNI trains members in how to promote their business. "Directors have a 500-page manual," Dr Misner said. "We try to facilitate the referral process and create a structure that enables that to happen."

The "currency" in this set-up is the ubiquitous business card. Members receive a cardholder for the cards they collect. A person who gives a referral must fill out a referral form, enabling BNI to monitor its activities.

Dr Misner said the whole structure was built on trust. "If you give a referral, you give some of your reputation with it," he said. "You must get to know these people. It's like your keys — to the car, house, whatever. You wouldn't just hand them to anyone."

BNI Australia's national director, Geoff Kirkwood, said one member he knew received up to 80 per cent of his business through his chapter.

BNI Melbourne's executive director, David Byers, said one businesswoman had obtained a business referral worth \$204,000 through the group.

Joe Dorfman, a former lawyer who is now a business coach, joined BNI in both capacities. A member for six years, he has gained core clients through the network.

"I do a lot of speaking. I recently gave a talk to the Institute of Accountants group — about 10 to 15 people — and got three or five more speaking opportunities out of that."

BNI recently held an international conference of its members in Kuala Lumpur, and Melbourne will host a conference of Australian and New Zealand chapters next year.

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