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High Executive Anxiety Fuels Growth of Networking Groups

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Matt Bud can see deer foraging in the winter woods outside his home office in Weston, Conn. Inside, he spends his days tending to another nervous herd: unemployed financial executives.

Every day, Mr. Bud sends out via e-mail a newsletter filled with pep talk and job leads. Thousands of chief financial officers, controllers and treasurers have flocked to his Financial Executives Networking Group for help.

"I'm waking up thousands of people a day," says Mr. Bud, who was a chief financial officer at an advertising agency until it folded in 1991. Indeed, FENG has grown to about 14,000 members from fewer than 100 five years ago.

Such networking groups are swelling in the downturn -- particularly among older workers who feel especially vulnerable to the ax. Some, like FENG, focus on one sector; others, such as ExecuNet Inc. in Norwalk, Conn., are broader-based. ExecuNet, which is open to any executive with a salary level of at least \$100,000, says its membership has quadrupled to about 13,000 since 1999.

Another national group, the Five O'Clock Club in New York, says the past year has seen "unusually" large growth, with membership rising to around 11,000 from the 7,900 where it has held for several years.

The groups can be pricey -- ExecuNet, for instance, charges \$219 for six months or \$399 for a year. But companies sometimes pick up the fee as part of an outplacement package. Often, an executive belongs to more than one networking group, especially if a company is picking up the tab.

Some groups, like FENG, don't charge any fees, but rely on voluntary contributions. "I've always been put off by selling job leads," says Mr. Bud, who makes his living from a separate consulting business that seeks assignments for out-of-work members, mostly from among those who have landed jobs.

Another possible pitfall lies in sticking with a homogeneous group of unemployed people. Attending a meeting with a flock of financial executives who have similar job histories and are all of a certain age can be depressing, some executives say.

"If you're all in a vertical group in an industry that is downsizing, your job is to network your way

out to an industry that is growing," says Dave Opton, founder and CEO of ExecuNet.

Yet many members say the links they find in membership groups prove valuable in more ways than one. "This job searching can be a lonely game," says 57-year-old Tony Hardwick of Charleston, S.C., who in early 2001, after a merger, left the company where he was finance chief. "It's good to have interactions with other peer professionals as you go through this thing."

And, of course, networking can help lead to jobs -- often in circuitous ways. Brett Lippel, 36, of Los Angeles, landed a job with Ampco System Parking through a contact he met at an ExecuNet meeting, Gary Rosen. Mr. Rosen had received an e-mail from his daughter's basketball coach and realized the coach's day job was in the same industry in which Mr. Lippel was looking. So he hooked up the two.

"Networking is an interesting thing," Mr. Lippel says. "You never know who is going to get you that connection."

Indeed, Mr. Lippel then put Mr. Rosen, who was looking for a franchising opportunity, in touch with his brother, who was considering selling his auto-repair franchise. "What that tells you about networking," says Mr. Rosen, 56, "is that you can never count it out."

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