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Strengthening Your Value Proposition: Relationships

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Collaborations

Collaborations are an attractive way for organizations and professionals to achieve mutually beneficial business goals. We observe collaborations in a number of ways. For example, working together can occur on something as simple as a domestic activity such as helping your neighbor with a project in their home or a sports team working together in their respective roles to secure a victory.

Interestingly, working together in a productive and effective way is often not emphasized in the success of business. Specifically -- in the business arena -- collaborations are oftentimes the catalyst in achieving success. For example, when a prospective client is considering acquiring space in a commercial property, there are a number of contributors identified in such a transaction – namely a client, a broker, a building owner, a marketing team, and an attorney. Each contributor plays a significant role to achieve a successful outcome.

Specifically, you have the following: an agent that identifies a property for the client, the building owner that makes the property available for a site visit or tour, the building owner's marketing team that shares information about the property (and its value proposition), and the legal team that reviews the leasing/occupancy documents.



Figure 1.

I want to note that in each of these collaborative contributions, there is a mutual benefit derived for the client, the agent, and the building owner.

- Increased Visibility
- Greater value to the customer
- Greater capacity to deliver to the customer
- Improved competitive performance
- Improved competitive positioning
- Improved brand presence
- Improved brand recognition

History shows that strategic alliances are quite impactful. For example, you have examples of successful business alliances in Apple and AT&T (remember when the iPhone was first introduced and you could only purchase an iPhone with an AT&T service contract?), Starbucks and Barnes & Noble, and Hewlett Packard and Disney. It is clear in considering these alliances that they can serve as a model for success in business. That said – it is imperative to note the research that suggests that alliances, while prominent, can be difficult to achieve.

According to a *Harvard Business Review* article authored by Hughes and Weiss (2007), business alliances increase by 25% annually. The article also notes that approximately one-third of a firm's revenue is attributed to business alliances. And while business alliances constitute a significant economic contribution, it is also noted that strategic alliances have the potential to be counterproductive. Specifically, the dynamic of interaction in terms of achieving a smart collaboration can be very challenging. This is where we want to focus our attention.

Challenges

In business (and in particular with collaborations), attention and emphasis is often placed on acquiring new business in terms of clients. This is reasonable as businesses work to be sustainable as revenue earning entities. As a result, the dynamic of business/client development as well as managing existing clients is reflected in Figure 3. As suggested in the graphic, we note that there is emphasis and attention focused on proposals, negotiations, and alignment of expertise to project requirement, compensation, and strategy. These realities are inevitable and often determine the outcome of business opportunities. There is so much attention on client acquisition that the “*business*” of business often times becomes lost.



Figure 3.

In the effort of acquiring business, the dimension of relationship oftentimes becomes obscured. Consequently, the reality is that almost 70% of the business alliances fail – and that translates to a tremendous lose in revenue to the firm and value delivered to the stakeholder (Hughes & Weiss, 2007). The failure often times results from the inability of the members of the alliance to succeed in terms of harmonious working relationships, agreement on work process, and leveraging differences to create value proposition.

Building the Relationship

As with any relationship, trust is at the root of collaboration. Trust is the critical, non-negotiable element that allows a collaboration to grow and thrive. In building a trust, it is important to understand two dimensions drive the success of the trust relationship: the ability to trust and the ability to be trusted. This clearly places the onus of trust on all of the collaborators involved.

As we consider the issue of building trust, I posit that the building blocks for establishing and developing trust is based on three elements: Skill, Character, and Consistency.

Relationship Building Blocks

Skill

Skill is critical as it resides at the heart of the collaboration. Your consideration as a collaborator is attributed to the fact and reality that your skills are at a minimum perceived to be germane and pertinent to a particular requirement. This consideration also assumes that your skills are current and robust to satisfy the requirement. As such, you – as a practitioner – exhibit the integrity regarding a candid and honest opinion of your skills. To that end, you – as a practitioner – accept responsibility to ensure your skills are adequate to fulfill the requirement that necessitates your collaborative presence.

Character

Character is necessary as it speaks to those attributes that identify you and distinguish you as a person worthy of trust. These attributes include but are not limited to honesty, truthfulness, responsiveness, responsibility, and accountability. From a standpoint of collaboration, character comes across in how you do business. This can be something as major as filling in the void of fellow collaborator who may have fallen ill during a time sensitive engagement. While the engagement may be arduous and difficult, the able and conscientious collaborator endures the hardship by ensuring that the project deliverables are managed and accomplished with transparency, diligence, and professionalism. In addition, Character is further noted and highlighted in following up with the fellow collaborators, other stakeholders (vendors, suppliers, and employees) and the client. In essence, the practitioner that demonstrates a very strong character is one that is passionate about the success of the engagement and the integrity of the deliverable.

Consistency

Consistency is necessary to ensure that reliability is established and nurtured. This attribute really speaks to the notion that action speaks louder than words. More specifically, this attribute speaks to the fact that one's performance, value, and quality of contribution is steady and improves over time. The result is that the end product of the collaborator is trusted. Moreover, the Consistency dimension is critical to establishing a reliability that fosters a credibility that creates value in terms of immediate and long-term dividends.

While the Skill, Character, and Consistency dimensions are critical to building relationships, these dimensions are solidified and strengthened with Knowledge. Knowledge allows you the ability to exercise your profession effectively. The Knowledge dimension allows you to be aware of the environment, circumstance, and situation to the point that you are able to create a framework and context to your solutions where transparency, ethics, and diligence are readily apparent.

Figure 4 speaks to the dimension of Knowledge and how the exchange of knowledge and information that leads to effectiveness. This exchange is critical to ensure that the critical dynamic of transparency, ethics, and diligence is achieved.



Figure 4.

Figure 4 reflects how information and knowledge are shared in a working relationship. The mirrored imagery suggests that the parties exhibit a willingness to share and a willingness to learn. There has to be a desire to impart wisdom and a willingness to learn among the collaborators. The imagery also suggests that each collaborator sees the value of the talent, skill, and knowledge that is necessary to share. Finally, the mirrored imagery suggests a mutual understanding of the stakes involved with the collaboration.

The critical insight here is that the professional “exchange” reflects the collaboration that resides at the core of a relationship, which is anchored by trust.

To emphasize this point, I want to note some specific Knowledge Points to consider that can help build, strengthen, grow, and develop your collaborative relationships. The Knowledge Points are noted in more detail in the following chart.

Knowledge Points to Consider

- Skills
 - Hard Skills: Competence, Relevance
 - Soft skills: Friendliness, Warmth, Cordiality, Kindness, Empathy
- Values
 - Honesty, Integrity, Responsiveness, Responsibility, Proactivity, Willingness to acknowledge error, Willingness to remedy error, Desire to achieve win-win solutions
- Work Ethics
 - Diligence, Due Diligence, Thoroughness, Tenacity, Perseverance
- Ability to collaborate
 - Sensitive to the needs of your collaborators, sensitive to the needs of the clients,
- Ability to foster an environment of transparency
 - Minimize assumption, Minimize presumption, Full disclosure, Minimize surprises
- Ability to function within defined boundaries
 - Understand roles, Understand responsibilities, Understand expectations, Understand outcomes
- Working style
 - Introvert, Extrovert, Morning personalities, Late
- Cooperative
 - Demonstrated competence in working together
 - Demonstrated competence to accept and follow direction
- Roles and Responsibilities
 - Can the roles be respected?
 - Are the responsibilities clear and aligned?

Chart 1

As these points are considered, they bring into view the realities that are likely to occur as a result of the collaboration. These realities can consist of Transparency, Credibility, Timeliness, Dependability, Reliability, Preparation, Presumption, Stakeholder Engagement, Stakeholder Awareness, and Fiduciary.

These realities reflect the sensitivities that are necessary to ensure that the business relationship (holistically speaking) exists and thrives in a way where collaborators and the client feel that they are essential to this process of work. I want to specifically highlight the idea of Fiduciary. This is a critical concept in building and growing trust.

The term Fiduciary carries the connotation of trust. When one functions in a fiduciary relationship, the emphasis is that the fiduciary exercises care to ensure the well-being of the one from whom the trust is placed. For example, a Chief Executive Officer of a company is entrusted to safeguard, manage, and grow the organization's resources for the owners of the company. The CEO is considered a steward of the organization. It is this type of stewardship

where collaborators are charged with preserving and protecting the interests of the stakeholders – including other collaborators, vendors, employees, and clients.

Being a responsible steward of relationship suggests that one should exhibit a sensitivity that protects and preserves the collaborations as well as promotes the effective and profitable function within the strategic business alliance. The ensuing questions below highlight a self-examining perspective for a collaborator:

- What kind of collaborator are you?
- What type of collaborator would your collaborators say you are?
- Are you perceived to be an asset or a liability to the transaction/engagement?
- Are you perceived to be an asset or a liability to the work process within the engagement?
- Do you advance the well-being of your collaborator? Do you advance the well-being of your stakeholder?

When you approach a potential collaborator, what are some of the considerations that propel the collaboration?

- What influences you to create or build a collaborative relationship?
- What are your motivations to create or build a collaborative relationship?
- How do you know the collaboration is working?
- How do you know the relationship is effective?
- What's in it for you?
- What's in it for your client?
- What's in it for your collaborator?

As you consider these questions, it is hopeful that the opportunities to grow, develop, or improve collaborations are identified. It is also hoped that the imperative of Trust becomes more evident for what it is: the currency of business.

This is an area of business and professional engagement where one can't afford to be dismissive in candidly assessing the ability to manage and engage relationships. This is the juncture where the realities of hard work, esprit de corps, and profitability converge.

When considering opportunities to grow professional relationships, it is appropriate to pose candid questions that reveal how relationships that can be mutually valuable and beneficial. To that point – the questions below highlight the following:

- What opportunities have been identified that will help one advance collaborative relationships holistically?
- What can be done to nurture and strengthen professional relationships?
- What can be done to repair and restore a damaged relationship?
- When was the last time a handwritten "Thank You" note was sent?

The handwritten “Thank You” note is a very powerful gesture of thanks, gratitude, and goodwill.

A simple gesture of gratitude can have a very significant effect on relationships. It is imperative to express your appreciation to a fellow collaborator. Highlight the value of the contributors and their contribution.

Remember opportunity knocks, but opportunities are short-lived. Make the opportunities count.



References

Hughes, J. & Weiss, J. (2007) Simple Rules for Making Alliances Work. Harvard Business Review.



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