TEAM DYNAMICS

By Steve Bergsman, Sponsored by SIOR Foundation

There is no one type of commercial real estate team that works better than others. Sometimes fluidity works better than formal arrangements; sometimes two people work better than 10 – and vice versa.

However, all successful teams have a high level of trust among participants, work toward a common goal and have members with similar values.

Most commercial real estate offices have adopted the team approach to the common work load of securing tenants, signing up landlords, working through transactions, being a broker and all the other various jobs that have made this field of endeavor important to property markets.

Universality, however, doesn't make for commonality. Commercial real estate teams come in all sizes, from two to 10 or more people, are formalized or ad hoc, consistent in personnel or fluid depending on circumstances, and have difference skill sets within the group.

Take, for example, the experiences of Cathy Jones, SIOR, CEO of Sun Commercial Real Estate Inc. in Las Vegas and Kristi Svec Simmons, SIOR, a partner and platform leader in the corporate services division of AQUILA Commercial LLC in Austin.

"When we first formed the team, we did a very extensive flow chart of the jobs that needed to be done on any given day," says Jones. "We covered everything from business development through the closing of escrow, including the processes of closing a new listing, presentation of a new listing and closing on the sale. We had pages of flow charts, which were color coded."

Since then, the processes have become more fluid.

"If I went back to those flow charts, there would be a number of things that would be different," she says. "Overall, what it helped us all to do was understand the skill sets that were a good combination in the team."

Over at AQUILA in Texas, Simmons notes, "we have never thought the formal team worked for us, so it's based on the client and the personalities on our team; who is the best fit for certain clients and who has the expertise."

How does that work in a practical manner?

"We do so much research on the clients before we even get to the first meeting, so we know what they do and have a good idea of what type of transaction it will be," says Simmons. "We assemble the team before that meeting. Every now and then we may have to change the team based on what we found out in the meeting."

Simmons' goal is to put the best people together in order to win the business, or as she says, "we always want to make sure we have the right fit for that particular client."

Consistency is the hallmark of the formal team approach. Besides having the right combination of skill sets in a team, Jones believes a good team has similar work ethics and values.

"I would say our value system is very much in alignment," Jones says. "We talk about everything all the time and our value system is very similar. If we had anyone whose values were not in alignment they would be off the team in a heartbeat. Our goal is repeat and referral business. It's because we are very consistent in our delivery and quality. Having similar work ethics, a similar value system, and a good combination of skill sets makes a good foundation for a team."

That's not much different from the Simmons' ethos. "When we hire internally, the candidate gets interviewed by every single person on the team. If one person doesn't like the candidate's personality, the candidate doesn't get hired. Everyone that is brought into this team has to fit in with everyone else."

She adds, "Everyone has different goals, but all have to come together and pick the goals that make the most sense for our group. If we don't have common goals, we are going to be all over the place and we will never reach our potential as a team."

A team gets better when each member knows each other's strengths and weaknesses, Simmons says. "You are only going to get better if you uncover everything."

Again, this is not much different from Jones' approach to making the team better. As Jones says, team members have to provide honest and fair feedback on a consistent basis so each person understands how he or she is performing. Since Jones prefers formal processes, she adds, "one of the things

"WHAT MAKES A GOOD TEAM IS DIVERSITY OF THOUGHT AND THAT INCLUDES PERSONALITIES, STYLES, AND SKILLS. YOU NEED TO PROVIDE THE BROADEST VARIETY TO MEET THE NEEDS OF ALL CLIENTS."

we do at the beginning of each year is put together individual metrics. For example, I'll make a commitment to how much revenue I'll bring to the team. Establishing and agreeing to goals at the beginning of the year is important to working together as a team."

Andrew Cheney, SIOR, is a principal at Lee and Associates Arizona Commercial Real Estate Brokerage in Phoenix. He came into the firm as a runner for founding partner Craig Coppola in 2003, and he has worked with him for the past 14 years. They now lead the Coppola Cheney Group, a large team with 10 employees, including three full-time brokers, a junior broker, and everyone else in support. All but one have real estate licenses. The brokers are commission based, everyone else is on salary.

Cheney has a big team perspective so when he defines the principals to make a team effective he begins with leadership. "You have to have strong leadership that instills the culture and that culture has to trickle down. If you don't have strong leadership you are not going to have a good team. Leadership means being organized, out front of your team and setting goals and expectations. That includes serving your team and taking care of them."

Second in importance is sharing information. Cheney's team works together in one big cube-space and team members all have access to each other's drives and calendars. The team meets monthly to discuss all transactions and will meet weekly if there is new business and problems to discuss.

"You need excellent communications to make sure everyone is working on what everyone should be working on at any given time," Cheney says.

FOOTBALL AND REAL ESTATE

Before entering the commercial real estate world, H. Peter Larson III, SIOR, played halfback with the Washington Redskins. Today, he is executive vice president and head of Tenant Advisory Services with Transwestern in Washington, D.C. He has been in the commercial real estate business for 30 years.

"Football was a good experience for a couple of years, then I banged up my knee and there was no market for a one-legged halfback, so I got involved in this industry called commercial real estate," Larson recalls.

Football is the ultimate team experience and Larson has used that experience to create effective teams at Transwestern. He focuses on finding the right people for the right slot on a team.
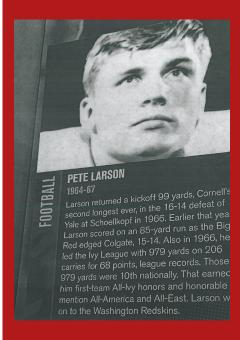
"What we try to do is find out people's individual skills," he says, which is not much different than what a coach does on a football team. If you're fast and fearless, being on the receiving end of p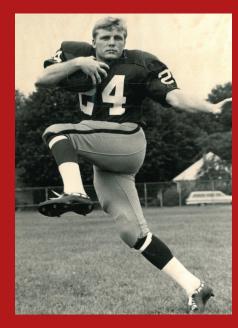unts and kick-offs might be your most productive position. If you have good relationships with law firms and understand that business, that's important for the office team in your commercial real estate firm.

Larson was very lucky in his short career, having played under two legendary, Hall of Fame coaches, Otto Graham and Vince Lombardi, who he likes to quote. Perhaps his favorite quote from his football years that is applicable to team building is: "Get the right guy in the right game conditions so you can win."

His favorite Lombardi team quote: "Together everyone accomplishes more."

Finally, Larson's personal philosophy in regard to team building: "You need to get something accomplished. You just can't walk on the field or you'll end up losing the game."

FOOTBALL

PETE LARSON
1964-67
Larson returned a kickoff 99 yards, Cornell's second longest ever, in the 16-14 defeat of Yale at Schoellkopf in 1966. Earlier that year Larson scored on an 85-yard run as the Big Red edged Colgate, 15-14. Also in 1966, he led the Ivy League with 979 yards on 206 carries for 68 points, league records. Those 979 yards were 10th nationally. That earned him first-team All-Ivy honors and honorable mention All-America and All-East. Larson w on to the Washington Redskins.

> **"THE BEST PERFORMERS ARE ANYTHING BUT ALL THINGS TO ALL PEOPLE. THEY AREN'T GREAT AT EVERY ASPECT OF THEIR JOB; RATHER THEY ARE SPECIALISTS WHOSE NATURAL TALENTS ARE VERY WELL ALIGNED WITH A SELECT SET OF SPECIALIZED ACTIVITIES, TASKS, AND DUTIES."**

Then there are the three Rs: respect, responsiveness, and responsibility – the latter translating to working hard to get the job done. Two less apparent team principals that Cheney espouses are continuous education and being consistently in the market, meaning going to events, getting involved in the community and belonging to groups like SIOR.

Asked how his team changed over the course of the years, Cheney responds, "we have become more organized with our tasks and responsibilities, more strategic about business development, service and delivery, and we have become more proactive."

Probably the most common team approach is the two-person team. Barbara Johnson, SIOR, is a first vice president with CBRE in Salt Lake City and back in 2010 she teamed up with a co-worker, Vic Galanis, SIOR, also a first vice president. That team is still together with one other person, an assistant in the support position.

Johnson and Galanis have different areas of expertise. Johnson is strong in healthcare, hospitals and clinics and Galanis with law firms. Together they do tenant or buyer representation and serve as advisors to corporations. All commissions are split 50-50 while the assistant is on salary.

"What makes a good team is diversity of thought and that includes personalities, styles and skills. You need to provide the broadest variety to meet the needs of all clients," says Johnson. "What makes a team fall apart is work ethic. A team stays together because everyone feels they are pulling their fair share of responsibility and work. Different personalities do work well together if you have trust between team members."

According to Galanis, the six things that make for a good team are: 1) communication; 2) dedication to your clients. 3) team amicability; 4) flexibility, be able to bring in specific expertise if needed; 5) continuing education; and 6) common goals and shared beliefs.

One of the most unusual two-person teams in commercial real estate is also part of a larger 10-person team. The members are Christine McManus, SIOR, an industrial specialist with Investment Properties Corp. in Naples, Fla., and her father, Bill Gonnering, SIOR, president of IPC.

The full team is 10 people, four of which are partners, three are leasing agents, and three assistants, but McManus and Gonnering act as a team within a team.

"We all work as one big team and then we have sub-teams," explains McManus.

"Whether you are a partner or a leasing associate, the commissions are polled together with everyone making certain percentage based on their participation in the deal. The money is all team-based. We have been doing this for 20 years and it seems to work. If an individual is having a better year than everyone else that person will be compensated, but no one is going to starve to death."

She adds, "everyone has their specialty; Bill and I do mostly industrial."

McManus adds, "everyone who is hired has to do leasing before they can do sales, usually for a year or so, but everyone also makes a portion of sales or leases, even if it's a small portion."

McManus, who knows life in a big team and, essentially, a two-person team, says the things that make a team work are: a lot of trust with the team; knowing your strengths and sticking with what you do best, care for clients and each other; and sharing information (McManus and team use a data management program where all information is entered and share with the rest of the team).

"Real estate has always been a dog-eat-dog business," says McManus, "but, when you are in a team you want everyone in the room to be successful." ▽

CONTRIBUTING SIORS

Andrew Cheney, SIOR

Vic Galanis, SIOR

Bill Gonnering, SIOR

Pete Larson, SIOR

Barbara Johnson, SIOR

Christine McManus, SIOR

Kristi Svec Simmons, SIOR

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