



XUSA

A Perfect Beginners Guide To Influencing Stakeholders And Building Relationships

This is as fresh as it comes, warm out of the property developers oven so to speak. You have no doubt heard that as property developers, networking and relationship building are some of the biggest responsibilities we have. Some even state that at the start you should be spending more than 40% of our working time on this venture. If you were like me, I expect you kind of nodded your head at this, maybe went to the odd monthly property meet, perhaps even searched on LinkedIn for people with 'property' in their job title and added them in. Hey presto - networking done!

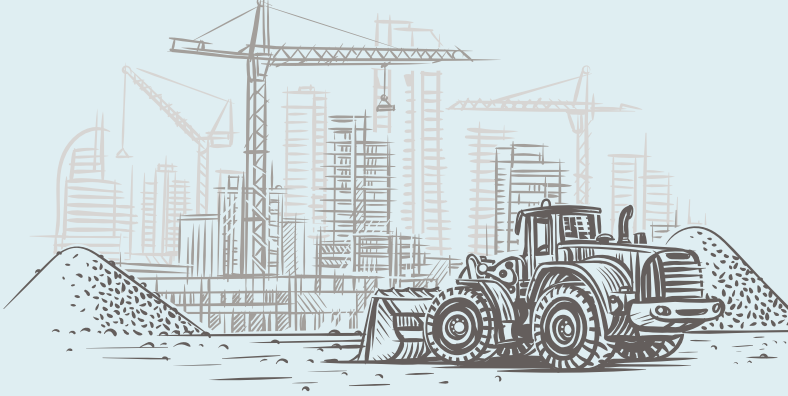


Personally I find networking and relationship building difficult. I am definitely no introvert and I genuinely love talking to people but I feel there is something mechanical and forced in the endless networking events and workshop days we sometimes find ourselves in. However, networking in its basic sense is the development of relationships with the aim of gaining key stakeholders aligned to support you in your pursuits.

Ok so what's is a stakeholder? I prefer the term stakeholder when describing business relationships as it can take various shapes and forms but in essence they are all linked in one way, the fact that they have some kind of stake in making your business/deal successful whether this is ethereal or financial and therefore building relationships with them is the key to success. Every time I meet a stakeholder I equate it to dating. So if I am meeting them for the first time, I would treat it like a first date. I would enquire about them, be nice and give a good impression in order to get date No.2. I certainly wouldn't want to act or say things like we were on our 5th date or be taking them to the Holiday inn for a romantic evening.

The Golden rule you will hear all 'professional networkers' state is that when you go to meet a stakeholder, you should go with the purpose of getting a follow up meeting. Now I agree to this but I think this shouldn't be the only rule and you need to play every meeting on their individual merits and needs. Not every meeting will be based around you trying to hustle an investor into signing a 7 figure cheque. Some stakeholder engagements sessions (a.k.a meetings) will be there to promote your business, your vision and help build strategic alliances. These meetings are 100% different in structure and how you would attack them, let me give you an example from my own experience this week.

Right now my company, XUSA, is close to finalising a fantastic mixed use development opportunity in the NE of England, this has taken 2-3 months to mature due to the complicated nature of the sale, onerous conditions imposed by the vendor and also the fact that there is a leasehold element which is impeding the potential development and sale of the whole scheme. These problems are then compounded by the fact that the freeholder of this lease element is a multi-million pound commercial property and shopping centre owner across the UK and speaking to these guys is not the same as Barbara, your local grocery shop owner. However, regardless of who would own the freehold, lovely Barbara or the multimillion pound company, the key to understand is that they both; still have needs which need to be delivered, profits they want to create and bigger picture goals to achieve. It is your job to find out, what their 'WHAT' looks like.

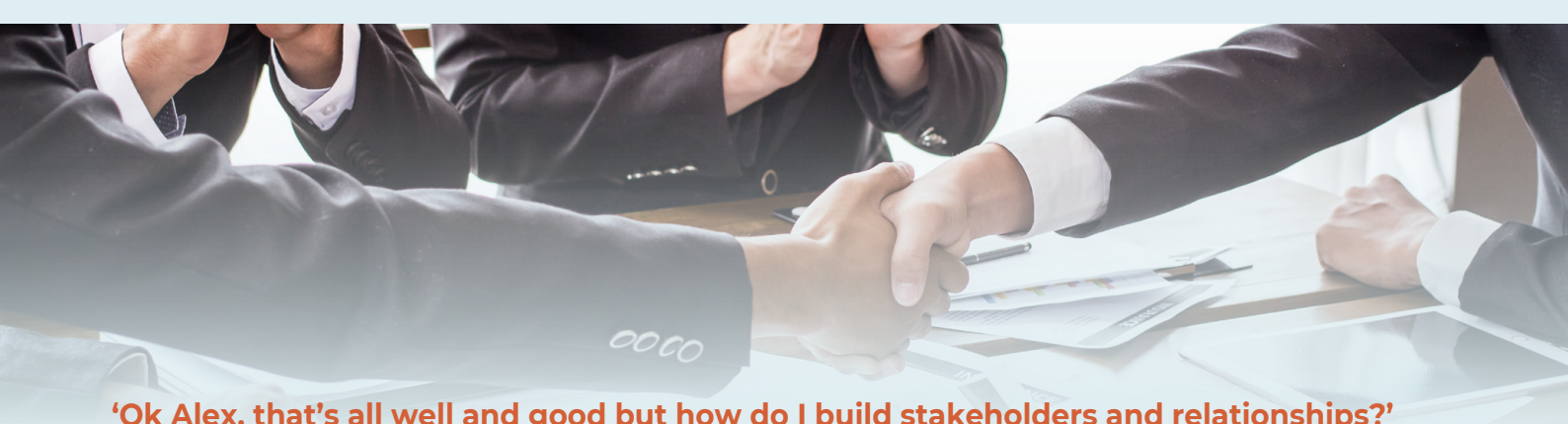


Now in my particular case I wanted to buy out the freehold for circa £90k not a huge amount especially for a company who own a £55M+ shopping centre around the corner. However, in this case its easy to see that financial gain is not an incentive for the shopping centre owners and so I had to think of a bigger picture scheme and then paint this to them. Without going in to too many details, what I ended up demonstrating was how I could add value to their shopping centre through strategic acquisitions. This included removing the leasehold element for my development but then expanding the proposal to include the purchase of some of their own (currently vacant) properties which are situated within the vicinity. I was then able to explain to them by releasing the leasehold to me, this would then free up XUSA to look at completing further developments utilising their properties. I then explained how this would help improve their shopping centre in the fact that the new residential units would provide a new captive audience and increase the footfall to their area. Furthermore it would free up capital to them for otherwise unused assets. I was also able to show them that by doing this it demonstrated to the community and the local council the caring side of the large shopping centre, which is a PR dream!



So it was this bigger picture notion which I was able to express and when you combine this with finding shared values and vision (in my case it was a shared passion for supporting the community and delivering affordable living experiences, both commercially and residentially) then this becomes a very powerful tool. Now in my case, although I haven't quite got the freehold as there is still a lot of legal and in-house processes and hoops to jump through, I now have a relationship and a human contact point within what may have otherwise been seen as a corporate monster. This will hopefully serve a long way to helping finalise the development scheme but also the bigger picture for the community.

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'Ok Alex, that's all well and good but how do I build stakeholders and relationships?'

A very good question as I certainly didn't just send an email to admin@massiveshoppingcentrepeople.co.uk and then promptly received an invite in the post. Again I had to nurture the relationship with this particular stakeholder, through phone and email conversations, building up the social proof and establishing a relationship. On average it takes between 3-7 separate meeting events with a person (phone calls, emails, texts etc.) before you should go in with your 'hard proposal', especially if this is for investment purposes. So how do you build trust? There is a lot of good material online and I would recommend to read a fantastic book called "Persuasion" by Dr Cialdini, which can give you more hints and tips in this area. However, one of the easiest ways to instantly build trust and put you 50m in front of the rest of the field in a 100m race, would be simply to get an introduction from a common acquaintance. Regardless if it is Barbara or the Shopping Centre, getting an introduction puts you on in a strong position from day 1. Search on LinkedIn for acquaintances or significant levels of connection, do some google stalking, ask your power team (In my case, the intro was via an architect and then via the commercial operations manager) There is always an intro to be made, even if you need to go in cold with their PA or graduate or trainee who sits under them first and then move up.

'Ok Alex, well let's say I have an opportunity to impress, how do I influence the stakeholder?'

Again it depends on the stakeholder you are meeting, the reason for meeting and where you are in the journey together. However, let's say you have a meeting set up and its crunch time to deliver your proposal, in this stake there are a few things which you should look to do:



Be on time and be prepared - Basics I know but reputation is everything. Depending on the setting I would recommend putting together a slide deck on PowerPoint. Slide decks are fantastic and can be multipurpose for many different events and are great talking points, so long as it doesn't read like the guardian newspaper - working with the idea of 'less is more' but making them visually impacting will always help. I always carry a paper backup of my slide deck incase there is no computer or technical issues occur. Huddling around an A4 paper deck is surprisingly engaging, although be sure to take some mints! A more modern concept adopted by management consultancy firms right now in the A3 Poster, which is a single handout, listing the key things about the working; who you are, your values, the challenge, the solution and the benefits of working together.



Look to solve people's problems - Don't assume you know everything they want. Ask the question, take the time to find out and be personable about this. If you can demonstrate continually that you are there for their own benefit or a wider shared goal then you will succeed, My mentor always tells me, 'win a friend first then the deal second'



At some point you will need to pitch your idea, investment or company. Once you have finished this always give them time to reflect. Questions will come naturally but something I always like to finish on is, "What blockers or issues do you see with this proposal and what things do I need to help you guys with to solve or move this forward?" This demonstrates commitment and is a good reflection moment for the other party.



Have back-up options and be prepared...again! - Make sure you know your pitch inside and out and also the deal/idea/investment you want. We prepared that they won't accept your first proposal. However, if you have come up with options b, c and x then you have a huge chance of succeeding, make sure to play out these scenarios before going in. In my example this week I had to revert to option D when it came to trying to negotiate on the leasehold element but this ended up being just what was needed.



Always follow up post meeting with a small recap and clarify timeframes, this shows your commitment but doesn't leave things open ended, should you need to come back to remind the opposite party then you have a reference point to do so.

Now there are many other things which I haven't included on here, as this is a long read not a toilet level literature. However, I hope it has been enough to get you guys going and more importantly understand the importance of stakeholders and maturing relationships in all aspects. Remember build a friend first and then win the deal.



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