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One-Man Shops Can Create

Big Firm Credibility

By Steve Lewis



Steve Lewis is the President of Wordman Inc., a marketing and public relations firm in Atlanta, Georgia. He served as Editor of the *National Real Estate Investor* for eight years. He was also the Real Estate Editor of *Business Atlanta* and the Editorial Director of the real estate group of publications at Communications Channels Inc., which includes *Southeast Real Estate News*, *Southwest Real Estate News*, and *Shopping Center World*. His firm represents developers and contractors in the Atlanta area, and he continues to write freelance articles about the real estate industry.

At first glance one would think that SIORs who head small shops would face a daunting challenge in today's world of megafirms and international networks. But SIORs say their reputation in the market helps them overcome many potential concerns of prospective clients. What's more, they say, their size can even be an advantage because clients know they will be getting personal service from one of the most experienced brokers in the market.



Ernest C. Wronka, SIOR, CCIM, who heads the Burlington, Massachusetts-based firm that bears his name.

"I've been in business for 32 years, 12 of them with two large firms. I don't think I have a credibility issue with that experience," says



Real Estate Services, LLC, Tucson, Arizona. "Because I hold professional designations as both a CCIM and an SIOR, have been active in this market for close to 25 years, and specialize exclusively in office and/or medical office, my firm is typically invited to the dance."

"I think the credibility issues are more tied to new and inexperienced brokers," adds **Mark C. Irvin, SIOR, CCIM**, Mark Irvin Commercial



Belenchia, SIOR, CCIM, RICS,

"Credibility begins from within and from your clients' recognition of your unique abilities and resourcefulness," says **Elizabeth C.**

President of Carroll Properties Corporation in Spartanburg, South Carolina. Instead of saying “I am a one-person operation,” she says, “My boutique firm specializes in offering comprehensive real estate services to multi-national entrepreneurs... We’ve located companies from 24 countries in this market.”



Soozie Jones Walker, SIOR, CCIM, Commercial Executives in Las Vegas, says, “Overall there is the perception that larger companies

can give better service, which is not necessarily the case. Real estate is still about the person.”



Gregory P. Schenk, SIOR, of The Schenk Company, Inc., Columbus, Ohio, says he hasn’t faced any credibility

challenges. “It depends on the type of business you go after; 90 percent of my business is with privately held companies,” he says.



“Personally, I think ours is a local business,” adds **Edward P. “Ned” O’Connor, SIOR, of Waterford Property Company in Overland Park, Kansas City.** “Anyone with strong relationships will succeed, and most people in our shop have 20 to 25 years experience.”



“The main challenge to overcome is not being perceived as a safe choice,” says **Geoffrey M. Kasselmann, SIOR, LEED AP, with Op2mize in Chicago, Illinois.** Clients need to know that the personnel in the company value their jobs and

understand the “realities of the job market for them if they were to make a risky decision that ended up having repercussions.”



Damon Palermo, SIOR, of Palermo Barr Commercial Real Estate Advisors in The Woodlands, Texas, admits that there are credibility challenges concern-

ing scale and geography. “Someone may see you as being okay for the local area, but larger firms with multiple locations might be the default choice [for other assignments],” he says. “The second problem is sheer scale. If a client has a project where corporate real estate plans need to be executed and certain things lined up where a great deal of work needs to be done, they may question whether you can scale up to meet their needs.”

Overcoming Objections

Objections are an inevitable part of the sales process. How do SIORs in small firms overcome them?

“Prospects want a compelling value proposition and managed risk. Their objections typically fall under these parameters, basically price and time/scope,” says Kasselmann. “We overcome most objections consistently and successfully by offering a compelling value proposition of ‘sustainable intelligence’—real estate fundamentals plus best practices in innovation and sustainability—along with good old fashioned TLC. That’s our secret sauce.”

“This is part of the reason I strove to become an SIOR, to level the playing field,” says Walker. “The experienced clients out there recognize the value of the designation. With my connections with other SIORs I can offer the same services as a larger firm, such as referral to other quality brokers in other markets and the continuity of being able to control my clients’ real estate for them no matter which state their property is located.”

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Belenchia points out that if a prospect points out that her competition has a multinational team, her response is: “I assemble a project team for each assignment, combining the most suitable skill sets for the financial success of your unique project. My network includes specialists around the world, including real estate and business consultants, developers, and financiers.”

Palermo responds another way to questions on geographical reach. He says, “What we’ve been able to successfully pitch to clients with multiple locations is what I bring to the table from my unique perspective, by virtue of my graduate degree in real estate and experience with pension funds and insurance companies.”

“We feel that being proactive is the best approach,” says Irvin. We point out the obvious and answer questions even before a client asks them. For example, rather than waiting for a client to ask us about what many feel should be our Achilles heel—such as the size of our firm—we usually start most meetings saying, ‘We appreciate the opportunity to present our services and know that you are also considering larger firms for this assignment. Please allow us to spend a few minutes discussing the benefits of using a smaller firm where all our energies are directed toward the exact type of real estate you are looking to lease or buy.’”

Busting those Myths

Some objections are based on myths that persist about smaller firms, but SIORs agree those myths can be busted. For example, here is how Belenchia attacks several common myths:

Bigger is Better: “I regularly serve as a select sub-contractor to multinational real estate firms when they need a local specialist” she says.

Limited Market Access: “The Internet has leveled my playing field and I use it extensively in addition to social media.

National Brands Sell Expectations: Belenchia responds that at her company, the client’s project receives “the

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Most SIORs in small firms avoid trying to look big...

full benefit of 39 years of comprehensive experience.”

“We’ve all heard the myths about small shops being distracted by operational issues and ‘What if he gets hit by a bus?’” says Kasselmann. “But these myths rarely hold us back. We’ve purpose-built a small but dynamic team featuring complementary value-add skill-sets with a healthy amount of cross-training. This team approach is key. From there, the great equalizer has been the Internet and all of the digital tools and databases empowered by it. We use all the same resources the big firms do, yet we are way more nimble and dynamic in how we leverage them,” he says. “Plus, we scour the market for ‘what’s next’, with measurable ROI in mind. We create real, tangible value by delivering much more service for traditional market fees, and we do it with passion and

priority. Our bundle of high-quality real estate services, operational efficiency through automation and innovation, and pivotal energy management strategies is both compelling and irresistible to those used to ‘business as usual.’ If that’s what you are trading off of,” Kasselmann says, “we want to compete against you.”

Don’t Try To Be What You’re Not

Most SIORs in small firms avoid trying to “look big” at all costs. “My size is a marketing *advantage*,” Wronka insists. “Clients get *me*—not some kid with a big firm.”

“We do not try to be something we are not,” adds Irvin. “Most of us came from large, full-service firms and we created a smaller, more focused group by choice. We focus on who we are, what we do, and, as importantly, what our track record is.”

“I do not try to appear big,” echoes Belenchia. “My focus has always been on quality rather than quantity. As a global professional in a semi-rural but international marketplace, I learned to provide signature services, which include multi-state site selection; corporate finance; and federal, state, and local grants, as well as identifying and negotiating business incentives from states. I provide the International entrepreneur the same level of service my colleagues offer Fortune 500 firms.”

“We don’t [try to appear big],” says Palermo. “I try to level the playing field.”

“It’s a waste of time to try to be something you are not,” agrees O’Connor. “We understand who we can talk to. We don’t chase institutional business—we won’t win.”

But for Kasselmann, the situation is not always so black and white. “It depends on our audience and our competition,” he says. “We emphasize our story and momentum while leveraging our previous big-firm experience and track record. We are more efficient with our considerable resources, and we operate with a much lower total overhead. As a result, we find certain projects to be quite profitable where a team at a large shop can’t take the same approach or make as much per head, a consideration that can de-motivate them or send them in search of other larger projects. That’s where our ‘TLC’ can be a tie-breaker,” Kasselmann says. When we engage a project, we can’t afford to fail, so we do everything it takes and more to achieve project success.”

Jones Walker has a similar attitude. She is both an SIOR and a CCIM, and says the power of the dual designation “gives us the ability to appear much larger than what we are,” she says. “But I also work diligently at being involved in many organizations around the valley and nationally, so my name is well known. I would think, however, that it would be more difficult to get name recognition in a more densely populated community.”

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