



WHAT EXECUTIVES EXPECT FROM BROKERS

And How You Can Ensure You Deliver

BY STEVE LEWIS

In any service business, successful professionals will tell you that it's critical to meet or exceed client expectations. When it comes to commercial real estate, clients naturally want that level of expertise as well as a proven track record. Yet the SIORs I spoke with agreed that above all else, clients expect honesty.

“If you represent a client exclusively, they expect you to have a fiduciary responsibility to them – to be truthful, factual, to explain to them whatever they request and document it with facts if available,” says **Stan Kurzweil, SIOR**, Senior Vice President of Weichert Commercial Brokerage, Inc., in Morris Plains, NJ, “They want to know the most relevant market information and what the current environment is.”

Kurzweil explains how he tries to put himself in the customer's position to better understand what it is they want. “The other key ingredients are sympathy and humbleness,” he adds.

“Integrity has to be the most important skill set any broker can offer his client,” adds **Greg Gunn, SIOR**, Senior Vice President with Coldwell Banker Commercial in Salt Lake City.

“If a client cannot trust his broker there is no foundation for any kind of a relationship.” Gunn fondly remembers an SIOR ethics course he took years ago for his designation where the instructor taught him something that has guided him throughout his career: 'Disclose what you know and disclaim what you don't know.' If you follow that adage, says Gunn, “You will stay out of harms way.”

Clients, Gunn continues, also expect excellent market knowledge: “That element is absolutely essential in order to provide our clients the best service possible,” he says. “They are relying upon us to provide them with up-to -the-minute accurate and timely information.”

Finally, he says, “If we don't have good people skills, we have nothing. As brokers, we work with all kinds of

clients, from the uninformed to the know it all; from the people who are a dream to work with, to those who are a daily nightmare; from those who have no money and are leveraged to the teeth, to those who never leverage and always pay cash; from the honest, to the dishonest and devious.”



“AT THE END OF THE DAY I ALWAYS KEEP THE CUSTOMER IN THE LOOP AND NEVER ASSUME THEY UNDERSTAND ANYTHING, I MAKE THEM PART OF THE PROCESS ALL THE TIME.”

Tom Hill III, SIOR, CCIM, who heads the Waterbury, CT-based firm that bears his name, agrees, stating that clients expect a “known reputation for deal making and honesty.”

And **Deborah K, Stearns, SIOR, CPM**, Senior Vice President with Jones Lang LaSalle in Norfolk, VA, adds that clients expect “negotiation skills and market knowledge—beyond what can be found on Co-Star or another database—financial acumen and business sense.”

SERVICES CLIENTS EXPECT

Clients' expectations include not only skill sets but also services, note SIORs. For example, Gunn says they expect their brokers to provide comparables, commitment, and resources.

“If it is a purchase, they want to know what properties changed hands in the recent past, at what prices and what terms, and in what way the information needs to be adjusted to make it comparable to what they are doing,” he says. “In the case of a lease, they want to have comparable information as it relates to the location,

lease term, rate, tenant improvement allowance, concessions, parking and any nuances that make the property different from what they are attempting to lease.”

Clients, he continues, also want to know that you are totally committed to what they want to accomplish—regardless of the sacrifice involved, and regardless of the difficulty.

Finally, he says, “they want to know that we can provide them with the resources that are needed to get the job done. That may include the ability to do financial analysis; the ability to draw upon expertise from other team members to make up for our deficiencies; the ability to conduct detailed analysis of a site through mapping, demographic analysis, site analysis, and putting together a power point or video of various properties, as well as the valuable relationships we have developed with important people who we can draw important market intelligence from that our competition does not have access to.”

“You always have to explain what you're doing with your reports – show what was asked and answer it in a way the company that's asking would want,” notes Kurzweil. “That includes complete information about the property, a picture of it, the facts and how they relate to this property, and a range of value you can put on a property based on comps.”

Providing personalized service is equally important, Kurzweil continues. “Sometimes the customer wants the report e-mailed, but I still set up a meeting to sit down and talk, and I send a letter out explaining what I did and why I did it.”

Stearns adds that clients expect “knowledge of market trends and how that can serve clients' needs, financial analysis, and intermediary, and advisory services.”

Clients, Hill adds, also expect “a transaction that is completed quickly and at a level of price, service and accountability – with lots of updates, even if there is nothing to report.”

CONTRIBUTING SIORS



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DEVELOPING DESIRED SKILLS

It is unlikely a broker will have all the skills clients expect when they start out in the business. How do they develop and hone those skills?

“Always be a student of the business,” Stearns advises. “Read, study and analyze market conditions. Keep up to date industry designations. Be an active participant in community organizations to build knowledge and expand your contact base.”

“What I focus on most is the ability to draw upon a wide range of valuable relationships I can take important market intelligence from,” says Gunn. “I have made it a point to be generous in sharing information with important people, which enables me to draw information from them at unexpected moments. I make it a point to nurture and develop those relationships and continue to do so on an ongoing basis. That includes providing them with timely market information I can draw upon from our data department.”

“I give almost every speech I can to businesses and groups, and emcee many commercial real estate functions,” notes Hill. “This increases my visibility with my audience and it increases the opportunities that come my way. When I am warm calling or canvassing, most prospects have already heard of me or are very aware of my reputation.” He adds that he began honing his skills at an early age when he read the “Unabashed Self-Promoter’s Guide” by Dr. Jeffry Lant.

BUT ARE THEY SATISFIED?

Of course, all the years of preparation and skills acquisition come to naught if the client isn’t satisfied. How does an SIOR determine if their expectations have been met?

“I ask!” Hill says succinctly.

“I typically ask for a letter of recommendation upon completion of an assignment; referrals and repeat business are the best indicators of satisfaction,” says Stearns. “I also offer the JLL ‘guarantee of service;’ if a client is not satisfied, they do not have to pay the commission.”

“I have done a good job of asking my clients at the end of a transaction if I have done well and met or exceeded their expectations,” says Gunn. “What I have not done, which I have

resolved to do in 2014, is to ask along the way throughout the transaction how I am doing.”

Kurzweil says he follows a well-defined strategy to help ensure client satisfaction. “At the end of the day I always keep the customer in the loop and never assume they understand anything,” he explains. “I make them part of the process all the time.”

In fact, he continues, he usually researches companies before he calls them to learn what he can about who their top people are, what they do, and what they’re looking for.

DEALING WITH UNMET EXPECTATIONS

In those rare instances where expectations are not met, what can an SIOR do to salvage the relationship? “The first thing I do is to be proactive and say ‘How can I improve? What areas do you want to see more information on, or what do you want me to do differently to make sure you get the information and the desired results?’” Kurzweil shares. “I’m also a big fan of meeting with the customer *before* they have a problem. A lot of folks will not meet until there’s a crisis. I had one client who said, ‘I trust you, but I know nothing about real estate,’ and this was his only property. I said ‘I’ll tell you what I do and why I do it and we will have a discussion, and you have to be comfortable with what I do.’ And I did that every step of the way.”

“The situation may be well served by bringing in a new team member to help meet the need,” says Stearns. “For example, if more prospecting is required, a junior associate may be effective in making more prospecting calls. On the other hand, if access to CEO’s is the missing element, adding a senior associate may improve the level of service. If the client is not satisfied, I believe it is best to bring the relationship or assignment to a close and allow the client to select a new service provider. Life is too short to work with people who don’t want to work with you.”

“In most cases, I do whatever it takes,” says Hill. “However, considering the market trends over the last five or so years I have had a rash of customers, prospects, and clients that have unsolvable problems and unrealistic expectations, so I have had to either obtain retainer fees for service, turn the opportunity down, or in some cases, fire clients. Sad, but I had read in the *SIOR Professional Report* magazine that a top SIOR was ‘getting off the

horse' in cases with folks he could not make money with! That was very helpful to me, as it is an acquired skill set to handle the right opportunities with buyers, sellers, and tenants that are honest, cooperate, and have the funding to pull the trigger."

"Here are some of the things you can do," Gunn advises. "Sit down with them and follow the adage of Steven Covey in his book, *Seven Habits of Highly Effective People* — 'First understand and then be understood.' Ask them why they feel the way they do, and listen objectively without interruption until they have spoken their mind. Then feed back what they have said and work your way to comprise and understanding.

In most cases the client is correct, at least in part, in his feelings, but oftentimes it stems from a misunderstanding. Use this as an opportunity to get to know your client better and show him how much you care about his concerns, then come up with a plan to share with him how you will do better. In more extreme cases, if the client is unwilling to work toward a compromise, you can bring in a new partner or a different partner to work with him/her and he/she can be a buffer until the relationship improves. In a worst case basis, bring in a new partner, step out gracefully and let her/him finish up with your client and work out a favorable commission agreement to bridge the gap between the two of you." 🗨️

ABOUT THE AUTHOR



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