





BOOT TO THE FUTURE MANAGEMENT

Much of the dialogue in business circles these days focuses on the relative values of a fairly traditional, top-down management approach, versus a more creative—and sometimes controversial—bottom-up approach.

So, what exactly is bottom-up management, and how can SIORs benefit from employing this approach? Basically, a bottom-up approach means encouraging employees at all levels of the business to submit suggestions about how best to solve problems.

“Businesses that adopt the bottom-up approach can reap benefits because they can mine the expertise and creativity of their entire team,” writes Sampson Quain, a content writer with expertise in small business, digital marketing, SEO marketing, SEM marketing, and social media outreach. Writing on the AZCentral website¹, he added: “Rank-and-file workers are in the best position to understand the barriers to increased productivity and efficiency. As a result, they can offer practical solutions that are often effective. Bottom-up strategic management can also build morale in the workplace because it empowers workers to develop solutions to problems and to introduce initiatives based on their expertise.”

“One of the major advantages of the bottom-up strategy is that it allows you to make decisions with a much wider pool of knowledge,” notes the Clarizen blog². Clarizen is a project and portfolio management consulting firm. “As each additional team member is involved, they contribute their own unique knowledge and experience of the tasks that need to be completed.”

“Employees across all levels and teams will feel engaged and involved—like their voice matters. And employees who feel heard are almost five times more likely to feel empowered to perform their best work,” noted Everwise, which focuses on productivity³.

Some SIORs have also bought into the bottom-up approach and are pleased with the results. “We have a good combination of young guys trying to come up with ideas, older guys seeing how it works and saying, ‘This could be good,’” shares Robert Tillsley, SIOR, president, McBride Corporate Real Estate, Franklin Lakes, N.J. “They’re certainly not jumping on ideas, but they are willing to see something happen—and if it works well, they’re not averse to doing something better.”

Tillsley has 11 brokers, ranging in age from 23 to 70. “The younger guys are showing the older ones how to use a CRM more effectively, drip campaigns,

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different canvassing techniques on-line, etc.,” he adds.

“Depending on the organization, you have to have bottom-up management,” says Bruce Hecht, SIOR, executive vice president and managing partner, Swearingen Realty Group, LLC, in Dallas. “If the owners of the brokerage company are also brokers, you absolutely have to have it. Yes, the top has to be the leadership and have a vision, but you can quickly become disconnected with staff and employees—then you’ll have employee morale problems, a lot of high turnover, and less job satisfaction.”

“Many people talk about a hardened heart—however, one can also get a hardened brain,” says Baxter M. Walker III, SIOR, principal, enterprise solutions, Avison Young, in Raleigh, N.C. “Many become stubborn to new and smarter ideas that could lead to more efficient ways of conducting business. We as veterans should always be willing to learn. No two deals are identical and it’s good to have another set of eyes and a fresh approach to look at a transaction differently.”

Not Without Its Challenges

As with many things in business, there is theory, and then there is practice—the former generally being much easier than the latter. “The easiest description of working with ‘Type A’ personality brokers is that it’s like

herding cats,” says Tillsley, who admits that his firm has been “late to come” to the bottom-up model. “Everyone has their own way of doing things. In New Jersey, brokers can be independent contractors, which limits the amount of ‘control’ you can have over them.”

While asserting that “the day of the lone wolf broker is something of the past,” he concedes that moving to the concept that everybody in the company is part of a team “took a long time to get to.” Still, he says, there is now “a lot of harmonious interaction during the day, and we get along pretty well.”

What are some of the biggest challenges in managing a team that encompasses a wide range of ages and experience?

“With different ages and experience come different methods of day-to-day working, whether it be the fundamental use of technology, or the preferred way of communication,” adds Walker. “There is also a difference of approach to the dynamic twists and turns of a transaction. We each respond to situations based on our personality and experience.”

Strategies That Work

What are some of the keys to successfully managing this dynamic?

“Encouraging patience,” says Walker. “Learning how to advise and mentor


in a way that is well-received; it takes time and practice, plus it evolves as time goes on. It is key for both junior brokers and veterans to be approachable. We as veterans learned from our predecessors and we must pay it forward.”

“There are a lot of young brokers we’re mentoring, with a lot of different ideas,” notes Hecht. “We want to listen to everybody, but you can’t implement all ideas; they’re not all cohesive with one another.”


The best approach, he says, is to choose recommendations that are favored by a majority of brokers, employees, and staff. In his company, that includes sales, employees in construction, lease administration, HR, and general administration.

“We have teams, which usually mix some with relatively little experience, moderate experience, and great experience,” Hecht shares. “We help train newer talent, more than just telling them. The way they use computers and do work has changed a lot of us old guys.”

Their preferences and needs often differ, he continues. “The brokers may want some software that’s CRM-based and are maybe looking more at demos, and that’s perhaps different than software like the Adobe suite, which would help administrative folks put together a presentation,” says Hecht. “When you have owners that are also brokers—what



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we have here—we're busy running deals. Plus, brokers don't tend to be wonderful managers. We look to our HR and acting managers. We have directors in each department, and we listen to them. It's truly bottom-up; we do not know what they need, so we have to listen."

These individuals, he explains, are well-versed in day-to-day operations, and what works well and what does not. Accordingly, they have been empowered to have direct access to owners and to have input in acquisition of software, and to come up with ideas on how to better support the brokers.

"This goes all across the whole company in terms of workforce morale," says Hecht, noting that some employee events might only include brokers, while others would only include administrative folks. "We try to have a place of business everybody can enjoy," he summarizes.

Advice to Team Members

Managing an office also requires mentorship, and an explanation of why the company is going in a specific direction—and that includes a move to bottom-up management.

"Those new to the industry bring a fresh approach to building business," says Walker. "While there are some tried and true methods of business development, there are some smarter and more efficient ways that I have seen junior brokers use to win business. It's advantageous to feed off of the energy and drive from our younger counterparts."

However, he notes, teamwork is a two-way street. What does he tell the younger brokers? What advice/mentoring does he give to the younger brokers in terms of how best to relate with the veteran brokers? "Observe," he shares. "Watch the veterans and how they communicate with clients and keep them calm through the stress of a transaction. And listen. Give the veterans the opportunity to explain the nuances of a deal and what they have done in the past to handle a specific situation. Growing this mindset generally comes from years in the business, however it can be shared with those entering the industry."

Veteran SIORS "can learn a lot from junior brokers," says Hecht. "New software comes out literally every 30-60 days," he says. "We're not well-versed in that; there are a wide range of demos, lease administration, etc."

Reaping Real Benefits

These SIORS who have implemented bottom-up changes have already seen benefits. "I listened to what the younger guys said in terms of what they needed," says Tillsley. "I brought in a CRM, which we'd never had before. I hired a marketing company that gets us more social media savvy. What's gone on is that the older brokers see how this works. One older fellow sent an e-mail blast out rather than snail mail and got a \$5 million deal out of it. All of sudden, 'This is the greatest idea I've ever seen.'"

Hecht says some younger members of his team "put together really interesting

graphs and statistical analyses for clients—head count, square feet per person," he shares. "They've explored very interactive applications, taking a region, or the whole U.S., redoing the metrics across different divisions of the company. They've come up with tools they've been exposed to that help us be more strategic with clients.

"That's what clients are looking for," he continues. "It goes even deeper than lease administration; they're looking for us to help them create not only a work environment that helps them retain clients and attract new talent, but that also helps in their productivity as well. Younger brokers can help older ones meet those needs."

"I am on a team with a prospective SIOR member," Walker adds. "We had an opportunity to bring him on board as a junior broker. He has been a very quick study, and I believe this is due to being open to advice as well as taking the initiative on business development."

That prospective member has a blog that discusses commercial real estate trends, notes Walker. "This opens up our exposure to a younger demographic that we previously didn't reach," he points out. "We have also brought on a broker assistant who is striving to be a full broker within a couple of years. We have given her the allowances to provide us direction for different and better ways we can do things, as well as giving us bandwidth for more business development."

"I lean on [the younger brokers] and ask, 'How do you do this?'" says Hecht. "For example, deal churn can be 200-300 agreements a year. Younger people have found ways to manage and run 75-100 deals a year. That's very impressive; you have to be very organized and use certain tools."

Smaller companies like his, he continues, must lean on staff—and they get lots more out of the bottom-up approach. "It makes the whole organization stronger, more cohesive, with more of a sense of belonging in the workplace," Hecht says. "When an employee or young broker comes up with an idea that is implemented and has a positive impact on the organization, it makes them feel positive. And it helps upper management identify future leaders. Nobody wants to be stagnant and not have growth in their career."

Leaning on staff and junior brokers, he summarizes, actually makes managing easier. His message? "We're all in this together, we're a family; help us come up with great ideas—and the tools to implement them." This approach, he concludes, is more than just doing the right thing. "We need their help; we can't do it all," Hecht asserts. ♥

1. <https://yourbusiness.azcentral.com/difference-between-topdown-bottomup-strategic-management-17085.html>
2. <https://www.clarizen.com/fivethings-to-know-about-the-bottom-up-strategy/>
3. <https://www.geteverwise.com/leadership/top-bottom-management-best-business/>

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