

# Relationships: The Key to Successful Business Development

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REPRINTED FROM SCOTSMAN GUIDE COMMERCIAL EDITION, JANUARY 2005

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If you are like many mortgage brokers, you want results and want them now. Reading an article about relationships is not what you want to spend your time doing when you have deals to close. In fact, cultivating relationships has everything to do with closing deals. The most effective business call you can make is to a person with whom you have an established relationship. If you will reevaluate your approach to business development and take a long-term approach to a short-term problem, the benefits will astound you.

First, question your approach. Are you in business just for yourself? If so, you are missing the whole point of this article. You must have a win/win attitude when relating to people if you are going to be truly successful—not only in closing deals, but in every area of life (family matters, career changes, health issues, etc.).

## Taking the Quiz

- How often do you call a business associate to see how the person is doing and not simply to ask for something?
- Do you know if your client is married or has children?

- Could you tell clients or colleagues what they are aiming for in their business?
- Have you specifically called clients to thank them for their business?
- When did you last spend an hour with a younger colleague and give him or her advice and potential leads?
- Do you have any business relationships more than five years old?

If you find yourself scratching your head over these questions, then you probably have some serious work to do in building the right kind of business relationships.

## Building Relationships

Mortgage brokerage is a people business. Keeping in touch with people of influence can multiply your efforts in generating new business. This does not mean sending out mass mailers to everyone in your database as a way of maintaining relationships. Keeping in touch means treating others like you would like to be treated. It means making personal phone calls or paying personal visits to find out how people are doing and what is really happening with them. Obviously this is not possible with all your contacts. However, you should evaluate your top tier contacts, the people of influence whom you respect, and periodically maintain personal contact with them.

I offer one word of caution, though: You must be sincere in your effort and concern to maintain relationships because friendship with the wrong motives can be more damaging to your business development than not maintaining the relationships at all.

## Cultivating Relationships

As you consider adopting this long-term strategy, you should first make a list of those key relationships you wish to cultivate. The following list will help you get started:

- It's your former boss who taught you how to underwrite a deal.
- It's a client you did business with three years ago with whom it was a pleasure to work.
- It's the employee who worked for you and has since left and started a business.
- It's the appraiser who was aggressive enough to get the value you needed to close the deal.
- It's a competitor who referred a loan to you.
- It's an attorney who was able to work out the difficult issues on the loan documents at a reasonable fee in order to get the loan closed.

These are just a few of the relationships that are more valuable than you realize. You need to make it a priority to reconnect with these people and cultivate win/win relationships.

I had an excellent relationship with one of my first bosses. He helped show me the ropes, and at times I thought he was too hard on me. But I respected him and chose to learn all I could from him. After I moved on, I stayed in touch. Yes, I was thinking strategically, and it made sense. But I honestly wanted to stay in touch. I valued my relationship with him. Fifteen years later when I moved back to the area where I used to live, he gave me a call and referred me to

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a job opportunity. I did not end up taking the job, but I was given the opportunity, which would not have happened if I had not maintained the relationship. Now, did I cultivate that relationship all those years for this one purpose? Of course not! But I'm grateful to have been given the opportunity and to have such a great resource from which to draw.

### Developing Win/Win Relationships

Once you've begun making the contacts, you should seek for ways to interact positively. One of Steven Covey's famous seven habits for success is to think "win/win." That means truly looking for ways to help others in pursuit of your own success. Here are a few examples from my own experience:

- Offer clients unsolicited information that could assist their business success.
- Call a colleague who was laid off and offer support and job-seeking assistance.
- While on a business trip, spontaneously call a broker you did business with several years ago and offer to take him or her to lunch.
- Send flowers to a client whose father died unexpectedly.
- Call a former client who is going through financial hardship and offer a word of encouragement.
- Call a competitor to congratulate him or her on a professional accomplishment or commendation.

- Call the banker who has referred loans to you in the past and acknowledge his or her promotion to vice president.

Building stronger business relationships doesn't have to be arduous. You simply need to make it a priority. A little effort will go along way.

A contact database is critical to maintaining communication with business relationships. It doesn't matter what system you use. What matters is that you systematically document relationships (how you met, your conversation, personal details, etc.), so when you follow up later you can easily recall previous conversations and show interest in business associates as people. The more you know about people and what they are doing in their own businesses, the better they will respond to you and the better your ability to generate business leads.

### Relating Effectively

As you begin building longer-term relationships, it's important to do it right. Here are some key principles to follow:

- *Shut-up and listen.* Listen to others and let them set the agenda for a conversation for a change.
- *Inquire.* Ask questions about "how" they are doing, not just what they are doing that could benefit you.
- *Do something for them.* Try to add value to them: send them an article, suggest a book, refer them to a conference, refer business.
- *Find the right pace.* Contact them regularly, but not too regularly. Be relaxed. Don't be demanding.
- *Have fun.* If possible, do something fun with them, something casual.
- *Express appreciation.* If others do something for you, thank them. If it is legal and ethical, give something back (money, gift card, gift, etc.)

- *Take risks and share experiences.* Sometimes our contacts can be pseudo competitors at times and potential allies at others. Take risks and share an insight or piece of technical information that could help someone. It might backfire, but it might solidify a positive relationship.
- *Turn lemons into lemonade.* Sometimes negative situations can turn to good if you don't react and burn bridges. The way you handle conflict and problems can open up possibilities for the future.
- *Ask for business.* Ask for leads. Be direct and forthright. Most people will want to help you if you have a real relationship.

**“The most effective business call you can make is to a person with whom you have an established relationship.”**

### Thinking Win/Win in Developing Business

Ultimately, it always pays to leave something on the table for the other person. Level of risk equals reward. Level of participation requires reciprocity. Your philosophy is to build gradually. See others win. And continue to build bridges, not burn them for temporary triumph and gain. It has to do with your philosophy of negotiation and how you put deals together.

This may mean you make less in the short-term, but you gain immeasurably for the long-term. I can point to many, many examples in my own career where this approach has borne great fruit.

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## Maintaining Business

### Relationships—the Benefits

You may be asking yourself, with all this effort what's the "win" for me? I can honestly say that, in my 17 years in the industry, the "wins" are tangible and profound. Here's what you can expect long-term from adopting this strategy:

- *Knowledge/Information:* By periodically keeping in touch with prior business relationships, you will gain insight into new and updated information in other markets and industries. Knowledge and information are power; when combined with the human element of relationship, they make for an incredibly powerful resource.
- *New Contacts/Friendships:* By cultivating and maintaining relationships with people within your sphere of influence, I guarantee you will generate new leads and new business opportunities far more frequently than spending your time cold-calling for new business.
- *Future Opportunities:* As you expand the network of people you know and invest time and effort in maintaining these relationships, you create a pool of resources from which to draw in the future. For example, when you are searching for employment, you can contact the relationships you have cultivated over the years for potential leads. This should result in quality connections that would never have been available without investing in key relationships in the past.

### Looking to the Future

If you've become convinced that this approach works, then consider these action steps:

- *Take a hard look at yourself.* Have you been a bridge builder or bridge

burner? Are there people you would prefer not to talk to because of your actions in the past? If there are issues, try to make things right. Express appreciation.

- *Decide to think win/win in your business relationships.* It takes a decision. Make it. Decide you will not just think in terms of yourself. Honestly try to help others succeed as you pursue your own goals.
- *Make a list of key people.* Decide with whom you want to cultivate relationships. Make the calls.
- *Make the decision to be disciplined in your contact management.* Buy a system and use it faithfully. A database is only as good as the data you put into it.
- *Mentor someone.* Be the kind of person you want others to be. Help someone coming along in your industry. Give him/her a lead.
- *Start building.* Start building those key relationships. It's fun and rewarding.

### Conclusion

The saying you reap what you sow is so true in relationships when it comes to business development. If you sow into people's lives by making a sincere effort to keep in touch and show interest in them, you will reap the rewards of quality friendships and also create a network of resources generating new business that will be invaluable to you now and into the future.

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