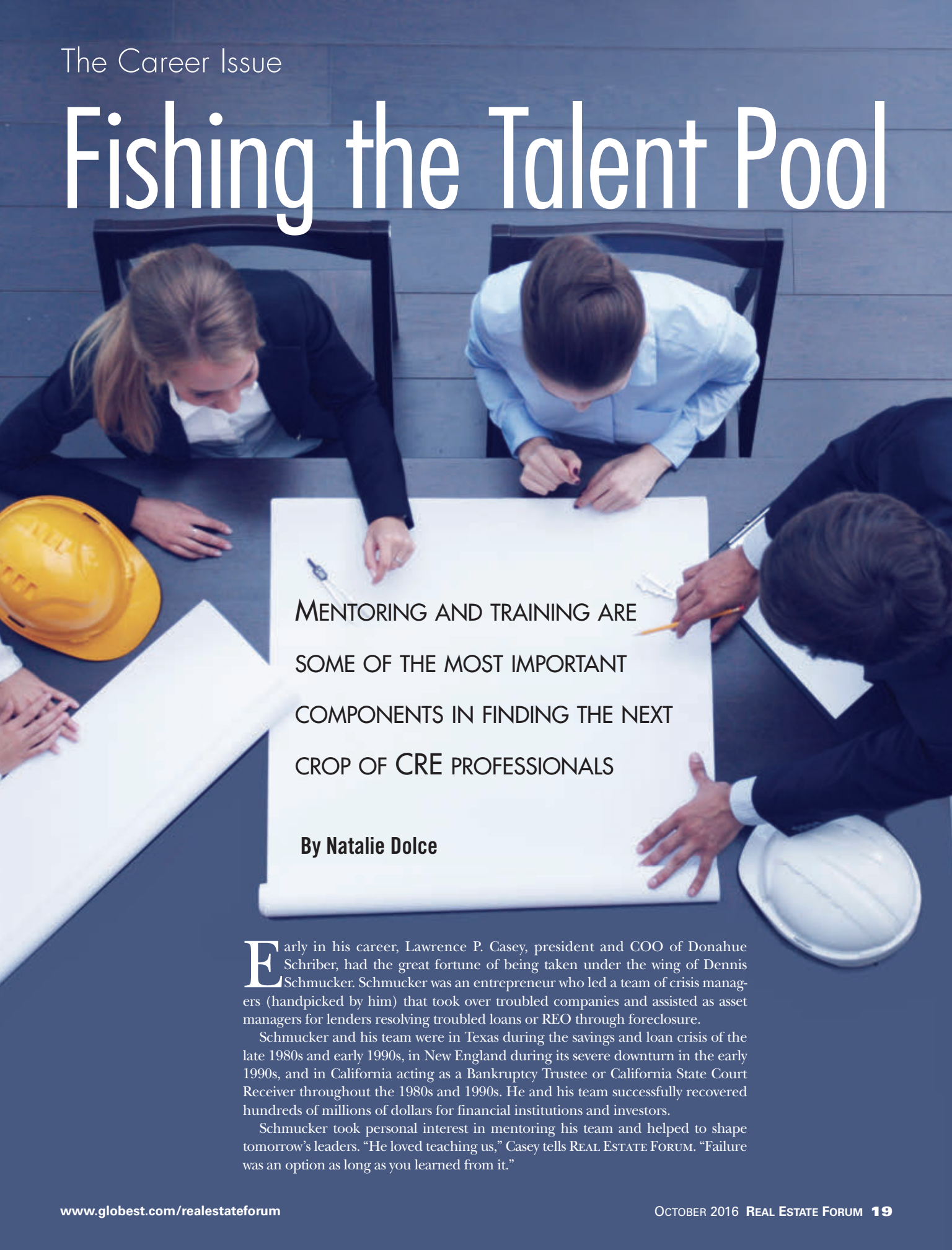


Fishing the Talent Pool



MENTORING AND TRAINING ARE
SOME OF THE MOST IMPORTANT
COMPONENTS IN FINDING THE NEXT
CROP OF CRE PROFESSIONALS

By Natalie Dolce

Early in his career, Lawrence P. Casey, president and COO of Donahue Schriber, had the great fortune of being taken under the wing of Dennis Schmucker. Schmucker was an entrepreneur who led a team of crisis managers (handpicked by him) that took over troubled companies and assisted as asset managers for lenders resolving troubled loans or REO through foreclosure.

Schmucker and his team were in Texas during the savings and loan crisis of the late 1980s and early 1990s, in New England during its severe downturn in the early 1990s, and in California acting as a Bankruptcy Trustee or California State Court Receiver throughout the 1980s and 1990s. He and his team successfully recovered hundreds of millions of dollars for financial institutions and investors.

Schmucker took personal interest in mentoring his team and helped to shape tomorrow's leaders. "He loved teaching us," Casey tells REAL ESTATE FORUM. "Failure was an option as long as you learned from it."

Schmucker was a seasoned negotiator who was always thinking three moves ahead, Casey continues. "I remember early in our relationship failing to follow one of his instructions, which messed up his strategy in a negotiation. He explained to me why he had

given me the instruction as one step in a series of steps in the negotiation, and I never failed to follow his lead from that point on."

Although Schmucker passed away in March of 2014, his spirit invigorates Casey whenever mentoring or when seeking to find the next crop of CRE professionals.

At Donahue Schriber, finding qualified and motivated young people is never a problem. The firm serves as an advisory board member of the Center for Real Estate at the UC Irvine Paul Merage School of Business, mentors students in its executive mentoring program and hires their students as summer interns each year.

"We stay very connected with young people learning about business in college through these efforts and identify excellent full-time candidates," says Casey.



“There is no better farm ground for talent than those who’ve already proven their performance and have an ingrained feel for the philosophy and culture of the company.”

LARRY SULLIVAN, Passco Cos. LLC

Mentoring, either by chance or through formal programs, is one of the most effective ways to groom leaders as well as introduce students to the benefits of a career in commercial real estate. One way to find quality talent is through internship programs like Donahue Schriber’s, which draws undergraduates from universities in Southern California and across the country from schools like Vanderbilt, Marquette, Alabama, TCU and Colorado.

Each of the summer interns goes through a formal interview process. Each works in a specific discipline within Donahue Schriber for the full 12-week program, but all are also exposed to every department within the company and to the different job opportunities in the industry, Casey explains. "Each intern has a Donahue

Schriber mentor that guides them through the program and gives them an interim and final performance evaluation."

What’s rewarding, Casey says, is seeing the difference a 12-week summer internship program can make in a student’s confidence and overall professionalism. "The internship

provides them valuable, irreplaceable hands-on experience."

But it’s a two-way street: those emerging leaders also need to be proactive, Stirling Development’s development manager, Josh Cox, recently told *GlobeSt.com*, *FORUM*’s sister publication. Cox is a promising young professional in this industry who was recognized earlier this year with ULI’s Emergent Leadership Award in Development.

There are many great networking and professional-enrichment programs available to young members of the industry that can guide them to become better leaders, says Cox. "Participating in these has really helped me grow my knowledge base and industry peer relationships." His advice to those starting out in the business? "Don’t skip Real Estate 101. Learn, learn and

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learn more.” In other words, “say ‘yes,’ within reason, to everything you can.”

In talking about how to find talent, the importance of mentoring cannot be disputed, explains Bill French, senior managing director of Cushman & Wakefield, based in Indianapolis. He says explanations of the time commitment and the need to completely immerse oneself in the business are often met with a surprised reaction.



“For any business to grow and thrive, the existing generation of leaders must be willing to delegate more responsibility to the next group of leaders.”

DARYL CARTER, Avanath Capital Management

“Detailing how the industry is a long-term commitment and how ethics play a significant role is often overlooked,” French says. “Frequently, the expectations of the younger generation are incongruent with reality, and aligning expectations is essential to create the proper career trajectory.”

And Cushman & Wakefield’s Jacqueline Haynes, SVP, adds that the CRE profession goes well beyond the ability to facilitate a transaction. “Our actions can have a lasting impact in a multitude of ways upon our environment and our client’s bottom line.”

Training is another key component. One national program that focuses on raising leaders is NAIOP’s SoCal Young Professionals Group, which puts its members in leadership roles early to give them practice on how to lead. For example, the YPG Alumni Committee is composed of seven independently run subcommittees. Each chair is in charge of delivering results to the entire YPG Alumni Committee, which fosters a sense of accountability, according to Taylor Arnett, YPG Alumni Liaison and acquisitions manager at CapRock Partners.

For example, the Sponsorship Chair is in charge of leading a team to garner sponsorship dollars for the YPG Program to help financially support the other chairs and their efforts. “Our YPG Alumni are very competitive, so naturally each year the Sponsorship Chair attempts to ‘out-raise’ his/her predecessor by utilizing and leading the sponsorship team,” says Arnett.

One of the biggest focus areas of the YPG Alumni leaders is to get the most out of its members, Arnett adds. “The Alumni stress that a team can achieve much more than

individual efforts. However, the challenge for the leaders is to figure out the best approach to get the most out of the group.”

Arnett says the YPG Program is a great example of a diversified group of real estate professionals that, by working together, makes each person more well-rounded. For instance, an architect and a financial analyst in the same YPG Class can get together and pick each other’s brains on each person’s discipline. “I’ve had multiple meetings with architects who explain the relationship between office spaces and design, and give me tips on how to increase financial efficiency and foster a community

that will attract talented workers (and therefore drive demand and occupancy).”

One firm dedicated to growing with young professionals is Dallas-based CORFAC member Bradford Commercial Real Estate Services. President and CEO Kevin Santaularia, says his firm is committed to being a generational, “evergreen” company. To achieve this, he says, “there is a commitment from our executive team that we grow the firm with young professionals. All senior leadership is engaged in mentorship.”

When asked how to find the right recruits, Santaularia says they source “YPs” (young professionals) through networking among its current producers to linking with institutions of higher learning, reaching out to upcoming graduates from Southwest colleges, for instance.

Training recruits properly is key to retention, but CRE managers often are too busy to train younger employees and well-thought-out training programs for up-and-coming leaders often are not available at the company level. Landmark Capital Advisors’ president and managing director, David Kidder, has noticed this void.

Enter the Landmark Institute, a program the real estate capital advisory firm designed to educate young professionals. The five-week course, which launched this

summer, is presented by industry leaders and seasoned real estate professionals who address a range of topics. Among them are industry roles and participants, property underwriting fundamentals and analysis of capital cost structure.

“This is an idea we’ve had for quite some time. Our culture at Landmark Capital encourages individual growth and we have always enjoyed educating young professionals entering the industry,” Kidder told GlobeSt.com. “We felt as though our knowledge across assets types and the capital structure could be tailored into a formal training program.”

According to Kidder, “We hear too many young professionals saying they want to get into ‘real estate,’ yet without having a clear understanding of the different options that may be available to them,” says Kidder. “As an industry, we could be better at providing exposure to the real estate landscape as a whole, allowing young professionals to focus on career paths that best meet their individual skills, interests and objectives.”

And keeping the right recruits and succession planning go hand in hand. But grooming those leaders is often ignored, according to Larry Sullivan, president of Passco Cos. LLC. He says many companies view succession planning as something that only happens “at the top,” but Passco doesn’t view it that way. “We believe that succession planning is an integral part of a company’s



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HEIDI HENDY, H. Hendy & Associates

lifeblood and is an important task ‘from the bottom to the top.’ As a company expands, so do staffing needs, and there is no better farm ground for talent than those who’ve already proven their performance capabilities and have an ingrained feel for the philosophy and culture of the company.” Sullivan adds that tenure, experience and confidence are priceless.

At Passco, Sullivan meets once a year with every employee and it is their time to ask any question or share any feeling. Conversely, he says, “it allows senior management to clearly demonstrate the importance of each individual to the company.”

Those discussions, Sullivan adds, may include insights into how to get ahead, how to expand current responsibilities or how to best position themselves to move into another part of the firm. “We encourage our people to view their job as a rubber-sided, box they can ‘push against’ to expand their goals and job experiences.”

For Santaularia, the young professional fallout is represented to be upwards of 50%

industry wide. “The industry fallout of YPs was likely more substantial than that in the 2008-2012 cycle when even CRE veterans struggled to earn a living. In 2012, we were compelled to create a ‘Young Professional Training and Mentoring Program’ to help ensure that when we elect to hire a Young Professional, we, and more importantly, the YP who is making a commitment to Bradford, have some assurances that they

will succeed in CRE and with Bradford.”

He continues that the talented young professionals have options, both institutional and entrepreneurial. “Training is timely and expensive in mentoring man hours. We want to ensure success,” he says. “We don’t approach hiring or training people like my golf game, which is ‘hit and hope.’ Additionally, along with our ‘YP Boot Camp’ prior to hiring, we require YPs

A Career Investment

The number of university programs, associations and designations for commercial real estate has proliferated. Here is a list of just some of the many the industry has to offer.

CERTIFICATIONS/DESIGNATIONS FOR INDUSTRY PROFESSIONALS

CCIM—Certified Commercial Investment Member—CRE’s global standard for professional achievement, earned through an extensive curriculum of 200 classroom hours and professional experiential requirements. CCIMs are active in 1,000 US markets and 31 other countries and comprise a 13,000-member network across all fields of commercial real estate.

CIPS—Certified International Property Specialist—The program includes five full days of study focusing on the critical aspects of international real estate transactions, and an influential network of 2,000 professionals who turn to each other first when looking for referral partners.

CPM—Certified Property Manager—Recognized as experts in real estate management. Designees demonstrate expertise and integrity to employers owners, and investors.

CRB—Certified Real Estate Brokerage Manager—Awarded to Realtors who have completed advanced educational and professional requirements. Designees are said to be better positioned to streamline operations, integrate new technology and apply new trends and business strategies.

CRE—Counselors of Real Estate—An international group of recognized professionals who provide seasoned, objective advice on property and land-related matters. Only 1,100 practitioners hold the CRE designation globally. Membership is by invitation only.

C-RETS—Certified Real Estate Team Specialist—This certification is designed to improve team development, individual leadership skills and financial performance. The courses provide the tools, strategies and knowledge required of CRE professionals in a team environment.

e-PRO—NAR’s e-PRO certification teaches you to use cutting-edge technologies and digital initiatives to link up with today’s savvy real estate consumer.

GRI—REALTORS with the GRI designation have in-depth training in legal and regulatory issues, technology, professional standards, and the sales process.

NAR’s Green Designation/GREEN—Through NAR’s Green Designation, the Green REsource Council provides ongoing education, resources and tools to help real estate practitioners find, understand, and market properties with green features.

PMN—Performance Management Network—This designation focuses on negotiating strategies and tactics, networking and referrals, business planning and systems, personal performance management and leadership development.

RENE—For professionals who want to sharpen negotiation skills, the certification program gives Realtors the tips and tools they need to be skillful advocates for clients.

SFR—This certification teaches real estate pros to work with distressed sellers and the finance, tax, and legal professionals who can help them, qualify sellers for short sales, develop a short sale package, negotiate with lenders, safeguard your commission, limit risk and protect buyers.

SIOR—Society of Industrial and Office Realtors—Also an association (see cover story), this designation is held by CRE brokerage specialists who meet standards of experience, production, education, ethics and provide recommendations.

SRS—Seller Representative Specialist—Designation awarded to real estate practitioners by the Real Estate Business Institute who meet specific educational and practical experience criteria.

COMMERCIAL REAL ESTATE ASSOCIATIONS

AHLA	BOMA
CRE Finance Council	CREW Network
ICSC	MBA
NAR	NAHB
NAIOP	NAREIM
NAREIT	Nat. Association of Realtors
NMHC	PREA
RELA	SIOR
ULI	

COLLEGES AND UNIVERSITIES WITH TOP PROGRAMS FOR CRE DEGREES

Cornell University
 Georgia State University
 Johns Hopkins University
 Massachusetts Institute of Technology
 New York University
 Roosevelt University
 Texas A&M University
 University of California—Berkeley
 University of California—Irvine
 University of California—Los Angeles
 University of Cincinnati
 University of Connecticut
 University of Denver
 University of Florida
 University of Georgia
 University of Illinois—Urbana Champaign
 University of Pennsylvania
 University of San Diego
 University of Texas—Austin
 University of Wisconsin Madison

to take a sales assessment test to determine their aptitude for the selling process.”

One tale of success Santaularia points to is Nick Talley, an industrial broker based in Bradford’s Fort Worth office, the firm’s 2016 Top Producer and now a 10-year veteran. “He was hired directly out of the University of Texas (Austin). He mentored with Michael Spain, our 2015 Top Producer.”

Daryl Carter, founder, chairman and CEO of Avanath Capital Management, says one of the most important ways to build exceptional leaders in the commercial real estate industry is to entrust the next generation with more responsibility. “For any business to grow and thrive, the generation of leaders above must be willing to delegate more responsibility to the next group of leaders. This in turn will allow current executives to focus on new endeavors that will bear fruit three to four years from now and drive the business forward.”

By providing recruits with opportunities to lead, Carter says, a business can then help its own growth and development. “One way existing leaders can foster growth is to provide the next generation with more opportunities for visibility in the industry.” For example, he says, “encouraging young leaders to

participate in speaking engagements will prepare them for future leadership roles.”

Encouraging and empowering the next generation to be innovative is also helpful, explains Carter. “Avanath does this on a conscious level by adopting a form of ‘reverse mentoring’ and allowing the younger generation to mentor us on social media. Learning new technology from younger leaders is an excellent way to enhance your business and stay competitive.”

Up-and-coming leaders have a competitive advantage because they’ve grown up in the world of technology, he explains. “As a result, they’re often innovative, tech-savvy, and strong multitaskers.”

Carter adds that they’re also “extremely comfortable with and vocal about diversity, more so than their predecessors, who may have encountered racial and gender barriers. This younger generation truly understands the importance of diversity and can demonstrate the benefits of its application.”

Further, he explains, “Our future leaders demonstrate greater compassion, especially when it comes to social issues such as income equality and the need for affordable housing. They’re even stronger advocates of sustainability, diversity and social

services that strengthen entire neighborhoods. As an industry, we can all learn from the compassion of our young leaders and their passion for social justice.”

According to Heidi Hendy, managing principal of H. Hendy & Associates, key indicators of an up-and-coming leader are trust, intellect and emotional intelligence. “I believe it is important to transition these developing leaders from short-term thinking to long-term thinking. The ability to look at a small failure and see its big-picture effects and lesson that can be learned from a small setback. It also is important for developing leaders to acknowledge that failure is good sometimes. I focus on working with individuals to instill a sense of confidence in decision making. It is my goal that they understand failing doesn’t have to be a setback, it can be a lesson.”

And according to C&W’s Haynes, “Our profession has many moving parts, is fast-paced and can be very rewarding. But, it also comes with a lot of responsibility to be thorough, diligent and act with integrity. Bringing our next generation up with these guidelines will ensure that our companies and profession have a secure succession plan for the future.” ♦

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