

Leadership in the Changing Real Estate Environment

This is a summary of the May 17, 2016 meeting of the ULI Chicago Women's Leadership Initiative (WLI) and the Goldie B. Wolfe Miller Women Leaders in Real Estate Initiative. Those who gathered at The Langham Chicago heard a panel of leading women in the industry discuss the influences that have shaped their professional development as well as a variety of other topics of interest to current and next-generation leaders.

The moderator for the session was Pam Boneham, *Managing Director Central Region*, Cornerstone Real Estate Advisers. Panelists were Lynn Carlton, *Regional Leader of Planning, Kansas City + Columbus*, HOK; Lynn Cherney, *Global Real Estate Practice Leader*, Spencer Stuart; Mary Ann King, *Co-Chairman*, Moran & Company; and Amy Price, *President and Chief Operating Officer*, Bentall Kennedy U.S.

Leadership entails risks—there's no guarantee of smooth sailing and, in fact, there are sure to be tumultuous waters. But the bigger danger is if you don't make the effort to play a more prominent role in your career, in your organization or in your community.

In this inaugural WLI event, those were some of the prevailing sentiments that emerged through a wide-ranging dialogue facilitated by moderator Pam Boneham.

Her first question, directed to Amy Price, was whether she took risks to advance to her current role as president and COO of Bentall Kennedy U.S. In response, Price shared a move that may not have been risky, per se, but which was nonetheless "a scary thing": delegating and "creating more responsibility for others" in her organization.

Another crucial element for Price was being alert to re-defining what represents success as a leader. Whereas her prior work at Morgan Stanley was a highly transactional environment, "that's not really what defines good leadership," Price said.

"It's a jump—it's a kind of risk in thinking and approach to go through," she added. "...I am someone who naturally likes to re-define and challenge and think about those opportunities and frankly a big part of it is also, when you come to crossroads, how do you choose the path that's going to challenge you the most?"

Prompted to share what sparked her career path, Mary Ann King said it was a love for cities and all that cities entailed, including the intersection of public policy and private investment. Further

stoking the early part of her journey was encountering Jim Harper, who would become a mentor at her first post-graduate school job at Continental Illinois National Bank.

“He was full of passion and energy for what he did,” she said. “...what I learned from him was how important sharing passion is as a leadership trait. All of us who worked for Jim, we felt like we were on a crusade. This was the most fun group that I ever had a chance to be associated with.”

“What is it that inspires what you do? How can you share that with the people you work with?” King added later. “Make it fun, make it important.”

King added that through the respect and professionalism that he has demonstrated toward her and others, Tom Moran, chairman of Moran & Company, has shown her “what it means to be a partner” in a variety of roles, whether with clients, colleagues or your community.

For Lynn Carlton, a pivotal point in her career development came when she got involved in a Young Leaders group through ULI’s Boston District Council. She eventually became chair of the group, which “was a great opportunity to take the lead outside your normal job and take charge. Because if we weren’t leading, we were just a young group. We wanted to lead.”

Since becoming a ULI trustee in 2011, Carlton has also helped launch [ULI NEXT Global](#), designed for 35- to 45-year-old emerging leaders and which has also been a beneficial networking resource.

Leadership can take many shapes, and come from a variety of sources, according to panelists.

At Bentall Kennedy, the firm recently retained a consultant to help the firm evaluate the state of its leadership, including the natural strengths that its leaders possess, said Price. Along the way, that process prompted the firm to move some people into different roles that would not have been “intuitive” without undergoing the assessment, she noted.

“We tried to define what leadership meant to us,” she said, adding that recognizing individuals’ varying strengths helped “to understand how our conversations worked the way they did...we can see ourselves and group traits—a lot of it was learning how we work together as a community of leaders.”

Lynn Cherney, as an executive recruiter, said ULI has been “terrific” as a resource and networking hub for her career. When evaluating potential candidates for C-level positions, one tool that her firm, Spencer Stuart, occasionally uses helps identify an individual’s ability to adapt in a given situation.

“It’s predictive of future leadership...when I’m looking, and trying to figure out who will be the future leader, it’s (their) ability to see where things are going, not where they are today,” said Cherney. “...more than anything, what we find is that ability to take on new information, pivot, not be afraid and go in a different direction. That’s something that true leaders have the ability to do. It’s not easy to do without a great team around you.”

Typically, some of the toughest leadership decisions relate to how to address an individual’s status within the organization, said Price.

“Those HR decisions are not a fine line. They do not get better with age,” Price said. “You need to just make the decision. You need to be decisive and move on.”

Another theme that was explored: how to respond to setbacks. King said that of the roughly 100 opportunities her company pursues annually, her team secures 15 or 20 transactions—so “strikeouts” are much more common. While she is well versed in taking those disappointments in stride, that outlook didn’t come automatically. Early in her career, after she worked tirelessly for a few weeks and put forth what she believed to be a winning pitch, the client let her know they would be doing business with someone else.

The news came over dinner at a restaurant. King excused herself immediately and retreated to a bathroom, where she burst into tears. “I was devastated,” she recalled.

Later that evening, she told Tom Moran that she wasn’t cut out for the business if she couldn’t seal a deal after working so diligently. “Mary Ann, haven’t you always known that you would be successful?” he reassured her. “...they made the wrong decision.”

Reinvigorated, King was able to bounce back from the experience. Reflecting on those early days in the business, she pointed out that when she was growing up, girls did not play sports as often as they do now. As a result, she was part of a generation of women who had less experience in “learning how to win and lose.”

Since then, King has learned—and conveyed to her own team—that in the brokerage business, “it’s not personal...this is a numbers game.” At the same time, when her firm does not win business, she solicits feedback from would-be clients on “how we could have done a better job for you.”

For Carlton, a formative experience came when her career brought her back home to her Kansas City roots. As Carlton pursued projects, she would make pitches that prompted comments along the lines of “we’ve never done it that way before.”

“That kind of challenged me, and I thought, ‘OK, game on,’” she said. “I decided I’m not going to let that be OK. We’re going to change things and work with our team...to educate (others) on why it isn’t OK to stay with the status quo, and to really be able to educate people on the benefits of good urban design and good planning, and why you need to push forward.”

Listening to that inner voice is vital, and so is listening to customers, panelists said.

To develop resilience through up-and-down economic cycles, Price said “it’s about good transparency and communication with your clients, and understanding what their objectives are, what their priorities are.”

The remark came in response to a question about timing of the economic cycle. Price said she believes that “we’re certainly late in the cycle” and “it’s time to be cautious.”

“Generally, though, we’re probably more concerned about the market and taking risks in two to three years than where we are right now,” she added.

Regardless of the overall market condition, King said, “the point is there will always be opportunities to do business. The deals will change, but the closer you are to your client and listen to what they need, the better you will be able to seize those opportunities.”

For example, as the market began rebounding around 2010, Moran & Company did 35 apartment building development deals in a two-year period. That high volume came largely by talking to different types of investors and assembling capital stacks for that “low-leverage world,” said King.

“Listen to your customers, develop relationships that give good access to their real thinking,” King continued. “So as you listen to what they need, you’ll find which of your customers actually have the ability to deploy capital and you’ll know where the next opportunity is.”

Discussion also turned to the relatively low numbers of people between 35 and 50 years old in the real estate and design industries. One contributing factor was that years ago, as that cohort entered the marketplace, the booming tech and consulting fields drew much of that talent, Cherney observed.

For those in the industry who are in the 35-to-50 demographic, Carlton acknowledged that they “have a ton of pulls on their life” personally and professionally and offered a recommendation: invest more time in one or two organizations rather than spread yourself thin over many groups.

The mother of a 2-year-old and a 6-year-old, Carlton said companies also should develop a “coordinated strategy” to help women—and men—remain in the workplace after a child’s birth.

For example, her firm has moved from simply giving a Target gift card to a more hands-on approach of arranging for occasional family meals during those especially hectic periods.

On the topic of diversity, King shared a story about her time about six years ago as chair of a [National Multifamily Housing Council](#) workplace diversity committee.

In planning the committee's first agenda, an African-American colleague challenged King to seek out employees "who are not like you" by going beyond her company's customary recruitment practices.

"A light went on and I started...to notice that there were people who were very good at one role and not good at all at another," King said. "I think your job as a leader is to pull together these team members—it's not to hire a team of all people exactly like you who have the same strengths and also the same weaknesses."

She pointed out that her own career start—with a city planning background, as opposed to a traditional MBA—represented a diversity hire. One example that reflects her revised thinking: because so many important elements of the brokerage business can be distilled through effective story-telling, for the first time she recently hired someone with an ad agency background.

Panelists also offered closing tips for audience members looking to contribute more to their organizations through increased leadership opportunities.

"Be proactive, find an opportunity, and just go do it," said Price. "...take ownership for it, find a way, go do something."

Cherney added that women should be sure not only to "go for it," but also to make sure that they are acknowledged for their efforts and accomplishments.

"Tell everybody what you did and don't expect them to hear you the first three times...otherwise, it will be swept up under the rug," Cherney said. "We (women) think it's boastful, but the guys do it, so go for it."

For Carlton, a key principle is to "both look up and look down."

"Look for those people that you see as your mentors and that you want to be like but also look to your group, and see where there's people with qualities that can step up into (higher) positions," Carlton added. "You're keeping yourself in balance, so you're able to learn and teach at the same time."

King affirmed Carlton's remarks, and encouraged looking laterally "to your broader community for leadership opportunities" via organizations such as ULI. Doing so will help build much bigger networking opportunities, as well as increased sensitivity to different sectors.

Carlton also recommended exploring ways to lead within communities and charitable organizations. "Think outside just the corporate box," she said. "The leadership opportunities that you get from those venues will pay dividends in your corporate life as well."

At the outset, Goldie Wolfe Miller set the tone for the hour-long program in her opening remarks. In addition to sharing background about her own career, she discussed the 2007 formation of the [Goldie B. Wolfe Miller Women Leaders in Real Estate Initiative](#).

The program educates, encourages and supports women to become leaders in Chicago's commercial real estate industry, and has more than 50 alumnae so far. Some of the program's current scholars attended the event.

"Everybody should be ambassadors in your own companies" in encouraging and mentoring young associates, Wolfe Miller said. "We each need to make a difference in the lives of young women today."

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