CHAPTER 1

Relationships Are Everything

We all would like an edge in life, a quality or factor that makes us superior in performance, in ability, in achievement. Strong, positive relationships with other people—associates, superiors, customers, family members, and casual acquaintances—give us that edge. When I ask seminar groups, "How important are relationships in your business?" most answer, "Relationships are everything" or "Nothing is more important." It's hardly news that your relationships—positive or negative—affect your business and personal life profoundly.

What *is* news these days, however, is that the way we establish, build, and maintain relationships is being affected in a big way by social media—LinkedIn, Facebook, Twitter, and scores of other sites.

True, you cannot put up a LinkedIn or Facebook profile and expect positive relationships to follow automatically. You have to do a lot more work. On the other hand, if you expect to increase and improve your business relationships, you cannot ignore social media or underestimate the importance of technology and the role it will play in relationship development from now on. Your presence on the Web doesn't have to be major (although that wouldn't hurt), but you have to be there. In today's world you need these three things: a process to build a positive relationship, a meaningful presence on the

Web, and a mastery of how best to use technology to build, maintain, and leverage relationships.

And not just any relationship. The whole idea of the Relationship Edge process is to help you connect with people with whom you don't naturally connect. You don't need this process to build relationships with people you naturally connect with because the process happens instantaneously and without effort. But when you don't naturally connect with somebody—a prospect, a customer, a colleague, a manager—that's when you need a process in order to increase the likelihood that you *will* connect.

Based on my experience and very informal research, many of us are able to connect naturally with something like 25 out of 100 people. If you use this process, you may be able to increase that to 40 or 50 out of 100, a huge success. The real value in the Relationship Edge process is having a systematic way to engage with people with whom we don't naturally connect—people we meet for the first time, people we don't know well, and people we haven't connected with in the past. Because nothing is more important than positive relationships in your business life (or personal life, for that matter), and having a solid process you can count on to establish, build, and maintain relationships is invaluable.

BREATHE AIR INTO RELATIONSHIPS

Before I talk about the process you can use to build a relationship with virtually anyone, however, I should define what I mean by a valuable business relationship. I contend it's those that have lots of AIR—Access, Impact, and Results.

By "Access" I mean that when you have a valuable business relationship with people, they will take your calls, they will answer your messages, they will see you because they believe there's a value in doing so. They believe time spent with you will not be wasted. They believe you offer more than idle chatter. You are a source of news, information, ideas, suggestions, possibilities, options, contacts, insights, skills, abilities, experiences, or all of the above. At the same time, they see you as an exceptional listener; you pay attention to what they say, ask questions, and demonstrate that you've heard and understand them. They may not respond to you or see you immediately because of the urgent pressures or realities in their lives, but they *will* see you.

Of course, many people will see you, in either a business or in a selling situation, but at their convenience. They will see anybody else as well for the reasons I just listed, but they do not regard you as special and you may have to wait until it suits their schedule, which may be in a week or in a month. You do not, by my definition, have Access. When you say you have Access to somebody, it means that if you need him (or her), you are 100 percent certain you can reach him in a reasonable time.

"Impact" means you have an opportunity to affect those people you reach and influence their actions. When you have a valuable business relationship with people, you believe—based on their behavior and your past experience—that they are going to listen to what you say, and that what you say can, and often will, influence their actions. Not every time, but whenever it makes sense to them and the action is one that will benefit them.

But even when the transaction is more abstract—you bring new information, no money changes hands—there can be value. The information helps your client do a better job, stay abreast of industry trends, be alert to new possibilities. . . .something

And what do you get out of it? An improved relationship and an opportunity to return in the future.

Finally, "Results" is the most important part of the acronym. Many people say to me, "I have a great relationship with so-and-so." But when I probe, I discover that what they have is a good rapport. They have a pleasant friendship. They don't have a valuable *business* relationship.

When we have valuable business relationships with people, they are doing things proactively to help us succeed. (Note, by the way, that this applies to our relationship with team members, colleagues, and employees; I am not talking in this book about only salespeople and customers.) The results from those activities should be materially greater than what you get from people with whom you don't have a valuable business relationship. Moreover, they should be measurable.

For example, I once called on a Birmingham physician who did not treat the kind of patients who needed the pharmaceutical I was selling. I could not, therefore, use sales results with this doctor as a barometer of success because he wasn't prescribing what I sold. What I *could* use, however, was how he proactively helped me succeed. He introduced me to almost every physician in Birmingham who was important for me to meet, who *did* treat patients who needed our medication but who would not ordinarily spend time seeing pharmaceutical salespeople. That was a measurable result of my success with him and proof that he valued a relationship with me.

All salespeople have examples of customers with whom they've built relationships, customers who buy their product or service because they find value in the relationship. But there can be valuable business relationships where the results are not as easily measured as units or dollars.

I am going to assume throughout this book that most customers have options among products and services. These may not be exact equivalents in features, benefits, and price, but they are close enough that a salesperson's knowledge, empathy, and assistance can highlight the differences between one offering and another to the benefit of one he or she is selling.

I often hear sales executives say, "Well, my sales rep has a great relationship with this customer, but they're not using any of our stuff." Or "They're not using much of our stuff."

I always say, "Then the rep doesn't have a valuable business relationship."

Time after time, when I force salespeople to look at their relationships through this prism, they replace "I have great relationships with 50, 60, 70 percent of my customers" with "I have great relationships with maybe 10 or 15 percent."

The point here is that if you don't know your destination, you don't know when you've arrived. You need to know what you're looking for in a valuable business relationship. Because if you think you have a great relationship with people but it lacks Access, Impact, and Results,

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it's not a relationship they truly value. Without AIR, things you do with them and for them are probably not going to be very effective.

LEARN TO BUILD RELATIONSHIPS

Relationships are the basic unit of every business—positive relationships with customers, employees, and suppliers. A business grows as it adds positive relationships, improves its network of relationships, and then enhances the quality of those relationships. Without positive relationships, a business will not grow. Obviously some businesses (management consultants, accountants, lawyers) depend more heavily on personal relationships with their customers than others (discount chains, self-serve gas stations, and direct marketing firms). Nonetheless, relationships with other people are critical to every business. (Ask Walmart's management whether relationships with employees and suppliers are important.)

As an individual, you grow in your career as you expand and improve your network of relationships with co-workers, managers, customers, and prospects. If you are a project manager or work in a cross-functional team, you probably have much responsibility but little authority. You can do your job well only through your relationships with others in the organization. If those relationships are strong and positive, you can be effective. If those relationships are indifferent or, worse, negative, you can't get anything done.

If you have superior relationships with key business contacts—customers, co-workers, and managers—you will, almost automatically, be more successful in your business life, assuming you know how to nurture and leverage those relationships. Certainly the converse is true: When you have poor relationships with customers, co-workers, and managers, your business life suffers (not to mention your personal life).

The key words here are *consciously*, *systematically*, and *routinely*. Building business relationships that last is a skill anyone can learn. It requires a process you can master, since you already know instinctively what the process requires. Adopt the simple steps this book will teach you, and your business and personal relationships will improve.

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I've seen it happen hundreds of times with people I have managed and counseled.

The three steps in the process, which I'll describe in the chapters ahead, are:

1. *Have the right mind-set*. You must think that relationships are important. You must believe you are someone with whom other people would want to have a relationship. Why? Because you have experience, training, skills, abilities, knowledge, other relationships (or all six) they value. You must also think well of others and learn to think as much as you can from the other person's point of view.
2. *Ask the right questions.* You must also ask them in the right way for the right reasons. In a later chapter, you will find specific questions and the principles behind them. The goal is to discover common ground—mutual friends, interests, or concerns. Or if there is no obvious common ground and the other person cares passionately for something about which you know little, the goal is to learn from him or her.
3. *Do the right thing.* Demonstrate your professionalism, integrity, caring, and knowledge, and, when appropriate, do inexpensive, unexpected, and thoughtful acts based on what you've learned about the other person. This process may be simple in outline, but it takes weeks or even months of thought and care to apply it properly.

Why bother to improve your relationships? The cold, hard truth is that the quality of our personal and professional relationships in many ways determines the quality of our lives. Not in every way, of course, but in many. The more high-quality personal and professional relationships we have, the more easily we will sell our products, our ideas, ourselves—and the more rewarding, fulfilling, and successful our lives tend to be. The ability to build and maintain high-quality business relationships has no down side and an up side that knows no limits. Take Mike Accardi, a friend of mine from high school.

PAYBACK TIME IN MEMPHIS

Mike has been a commissioned salesman for Wurzburg, Inc., a packaging supply distributor in Memphis, Tennessee, for many years. Although he is now very successful, it was not always that way. Two months after he started working for the company, the Accardi family's kitchen blender broke. "We were dirt poor," says Mike. "We couldn't afford a new blender, so I told my wife, I go out to this area of town every Tuesday where there's a Sunbeam/Oster repair shop."

The older gentleman at the shop said he could repair the blender, and Mike explained that because he was in the area every Tuesday he'd pick it up on his next run. The following Tuesday, the blender was ready and the bill was $2.50. Mike could not believe the repair cost so little, but the man said it was no big deal. Mike recalls saying, "Sir, you don't understand how big a deal it is to me to have this repaired. I can pay you the $2.50, and I appreciate it. But I tell you what, I don't know if you do any packaging or shipping out of here, but let me return the favor. If you ever need anything, call me and I'll see that you don't pay list price."

Mike began stopping by the shop the second Tuesday of every month just to say hello and visit for a bit. Mike knew that the business would never be a major customer, but he enjoyed building the relationship. Over the next two years, the man ordered perhaps a case of tape, two cases of padded envelopes, and a few bundles of 25 boxes. One Tuesday the man asked, "Do you have a few minutes today?" Mike said, "Sure. I come here to give you my time. I have as much time as you need."

"Let's get in your car. I want to show you something." They drove to the northern part of the city as Mike asked, "Where are we going?"

"Don't worry about it, I want to show you something." They pulled into the parking lot of what was to become a million-square-foot building. Mike asked, "What is this?"

"This is payback."

"What are you talking about?"

"For two years, you're the only salesperson that's treated me like I was worth anything. Now it's payback. Sunbeam's headquarters in

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Chicago is closing, and they're moving everything here. So get your business cards and come with me." He took Mike to every department, and said, "This is Mike Accardi. You buy all your packaging supplies from him."

Until Sunbeam left Memphis 12 years later, Mike had enough orders to deliver a 40-foot trailer of packaging supplies every week. Mike's customers were so loyal to him that when his competitors asked to speak to someone about Sunbeam's packaging needs, the Sunbeam people would give them Mike's card. When a competitor asked, "What's this?" Mike's customers would say, "You want to talk to whoever handles our packaging."

The salespeople would then say something like, "No, no, you don't understand. That's our competitor."

And Mike's customers would respond with something like, "No, *you* don't understand. That's who handles our packaging. If you have an idea, give it to him and he'll bring it to us."

When Sunbeam left Memphis, the department heads, assistants, and janitors found new jobs, but Mike maintained the relationships he'd built. Although in the metropolitan area accounts generally go to the salesperson who develops the business, former Sunbeam executives would call Mike's company to say, "Tell Accardi to come see me at this new business." On occasion, this has meant strained relations with Mike's friends in his own company. Other salespeople have lost accounts because a customer insisted, "I'm not going to deal with anybody other than Mike Accardi."

RELATIONSHIPS CAN TRUMP PRICE

Not only can the Relationship Edge help you build your career, it can help you keep the business you now have. Take Bob Holman's experience.

Bob is president of Donaldson, Holman & West, PC, a firm of certified public accountants in Birmingham, Alabama. Several years ago, one of the firm's staff accountants left to join the local branch of a larger, international CPA firm. Following normal procedure, the firm's management asked their new employee about the substantial, profitable DH&W clients with whom she had worked with an eye toward soliciting their business. Armed with the information, the former employee and her new employer visited one large DH&W client and reportedly said in effect, "As an international organization, we can give you the same or better service than you've been getting, *and* for the next three years we'll provide that service at 75 percent of what you are paying now. We will give you that as a guarantee. And of course you will have the same person working on your account who already knows your business."

The client immediately responded with something like, "Thank you very much. That's very enticing. However, we have a good relationship with our current CPA firm and money is not an issue. Service is important, and we're getting the service we want, so we're not interested in changing."

Bob says that in the world of accounting and the way accountants often seem to compete on price, "It really rang the bell for me how important the relationship is."

I asked Bob what he thought his client had been talking about, since every CPA—and certainly a large, international firm—offers "service."

"I think it was a combination of things," he says. "We were not only doing traditional services for them—tax and audit services—but they were relying on us more or less as a consultant to them in various areas. I don't want to say that we were going so far as to be on their management team; we were not. But it was very seldom they made a large decision or sometimes even minor decisions without consulting us. We did not socialize with the management there a lot, but they knew we were available, knew we were interested in what they were doing and how they were doing it. We spoke almost every week. They knew we were interested in them personally and knew their families, knew where their kids were in school, and we talked about those things." In other words, Donaldson, Holman & West were not only professional accountants, they had the Relationship Edge.

Finally, while building strong business relationships is not the same as making friends—the point here is to improve your professional life, not your personal—it can lead to building true, long-lasting friendships.

John Fuqua, an area sales manager in Birmingham for the pharmaceutical company Aventis, told me that building relationships has helped him not only monetarily, but "the fun part of selling anything is when the customer becomes your friend. I have been asked to do a number of things at a personal level I would not have been asked to do if I hadn't been a friend as well as being a person who happens to sell something customers like and recommend. I've been in weddings. I've been a pallbearer at funerals. I've been asked to do talks at their children's schools. It's a great feeling to know I can pick up the phone and reach someone even though they are busy people." Which illustrates Access in addition to John's friendship.

FOUR FUNDAMENTAL SELLING TRUTHS

Selling is part of life. I use "selling" here and throughout this book in its broadest possible sense. "Selling" includes not only convincing a prospect or customer to buy your firm's product or service, but also persuading a manager that your idea is valuable. It includes everything from influencing a client to adopt a new service policy to bringing a co-worker around to your viewpoint. Whether you call it selling, persuasion, convincing, or teaching, really successful people in almost any endeavor rely on it to achieve their goals (which I also talk about in this book).

Consider these four fundamental truths about selling.

1. *Without meaningful dialogue there is no selling*. There may be buying, but there is no selling. Selling requires a significant exchange between two parties that is rooted in the truth. The buyer has needs, wants, desires. The seller has a solution—a product, a service, an idea, a suggestion. The buyer and seller must communicate so they both understand the need (which, initially, may not even be clear to the buyer) and how the product meets that need. Good relationships facilitate meaningful dialogue.

2. *Where trust and rapport are strong, selling pressure will always seem weak.*[1] If buyers believe the seller has their best interests at heart (always understanding there is something in the exchange for the seller), they listen to the seller's suggestions and ideas with an open mind. Good relationships build trust and rapport.
3. *Where trust and rapport are weak, any selling pressure will appear strong*. This perception of pressure, which tends to grow out of distrust, will have a negative effect on sales. A buyer who believes the seller cares only for his or her own interests will be skeptical, even hostile. Poor rapport can mean that instead of two colleagues trying to solve a mutual problem, it will be a cynical seller trying to selfishly foist something onto a gullible buyer. Even if the seller's solution is appropriate and worthy, it becomes impossible to convince a hostile or indifferent buyer. Good relationships minimize the negativity in a selling situation.
4. *The more you learn from customers, clients, and co-workers, the more likely you are to have positive personal relationships with them*. The better the personal relationship, the greater the trust and rapport between people.

Think of your own experiences. Have you ever walked away from a sales situation—a car dealership or an appliance showroom—because you just did not trust the salesperson? Conversely, have you ever bought something because a friend recommended it? It felt nothing like sales pressure (your friend was not working for the seller and earned no commission), but she persuaded you. She sold you.

Have you ever recommended something to a friend—a book, a movie, a gadget—because you knew your friend's tastes and interests and, therefore, had a good idea of what to suggest? Having learned over time to trust your recommendations, your friend picked up the book, went to the movie, bought the gadget. You sold her.

Your goal is to have strong, positive personal relationships with the key people in your business life because they can help you be more effective in selling or persuading. These key people may be customers, clients, co-workers, managers, suppliers, or someone else.

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Because your situation is unique, of course, you will have to decide who those key figures are. And while it's not possible to have a strong relationship—one that requires the investment in time and concentration this book prescribes—with every single person in your business life, knowing and applying what you learn here can be the difference between extraordinary success and something much less.

MEANINGFUL DIALOGUE COMES WITH TRUST

In a solid personal relationship, trust and rapport are strong. And where trust and rapport are present, you can have *meaningful dialogue*. And what do I mean by meaningful dialogue?

In a meaningful dialogue both parties speak the truth. The participants talk about what is real, important, and factual. Relationships and companies are too often ruined because people can't get at the truth. It's been written that customers reveal only 20 percent of what they are thinking in a normal sales interaction. They may not actively lie, but they evade, shade, and spin. However, the more truth customers or colleagues are comfortable sharing with you about their problems and concerns, the more likely you and they will be able to solve their problems—if a solution exists.

If potential customers will not share with you the problems they face in their business lives, how can you possibly help solve them? If they will not tell you what they honestly think about your company, your products, and your service, what is the likelihood you can do business with them? (The answer: Very little.)

I find that too many salespeople do not even address this issue. Indeed, some sales executives say in effect, "You're out there to sell, not to make friends." Their salespeople do not make it a priority to build personal relationships or to establish a dialogue. Rather, they use what little time they have to tell prospects about their product or service and then leave. They give a monologue and feel they've accomplished their goal if they can make it to the pitch's end without interruption. At best, they only try to guess what prospects truly need.

Meaningful Dialogue Comes with Trust

If the salesperson knows enough about the industry, the prospect's business, and the competitive situation, the guess may be close to the reality. But it's still a guess and may be wildly wrong. Even if the guess is correct, if prospects don't recognize their need, they're not going to buy. Without a meaningful dialogue, prospects themselves may not understand the issues.

If you can't get customers to engage in a meaningful dialogue, to tell you the things that are really bothering them, there is little likelihood you will ever move them to your point of view. If you do not have a strong positive relationship, why should someone spend any more time than necessary listening to you? You will always be dealing with smoke and fog because you will not be able to uncover the truth. You end up giving a meaningless (to them) speech rather than having a meaningful conversation.

Accordingly, you want to strive for a better business relationship because it encourages meaningful dialogue. When you have a good relationship, the other person listens to you differently. He or she shares more openly. In a good relationship (think about your own good relationships, business or personal), when the other person talks, you pay attention. You are not immediately skeptical, looking for the hidden agenda, expecting a trick.

Similarly, you expect colleagues with whom you have a positive relationship to listen to you because they know they can trust what you say. They will give you the time to hear you out (usually). They expect you to tell the truth and want you to challenge them when you don't agree with or understand something they say—just as they feel free to question whatever you say.

Good business relationships will not do your selling or persuading for you. You still must explain the features and benefits, the service requirements, the contractual obligations, the time line, all the myriad details of the product or service or idea you're trying to sell. But a good relationship will allow you to get a fair hearing with a meaningful dialogue for your ideas, plans, and proposals. People who like, respect, and trust you want to hear what you have to say. Ultimately, they buy more or accept more because they listen differently—better, perhaps, or more profoundly—than when they are indifferent or hostile.

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At the same time, because you're building a long-term relationship, you don't sell them something you know they cannot use or is inappropriate for their situation. You don't sell them something inappropriate even if your company has put an extra commission on the product to move it. You don't sell them something inappropriate even if you are one sale short of winning the "Salesman of the Quarter" plaque. Not even if this project will be the difference between making a profit for the year and breaking even.

You don't knowingly do something inappropriate unless you want to chip away at or destroy the trust and respect you've been able to build. You don't do it because it isn't right for the other person. It takes time and effort to reach the top of the Relationship Pyramid and you don't want to slide back down through one selfish or thoughtless act.

What, you ask, is a Relationship Pyramid? Good question. It's the subject of the next chapter.