

“It’s the little extras...”

Max

In his book, *Fares to Friends*, Ed Wallace, founder and Chief Relationship Officer of the Relational Capital Group, introduces us to Max. Max was a taxi driver. But he was so much more than that - he was a master of developing Relational Capital.

Max created something we would all love to have – a never-ending waiting list of loyal clients all clamoring for his services.

When Ed asked Max how he did it, Max’s reply was simple... *“it’s the little extras that turns fares to friends”*.

‘Relational Capital’ is the distinct value created between people in a business relationship, and it may very well be one of the last remaining competitive advantages in business today.

When was the last time you *thought* about the value of your business relationships?

When was the last time you *intentionally* set out to add value to those business relationships?

When was the last time you actually *measured* that value and the impact it has on your business and your life?

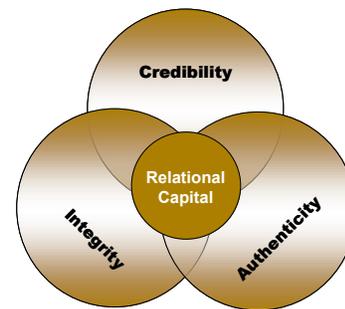
For most us the answers to each of these questions would be – not lately, rarely or never. Yet, our business relationships are among the most critical and valuable assets each of us has to grow and sustain our business and personal success.

“Little kindness and courtesies are so important.

In relationships, the little things are the big things.”

Stephen R. Covey

There are three essential qualities that are the cornerstones of Relational Capital - credibility, integrity and authenticity. These create the DNA of outstanding business relationships and converge to create high levels of Relational Capital – and long-term success for your organization.



Credibility is the foundation of developing Relational Capital. All business relationships need to begin with finding sincere common ground and continue through to acknowledged competence by your business partners.

Integrity is doing the right thing when no one is watching. It’s about commitments and promises. If you follow up on your commitment and keep your promise, you make a trusted friend, enhance Relational Capital and further your business relationship.

Authenticity is the quality or condition of being authentic, trustworthy, or genuine. Being ourselves – true to our own spirit and character. One simple manifestation of authenticity is being able to tell clients or colleagues “I don’t know” and trusting that the result will be genuine help to work things out together.

We all know how important and powerful these qualities are in our relationships and yet, the relentless pace of commoditization; digitalization; exponential expansion of technology; and flattened organizational structures has resulted in less and less personal interaction in, and attention to, our business relationships.

In a January 2007 white paper on The Importance of Relational Capital, Wallace writes: “The information overload and the breathtaking pace of today’s work environment have left many business leaders struggling just to keep up, let alone to manage effectively.

Consequently, at an individual level, business relationships have suffered significantly; they’re often reduced to a series of short-term transactions between Blackberries, not people! Suddenly, checking items off our to-do lists is mistaken for actual performance.”



However, in the midst of all this, two things remain constant:

1 *Business is still driven by people and relationships – not tasks or project plans.*

2 *People have not changed in their need for human interaction and outstanding business relationships.*

So, how do we thoughtfully and intentionally assess, measure and develop our business relationships and tie it all to performance and results?

Through a process. It begins by identifying those business relationships that are most important to the achievement of our goals. Then taking a close look at how those relationships were developed, where they stand now and what you need to do to advance that relationship to the highest levels of respect and trust.

- Reflect on and write down your most important business relationships.
- Assess each relationship in terms of ‘where it stands now’:

Acquaintance – Most business relationships begin in this category and require relational capital investment to advance beyond a transactional relationship.

Professional Peer – Category where your business colleague values you professionally and views you as a peer despite your role/level in the business relationship.

Respected Advisor – Highest category in the ladder where your advice is sought on issues and decisions outside of the original business reason/issue that brought you together.

- Connect these relationships to goals and other performance criteria
- Create a strategy to further develop the relationship to Respected Advisor status
- Keep track of your commitments to these important business colleagues
- Review and update your plan weekly

“The value of a relationship is in direct proportion to the time that you invest in the relationship.”

Brian Tracy

A focus on building outstanding business relationships is more critical today than ever before. Your relationships with your customers, employees, suppliers and all other stakeholders to your organization comprise your Relational Capital - the value created by people in a business relationship.

“To give real service you must add something which cannot be bought or measured with money, and that is sincerity and integrity.”

Douglas Adams

If you’d like to know more about The Relational Capital Process, please give us a call or send us an email. We’d be delighted to talk with you about how you can create outstanding business relationships to bring increased value and sustainability to your business.

ProLaureate is a strategy and leadership development firm.

Down to earth, hands-on, and driven by achieving results for our clients - ProLaureate partners with organizations to help crystallize their purpose and vision, define their immediate and long-term goals, and develop their most important asset – their people - to drive the achievement and success of the organization and the individual to extraordinary levels.

Our passion is helping people and organizations reach the highest levels of achievement and success, creating and building successful businesses and prosperous lives.



“Thoughts and action, aligned fearlessly to purpose, become crowning achievement.”