

BUILDING RELATIONSHIPS

Wael Allan, CEO at Drake and Scull International (DSI), shares his philosophy about creating an organisational culture with high discipline to foster strong client relationships

Loyal and close relationships with business partners have many advantages. One is the ability to openly address problems and deliver hard truths when needed. But they also pose a risk when trust gets abused and becomes an excuse for lower expectations.

A RELATIONSHIP-BASED CULTURE

People often say that conducting business in the Middle East was different in the past, and that a handshake was good enough. That is fair to say. However, the scale, complexity, and number of jobs have brought about fundamental changes.

In a culture where relationships are so central to how business is conducted, discipline plays an even greater role in order to avoid missteps and loss of control. In the early stages of a project, it is easy to get carried away with being positive, and only telling the client what they want to hear. At worst, it is explained by self-interested short-termism, whereby unrealistically optimistic projections and cost calculations are made to win a contract. However, even more common is the notion that it is not deliberate, and based on genuinely naïve and good intentions. Nonetheless, both scenarios have the same consequences, which



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can be avoided if there is discipline at the outset.

The reason there is a lot of failure in the contracting business is that lack of discipline is camouflaged by misconstruing client focus as flexibility, and not having clear and precise outlines and definitions in your communications. A common justification I hear for why a decision has been taken is that it makes the client happy, assuming it is what they want. These good intentions invariably result in a dispute between both parties, characterised by escalating changes and variations. The cumulative effect on time, cost, and even quality in terms of risk is significant!

When the client has all the information needed, they can take a proper decision as to what they want and need, with due consideration given to the opportunity costs involved. In order for this to work, it requires an accurate awareness of the situation in terms of the overall project, based on open lines of communication. This will result in immediate and undistorted feedback, so as to allow for any course corrections and tweaking of plans if need be.

In other words, being in touch with reality, as well as the outlook and vision of the client. There's a saying that



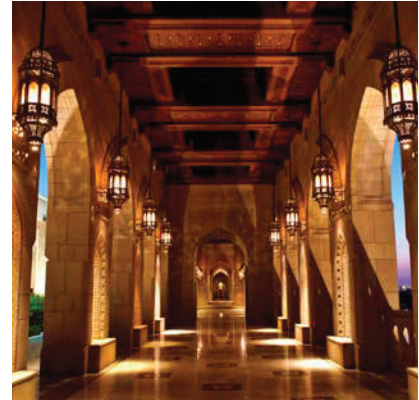
“It’s not what you know that gets you in trouble. It is what you think you know that just ain’t so.” Sometimes it is the case that you do not have the necessary information to deal with a problem. At other times, the organisation does have the necessary information at hand, but ignores it, which is just as bad.

We recently met with a client and informed them about changes necessary at an early stage of their project. They asked why we needed to address this now, and make the work more complicated. We said we needed to set the scene and align ourselves from day one.

To do this, you need to foster the right conditions, based on reciprocity, mutual benefit, and respect, whereby you acknowledge what each party brings to the table, and how valuable and useful you are to each other. One-sided relationships will not last when things get tough. Merely liking a person and not having any expecta-

tions is equally insufficient. When the necessary enabling conditions are in place, people will have the courage to address sensitive matters, which will help prevent problems further down the road. Where there is respect and trust, there is also an understanding of why this is necessary.

It takes discipline to keep the long-term consequences of your actions front and centre, in order to be able to deal with problems as they arise, instead of delaying them. It means not playing with words such as saying you “don’t know when”, and saying “no” with conviction. You need to quantify and communicate costs and times and their impact on the project. Take difficult decisions as early as possible so as to give you time to resolve the situation. Putting your head in the sand like an ostrich and pretending the lion is not there is not a survival strategy. Delaying and allowing problems to grow bigger is ultimately a lose-lose proposition.



Some will rightly comment that this leads to conflict, and that is fine. The strength of a relationship is not revealed in the good times. It only becomes apparent when you encounter difficulties, see things differently, and have to challenge each other by having disagreements. And you cannot fear this process. Sometimes it is messy, but in order to get important work done, it is necessary to piece together disparate parts, make course corrections, and decide on trade-offs along the way.

How you handle conflict says a lot about how healthy your relationships are. In Arabic, we have a saying that you become good friends after you have a good quarrel. And if you live through it, these are the clients you want to be involved with; the ones you can have a difference of opinion with, work it out, and decide jointly how to move forward. Empathy and humility are key. Admitting your own mistakes is hard, and pride can break down even the best relationships.

Creating an organisation that encourages people to do what is right, to be open about problems, and to take difficult decisions with a long-term perspective, translates into a highly-disciplined culture. All of this, of course, is more of an art than a science. In the end, what it boils down to is having the right people, who can handle the social aspects, and maintain professionalism in their work and judgments. **C**