

HINDSIGHT 2020, FORESIGHT 2021

Acquisition Projects: Big Picture Planning

As we continue through 2021, I thought this would be a good time to review and reflect on 2020 in terms of property acquisition projects and what should be considered as we move forward.

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I think we need to accept that the pandemic was a major disruptor in 2020 in our lives, both personal and professional, and has changed the way we move forward ... or has it?

A greater emphasis on telecommunications and virtual meetings has become the norm, leading to large meetings with participants who are unsure of speaking and contribution protocols resulting in more talking and less conversation. As we continue, I think we can assume that these types of meetings will remain even when in-person meetings resume. The greatest risk of the new way is the loss of those critical “after-meeting” conversations.

Appraisers will return to the way inspections should occur and come to grips with how the pandemic affected valuation, possibly requiring new assumptions and limiting conditions.

Negotiators will go back to more face-to-face meetings, although there will be a use of both methods going forward as virtual meetings will continue. Negotiations



are not just about exchanging information, they are about building relationships and gaining trust, which is hard to do if you cannot meet face-to-face. During COVID-19, the need to increase communications with owners by any means available is paramount; this should continue with a blended approach that leads to trust and positive relationships.

I decided to put pen to paper as I was in the process of putting together my plan for 2021. To do that, I needed to look at 2020 (learn from the past to avoid mistakes in the future). When I started this article, I thought the purpose would be understanding changes in the way we look at our businesses and going forward, examining how it changes. What I realized is parts of how we work have evolved, but the fundamentals remain.

From a big picture perspective, there are three things required for project success: Planning, Execution and Leadership.

Planning

I have always believed that you plan the work and work the plan. If you had a plan in 2020, did you review it to see if it was going to meet the targets and expectations when created? If not, how should it evolve to meet the fluid circumstances caused by the pandemic? Any plan should be flexible so you can pivot when required and hold the course when it makes sense. Having said that, you should always have a Plan B that will allow milestones to be met and anticipated results realized.

I have come to understand that once you have a plan and disruption occurs, you should not throw that plan out, but rather let the plan evolve to address the changes — stopping and starting from scratch costs time, money and resources. Years ago, I became a continuous improvement facilitator, which taught me that change is constant. By looking at the change (needing to pivot) and evolving the plan (addressing the change) to meet “the new normal,” you can move forward without discarding the still relevant parts of the plan.

Have your project priorities changed because of COVID-19?

Execution

There is no use having a plan if you cannot execute it. The elements to consider are financing, resources and the three Ps: policy, practice and procedure.

It is a given that the pandemic has brought a spotlight to funding and the need to get value for money. Have you considered what happens if that funding is changed, deferred or delayed? (at this stage, revisit the plan — did you address a fluid-funding scenario)?

Do you have the right resources in place working in an efficient, effective manner? This means the right number of resources and doing the right thing at the right time. This, again, goes back to planning: do you know how many



resources you need, when you need them and where you need them? In the planning section above, you should have considered resources and what could happen if the resources are not available, i.e., Plan B.

One of the pitfalls of property acquisition is the general perception that real estate is process driven, a minor function and should not impact the project. It never ceases to amaze me how very few understand the impact that property acquisition has on project delivery.

Several years ago, I was in a meeting with a client's senior management team and one party said that they could not understand why property acquisition was a problem on every project. To find that answer, you need to understand the definition of insanity: "doing the same thing over and over again expecting a different outcome."

For example, if you had a project that required building five bridges, would you design one and make copies for the others, or do you look at the different circumstances for each bridge and design accordingly? The same holds true with property acquisition.

The three "Ps" — policy, practice and procedure — impact how your property acquisition program will proceed.

Policy is basically the rules set out by the corporation that must be met or adhered to. Practice is how you generally address the policy requirement, and procedure is the "how to" process. These items can affect the desired results as they are not considered at times in project planning and yet can impact efficiency, economy and effectiveness across the board. The question becomes how can we adapt the three "Ps" to meet a project need?

Not easy, but it can be achieved by determining where the three "Ps" impact or influence desired outcomes, then create a project specific strategy to meet that need. The pitfall is assuming they are universally efficient in all circumstances. This means you need to understand "how work works." I suggest investigating "continuous improvement" principles and practices; they allow evolution to occur and they work. What you are trying to avoid is "treadmill" work — lots of activity but getting nowhere.

Leadership

The critical component of this is leadership. This means addressing the need to create a team where everyone knows their roles and responsibilities and is encouraged to freely contribute. Leadership is providing a positive environment that encourages rather than inhibits. Leaders provide direction, make decisions when necessary, lead by example and teach staff that you can fail successfully if you learn. It can be summed up with: "Lead, follow or get out of the way."

Additional Points to Consider

There are four more points that I feel are relevant to planning 2021. The first is the need to create teams and to do what is necessary understand the meaning and intent of being on a team. There is no use in having your team put the oars in the water if they are all on the same side.

The second point is the need to follow the three "Cs" — communicate, collaborate and cooperate. These are all vital, whether you are planning a project or negotiating with a property owner.

Communication is the foundation of all that we do; collaboration is required from the team such as the owner and his/her solicitor who are all part of the "bigger team"; cooperation is the means to the end.

The third point is the notion that the project is not "silo driven," and that horizontal integration is the best way to make the project team effective. This means the whole team is on a straight line where at different times, the team discipline takes on lead roles and, at other times, they assume advisory, contributory roles. If you go back to the three "Cs," using a single point of contact throughout the process provides organization, continuity and consistency by property acquisition in leading, contributing and advising roles all at the appropriate time.

The fourth and final point relates back to COVID-19 and non-COVID-19 times when the world starts to move to a new normal: infrastructure stimulus will be provided and the goal will be "shovel-ready" projects (remember, no matter what, you cannot be shovel ready without the property rights).

In preparing this, I looked at what COVID-19 did to disrupt the work I am involved in and regardless of which client I am working with, the need for Planning, Execution and Leadership remains relevant regardless of the pandemic. My plan for 2021 has proven to be helpful for me so far. What's yours?

Food for thought and all the best for the rest of 2021, carpe diem. 🍀



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