



Lessons Learned, Lessons Shared

Profile of Success



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Chris, thank you for giving us this opportunity to be able to learn from the lessons you have learned. Before we start asking you the complicated questions, let's start by asking you a standard one. What are you doing for work these days?

I am Chairman of The Retail Consulting Group (RCG), an independent specialist retail property consultant based in France, but am working throughout Europe and the Middle East. In this appointment, I am responsible for all aspects pertaining to the management of the company, which naturally includes strategy, finance, public relations, client care, quality control, staff management, and so on.

It is certainly apparent that you have an expansive command of your company. What type of role does the company play in the broader industry? Do you have any additional roles within the industry?

RCG has four departments: retail research, retail valuation, retail tenant representation and retail investment. We are pure consultants, and never take property risks ourselves.

In regard to my involvement in the broader industry, I am an ICSC North American Advisory Research Task Force member, a founder of the ICSC European Research Group and a Past President (1998) of the ICSC-European Conference in Paris.

Given your current position, industry involvement and prior appointments, it seems that you have a solid grounding in your professional life. Can you say the same for your personal one?

Let me start off by answering that with the fact that I am a fifth-generation Englishman living in France, and am the first generation in my family to have married a French woman. So, my two children are at last both half-French and half-English.

In regard to *roots*, in the traditional manner of Brits abroad, I was sent to boarding school at the age of 9 and next saw my parents when I was 18... *(laughs)* I had a classic British private education and went to Marlborough College. After Marlborough College, I went to Kings College London University and obtained a degree in French.

That indeed sounds like a solid foundation. How does it translate from then to now?

My first job was with the British Army in 1977. I attended the Royal Military Academy Sandhurst and spent five years in uniform, retiring from the Army with the rank of "Captain." I joined the Infantry because of the challenge, the glamour and the opportunity to live and work in Hong Kong, a city that I already knew.

I left that job in 1982, when I realized that I did not really want, nor would I probably ever get, to become a general. Then, I joined Saint-Quintin, a firm of Chartered Surveyors, now part of CB Richard Ellis in London. It was then that I developed an interest in becoming a Chartered Surveyor. And, at 28 years of age, at the same time of my first office job at Saint-Quintin, I took up further education and went to night school twice a week for three years for that certification.

It sounds as if you were quite determined to change direction. Did your first job after becoming certified reflect this?

After four formative years, having become a Chartered Surveyor, I left London to return to Paris where I joined Healey & Baker, which is now Cushman & Wakefield. After three years, I resigned. I was too close in age to the two partners, and I did not see myself being able to either get up to their level or indeed go past them!

This is part of a series of executive profiles of research-oriented industry leaders conducted by James DeLisle, Director of the Runstad Center for Real Estate Studies at the University of Washington.

Some of the interviewees' careers remain in research, as they continuously hone their skills, while others have moved on to other functional areas. Regardless of current or future career choices, we will explore to what extent the mind-set and skills cultivated in research roles have been instrumental in their professional development, and how they have built on that foundation.

What did you do at Healey & Baker?

In the mid-1980s, the French property market was essentially dominated by brokerage. Information was power, databases did not exist and there was no sharing of information. What I brought to Healey & Baker was an analytical approach to the business, coupled with technical valuation knowledge, which I had learned in the British market and during my studies to become a Chartered Surveyor. Those attributes helped Healey & Baker provide a more qualitative service, thereby improving its credibility and brand image.

What direction did your career take at that point? Did you move away from your focus as Chartered Surveyor?

On leaving Healey & Baker, I found myself responsible for a small team of general property advisors, comprised of my father, a negotiator, two secretaries and me. I decided to use my Chartered Survey skills in valuation and property analysis to give a customized consulting service to my clients. The focus was on quality of service and, specifically, on those areas in retailing which I knew helped me remain qualitatively competitive against my old firm and the other majors. I was lucky that Marks & Spencer helped me and transferred all of its property consulting business in France from Healey & Baker to my new company. It shows that property can be about people and not just about corporations. I had, after all, been responsible for the Marks & Spencer account for the previous four years.

What would you consider key career events?

Developing an interest in real estate. This first occurred when my father, at 45 years of age, made a serious career move into real estate. His move into real estate was not critical to me in itself; it merely increased my exposure to the profession at a time when I was deciding what to do with my professional life.

Subsequent to that, I held many conversations with a great family friend, Paul Orchard-Lisle, who was Chairman of Healey & Baker for many years and orchestrated the sale of Healey & Baker to Cushman & Wakefield some six or seven years ago.

How did you wind up with a career in retail real estate?

I chose to go into real estate because I liked property as a product, I liked the importance of people in the profession and I liked the academic side of property through research. Finally, I liked the opportunity to be richly rewarded if successful. (I am still trying to achieve the latter.)

How did you make the transition to the retail side of the industry?

While I was at Saint-Quentin, a great friend of mine there, Eric Eastman, was responsible for retail consulting and had an extremely valued retail client—Crabtree & Evelyn. I was fascinated by Crabtree & Evelyn's new approach (at the time) to retailing, particularly the use of the shops' premises as theatrical backdrops to the company's beautifully packaged products. Eric asked me to scout suitable sites for Crabtree & Evelyn in Paris and the 10 major cities in France. As can be expected, I jumped at the opportunity.

What do you feel gave you the greatest "edge" in your career?

My army career undoubtedly gave me tools to develop my leadership qualities and the ability to quickly identify key issues. In addition, my education, in particular my university training, taught me how to put my thoughts on paper.

What aspects of your university training are you referring to? Do they include real estate or related courses?

My university training did not include any aspect of real estate. The three-year night school was sufficient academic property exposure for me! My studies occurred from when I was 28 to 31 years of age, with two children below age 3; a lesson learned from that experience is that "It's never too late to start."

Who has had the most significant impact on your career, and why?

Paul Orchard-Lisle, who opened my eyes to the profession. Mark Norton of Larry Smith Consulting, who helped me understand retail property. My father, who taught me about client care. The help all three gave me at different times was undoubtedly crucial to my professional development.

What would you consider to be your most rewarding job, and why?

My present job is, without doubt, the most rewarding and has been for the past 17 years. It has been about how to take one and one make three. Having my own company means that I am responsible to no one except all of my staff. My job is to ensure that we continually improve the quality of our services, and that we innovate ahead of our competitors. In order to do this, I must have a deep understanding of our market and underlying trends so that I can position the company correctly for the future. This



entails an immense amount of personal contact with people and organizations, which I thoroughly enjoy. Having my own company also allows me the time necessary to give to organizations such as ICSC, which I believe are representative of a future business world where the rules of competition are less like battles between implacable foes and more like hard-fought tennis matches. In this new world, I believe that it's possible, on occasion, for competitors to play on the same side—as in a good doubles match.

Why do you enjoy this phase of your career? What are some of the more challenging assignments you take on?

One of my most challenging assignments at present is to build an international alliance with similar independent retail consultants throughout Europe. I feel as if we are politicians trying to build a more united form of Europe.

What was one of the key life/professional events that influenced your career path and development?

Leaving Cushman & Wakefield for Matthews & Goodman, a company that at the time had three people, and has now become RCG with 28 people, and my ability to convince my partners at the time to purchase the research firm of Larry Smith Consulting in France. This purchase allowed us to have a real consultant credibility that our competitors, such as JLL, Cushman & Wakefield, Healey & Baker and others, lacked at the time because they remained focused on pure brokerage. This allowed us to build our small business by retaining first-class clients.

What was the most difficult challenge you had to overcome along the way?

The vagaries of human nature—particularly with some of my past business partners! I find that many people start off with the best intentions but, for various reasons, are not capable of carrying out to the end what they have set out to do. It is difficult to stick to a path of total intellectual honesty and integrity in a hard, competitive world where we are beset by conflicting challenges. I have found that frank and open communication between people helps enormously.

What would you consider to be your best opportunity taken, and why?

Leaving Cushman & Wakefield, and having the guts to start up afresh, armed with a certain amount of knowledge, but little experience.

Where did you go from there, and how long did it take to get into your next position?

I went to Matthews & Goodman, which at the time was a minuscule general practice firm of property consultants of three people. I was lucky that I was immediately allowed to develop the business as I thought fit and that the mother company in the United Kingdom also gave me 100% support. I arrived in 1989 and took the company to 15 people in two years, but reduced down to 9 people from 1992 to 1995 (due to the first Gulf War and so on). From 1995 onward, we have seen strong growth in both staff and profitability.

Did you fail to jump at any opportunities that, in hindsight, might have been better taken?

Not being able to increase the share in RCG of one of my former partners, which caused him to leave the company. My initial structuring of the shared capital did not allow me to increase the share of individual partners. However, many the founding partners like to say that they are equals among equals. But, there will always be some more apt in developing the business and who, therefore, need to be rewarded differently. My inability to get our structure out of an overly egalitarian mentality meant that I lost an extremely valuable partner.

Did this experience influence the way you do business now?

Yes. As I restructure the partnership of my firm, I shall ensure that individual performance can be rewarded amongst partners as it is amongst salaried staff.

Did you make any mistakes that you would change? How could you have avoided them?

In personal terms, I could have utilized lawyers more effectively, and asked the “What if” question. I tend to be both optimistic and sometimes too trusting. I made the mistake of having a “too trusting” approach to a shareholder pact, whose principle was then violated by one of my past partners.

What's the most important lesson you have learned along the way, either positive or negative?

Funny enough, in view of the above, trust your subordinates. When the chips are down and we are overwhelmed with work, there comes a time when leaders cannot check everything. Time and again, I have been amazed at how certain juniors rise to the challenge and produce first-class work in the knowledge that there is no safety net. Having done it once, they gain that valuable attribute—self-confidence—as do their managers, who come to realize that professionally they have come of age. A well-managed company, in my view, is one that produces the safety net, but also knows when to take it



away in order to let those capable of flying on their own do so.

Please talk about any other key events that “moved” you.

Two that come to mind include becoming a Chartered Surveyor and making my first speech for ICSC at the European Conference in Belgium in the early 1990s. Becoming a Chartered Surveyor gave me the confidence and an in-depth technical understanding of property—similar to the technical understanding of the business world that an MBA degree gives to those who already have a few years’ work experience. Giving a speech for

ICSC put me back on the stage for the first time in 25 years and began the process of building up my confidence in public speaking, which has been invaluable in communicating my firm’s ideas to the market and our clients. It also began my association with ICSC, which as a professional association is more relevant to my business than the Franco British Chamber of Commerce, with which I had been heavily involved up until when I made that speech. I had been President of the Youth Section of the Paris-based Franco-British Chamber of Commerce.

In general, what do you think are the keys to success for the Next Generation of real estate professionals?

At an age when better communication is pre-eminent, it is vital that young retail professionals have a good academic grounding in their chosen professions. For instance, obtaining the Chartered Surveyor qualification gives a superb generalist property qualification, while obtaining a more specific qualification, through the ICSC, provides much more focused expertise on both general and retail property.

How important do you think formal academic training is to real estate professionals?

I believe that formal education is extremely important. University education is paramount, as it is the first time that young professionals have a chance to study subjects that have direct relevance to their possible future careers. I particularly approve of the British practice of allowing those leaving high school to have a one-year sabbatical before moving to university. During the year’s sabbatical, they usually travel, give time to charitable organizations (often in undeveloped countries) and spend the time growing up—which is invaluable for them before they get to the more adult world of university. I personally don’t think it is good to spend too many years at a university; between three and five years seem more than adequate. That said, later on, an MBA or similar degree for those in their late 20s, along with three or four years’ work

experience, appear to help people be well adapted to the demands of professions these days.]

If one doesn’t specifically study retailing at a university, a few years’ work with a retailer, not necessarily on the property side, could be most useful for anyone wishing to become a retail property specialist later on. Finally, here I shall be very old fashioned: I sincerely believe it is not so much what you learn than the learning of how to understand, summarize and communicate.

In general, how would you rate the current state of real estate education?

It is good and improving because the curriculum is more in-depth and more directly relevant than in the past. This is natural, as those responsible have gradually improved their course offerings over the years.

What recommendations would you make to the academic community?

Academia and the business community need to spend more time together. It allows academia to become more in tune with the problems of the business community, which they can address through research and analysis. This, in turn, could help the business community create more efficient solutions. Conversely, the business community could learn more from techniques being developed by academia and thus re-engage in a process of continuing personal professional development.

What are your thoughts on professional or continuing education?

As above, it is extremely important. But it must not become so bureaucratized that it acts as an unnecessary burden on an already overworked population!

How important are industry affiliations? How do you recommend choosing associations?

Industry affiliations allow one to get to know others in the profession, who, through their positions, see aspects of the profession differently. These affiliations also allow competitors to get to know each other and thereby look toward working together on certain *macro* projects, which are far greater for the profession as a whole than the day-to-day competitive struggle we engage in at the *micro* level. It helps one see a bigger picture and forces one to listen and work with others on a voluntary basis rather than being forced into it as part of a day-to-day business life within one’s own firm. In addition, attending conferences is a good way to get a “feel” of the associations to decide if you are interested in them and whether the people are welcoming and interesting.

What is the role of networking in real estate careers? How should young professionals approach this topic?

Networking is the oil that runs the machine. Good networkers will be able to expand their knowledge, reply quicker to and with more authority on questions they are asked and have a finely tuned knowledge of the market and its trends. Initially, the ability to talk openly with their peers about problems and seek their colleagues' help in an atmosphere of mutual youthful solidarity is the equivalent of a Tylenol after a heavy night out!

What are the key challenges you think young people will face in launching and sustaining successful careers?

A key challenge is to identify companies that have the reputation for giving time to nurturing talent with well-thought-out career plans. Often these are large companies, but there are one or two small companies that also manage well. The average length of stay of staff in a company (i.e., the average number of years' seniority of staff) is a good pointer to a firm that manages its staff well.

What is the biggest obstacle to success that you think young professionals will encounter?

The dictatorship of EBITDA, which concerns, basically, gross profit before tax and finance costs, on short-term performance puts incredible pressure on management. This often gets translated into managers' spending less time managing their staff according to longer-term objectives. In addition, cultural differences will likely be an issue.

As an international player in real estate, what can you say about "challenges" and how to break them down?

Cultural differences lead to different evolutions in business practice. We are lucky to be coming from the Anglo-Saxon world where our businesses have become ever-more sophisticated and where we rely without a moment's thought on the provision of openly available, viable databases. In many countries, databases do not exist; indeed, the retention of information is a source of power, which is the direct opposite of the business environment found in Anglo-Saxon countries.

It takes a great deal of patience and faith in the opportunities of the future to steer one's way to do business in these countries. It can also be quite frustrating, but remember that networking and the ability to listen to others, and having fun, which includes making new friendships and bringing an enthusiastic and generous approach to one's work, will go a long way to easing the pain.

Up to this point, we have focused on "research" careers in real estate. Let's expand the scope to real estate in general. How important is an understanding of research to success in the competitive arena?

Research is the basis of all sound decisions, as it complements and confirms instinct, which is a quality one is either born with or can gain through experience. In my experience, basic economic market and feasibility studies provide the bedrock of knowledge. Moving from these to analysis of market trends provides the framework. The more sophisticated research covering specific aspects touched on by the basic forms by the first two types of research are those areas where, sadly, the majority of business operators do not have the time. It is in those areas of further research that business and academia should collaborate more and more. As an example, I am particularly impressed by the research work carried out by some first-class Research departments within the financial community.

What elements of research provide the best catapult to a successful management position?

Essential elements of research are knowledge, understanding how to use statistics and databases, and taking the time to go to libraries or use the Internet to research topics in more depth. All of these skills give us the opportunity to expand our perspective of the "big picture," which is a mandatory skill for all managers.

How does a global perspective affect research?

It allows the individual to better choose the elements of research that are necessary and thereby eliminates cluttered thinking.

What are the biggest challenges the retail industry faces?

Globalization is undoubtedly the biggest challenge. At the same time, it also offers the biggest opportunities. We must all strive to better understand different cultures, both for the challenges and opportunities they offer.

How does global research differ from a domestic approach? How should new professionals prepare to respond to these differences?

Global research is multi-dimensional. It must integrate individual national parameters into an international matrix. More complexity means higher risk of getting it wrong! New professionals must naturally get to know the basics first. Using this foundation, they must be willing to jump at the opportunity of travelling, talking to people, and taking part in an active way in the development of both their own companies and the profession as a whole. They



also should be ready to participate in other forums such as ICSC, Urban Land Institute, and so on.

In conclusion, what do you recommend professionals should do to get ready to excel?

Professionals should get ready to excel by helping each other and remembering the ICSC motto: Two people

together come up with three ideas, which is one more than if they had stayed apart.

Chris, on behalf of ICSC and the Next Generation professionals, I would like to thank you for your forthrightness about how you have accomplished your vision, and how young professionals can accomplish their vision.