

“Ten Steps for Managing Business Relationships More Effectively”

By Eileen S. Winterble

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Working well with all the players in the complex health care industry can be a daunting task. You start with providers, payers, employer groups, subscribers and patients. Add to the mix legislators, regulators, vendors, competitors, industry groups and various coalitions, and you have an intricate web of influence-makers and stakeholders to deal with. Don't forget the people you collaborate with everyday inside your own organization. Building strong, mutually beneficial relationships with these key players can make the difference in your ability to meet your business and career goals.

My breakthrough in understanding the importance of managing business relationships effectively came about 20 years ago, and I have been applying a 10-step approach in all my relationships since then. Early in my career, I was in charge of a complex, high-stakes project to set up, for the first time, bank accounts and cash management programs for a large local government. About \$1 billion in funds were involved. The legislature had set a tight deadline for opening the first bank account, and there was a great deal of work to do and numerous approvals to get in the relatively short time allowed. The final step in the process was getting contract approval from the government purchasing department. At that time, it took an average of 50 days or so to get a contract approved. I knew I had to do much better than that if I was going to meet the target date.

I developed a strategy to get through the contracting bottleneck in record time. And it worked! The contract was approved in 2 days, just in time to meet the deadline. The critical factor was the relationship I nurtured with the contracting officer in charge of the program. At the start of the project, I briefed her thoroughly on what we were trying to accomplish and its importance to the government officials. I continued to brief her at each key milestone so that when we had the first bank contract ready for review and approval, she knew what to expect and was able to act quickly. By carefully building a solid, mutually respectful relationship, I transformed a potential obstacle into a real partner who shared the same goals.

It is a lesson that I have kept in mind throughout my career, which has included positions with health care, financial services, and high tech companies, as well as government. The general rules apply for overall business relationships, as well as for specific projects. Here are 10 steps to follow in building better relationships to support your goals as a health care industry professional.

1. **See opportunities – not obstacles:** Too often, when we think about the individuals and organizations we must deal with, we perceive them as barriers or distractions to getting our job done. We have to take time to get an approval within our own organization or from a government regulator. Or we have to negotiate a detailed contract with a vendor for outsourcing services. We must keep key decision makers (e.g., executive staff, Board members) in the loop and respond to their questions. The first step in building better relationships is changing our mindset to see these entities as potential partners that can help us achieve our business goals. Begin this process with the same positive, confident attitude you use in developing your own business plan and running your core operations.
2. **Identify all potential partners:** Be specific, starting with general categories (e.g., your boss and your peers, providers or payers, vendors, advocacy groups, banks/lenders, board members, government agencies). Then identify specific entities and individuals within each category. Be as inclusive as possible. You will set priorities later in the process.
3. **Define the impact of each relationship:** How does each relationship affect your ability to achieve your business goals? Remember to think in terms of opportunities and partnerships. By collaborating with others in your organization, you can make significant improvements in operations, quality, and financial results. Competitors can band together to advance the goals of the entire sector and to lobby for beneficial government action. Vendors may help you streamline business processes and cut costs.

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4. **Set priorities:** Of course, you can't tackle all the relationships at once. What are the most important relationships in terms of your business success? Be tough-minded. The most crucial relationship may be one that is not positive now, and we all tend to avoid difficult situations. Transforming that dysfunctional relationship may bring the greatest rewards, however.
5. **Find common ground:** As you begin the relationship building exercise, try to identify what you have in common with the individual you are approaching. Shared interests and shared goals are the foundation of productive partnerships. You can go outside the business relationship to explore common interests, such as hobbies or cultural pursuits.
6. **Think about what you bring to the relationship:** It is not all about your needs. Identify what you can bring to the table. How can you help your potential partner in a way that serves both your needs? It may be providing an introduction to someone in your network. Or offering advice in an area where you have the greater expertise.
7. **Identify measurable results:** How will you know when the relationship has been improved? What are the indicators? By being specific about what you want to achieve, you will better focus your energies.
8. **Tailor relationship strategies:** Every stakeholder, resource, and potential partner is different. Going out to a friendly lunch will not work in all cases. Your first step may be to meet with your potential partner to get a better idea of her perception of the relationship. What are her business goals? How does she think you can work together more effectively?
9. **Develop specific action plans:** Develop a specific game plan for each high-priority relationship to begin the process. Identify 3 or 4 concrete steps you can take to implement your strategy. In many cases, better communication will be part of the action plan. That can be achieved through regular face-to-face meetings, email updates, or other ways of sharing information.
10. **Set timelines:** Develop a disciplined approach, with clear timelines, for carrying out your action plans. Remember your priorities. It is better to improve even one critical relationship in a short period of time than to get bogged down in multiple efforts that you don't fully act on. Be realistic about what you can accomplish and stick to your plan.

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