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SPEAKERS

Kevin Jones, Trisha Talbot

Kevin Jones 00:00

Real estate is a business you've got some, you got some really strong multi decade professionals that have been doing business, you know, a certain way. But you know, I've been in real estate long enough I've seen it go, you know, where people talk about deals on the back of a napkin to the back of an envelope, you know, to a whiteboard to a smart board.

Kevin Jones 00:18

But now you've got, you know, 3D holograms and you've got, you know, we're engaged in a conversation for a search for a spatial scientist. So these are positions that literally didn't exist several years ago. And you know, that's what our clients are looking at.

Trisha Talbot 00:37

This is the Providers Properties and Performance podcast. The podcast that brings together leaders in healthcare and investment real estate to consider the possibilities and future at the intersection of practicing medicine, and healthcare real estate investment returns.

Trisha Talbot 00:52

Welcome to the Providers Properties and Performance podcast, I am your host Trisha Talbot. As a healthcare real estate adviser to providers and investors, the best solutions occur when the two collaborate together as partners in delivering better patient care. Providers can deliver care to their patients when and where they need it, and investors realize the returns to build and manage facilities. We explore changes in medicine and wellness the future of healthcare and using real estate as a strategic and financial tool.

T Trisha Talbot 01:19

In this week's episode of the Providers Properties and Performance podcast, I welcome Kevin Jones, Managing Director and Real Estate Practice Leader at ZRG Partners where he focuses on recruiting in the healthcare real estate sector.

T Trisha Talbot 01:33

Kevin and I have a very interesting discussion on the role technology is playing in the healthcare real estate industry now for decision making. And combining the traditional way of doing business in commercial real estate, which is very boots on the ground, relationship based and a very human component. And how he is recruiting for positions to fill at companies that can marry both. He introduces me to the concept of DQ for decency quotient that is in addition to IQ and EQ, which I find fascinating, and I hope you enjoy listening to our conversation.

T Trisha Talbot 02:07

So Kevin, welcome to the Providers Properties and Performance podcast.

K Kevin Jones 02:11

Hello Trisha, nice to meet you.

T Trisha Talbot 02:12

So why don't we start the conversation with a little background about your company and the real estate practice that you're involved in?

K Kevin Jones 02:19

Sure, thanks. So ZRG's, you know, honestly, it's an extraordinary firm, it's a firm that, if you haven't heard of, you know, the second that you learn about them, you wonder why you haven't heard about them, and then you'll hear about them in, you know, in the next week or so.

K Kevin Jones 02:37

But, you know, we're, we were probably ranked two out of the last four years as the fastest growing executive search firm in the world. And really, the firm has, let's put it in three buckets, you know, we're a strategic healthcare solutions provider, executive search is our core business. We've got on demand, an interim project type work, both individual and team development. And the third component is consulting, you know, the culture consulting is really

where it starts, but it's about developing efficiencies, getting closer to aligning what your stated culture and what your day to day culture is. And those are the three core elements of our business.

K

Kevin Jones 03:19

The firm, you know, we have 355+ people. We've done business in 35 countries, and I run the global real estate executive search practice. And, you know, my real focus has been North America over most of my career. And that was one of the reasons I came to ZRG is to really try to understand and get a blueprint to how to build a global practice. In our real estate practice, we've got people on the ground in Brazil, in the UK, in Dubai, and, you know, we're continuing to build out those markets as well.

T

Trisha Talbot 04:00

And what is your background that brought you to ZRG?

K

Kevin Jones 04:03

Sure. So I actually started in search right out of school. And, you know, I came into, you know, a contingency recruitment shop. So it was that, you know, the hired seven and only one person would make it and you know, I happened to be that one. And, frankly, I don't know how I felt when I realized that, but that that's how I started in the business you know, this the hard knocks, sharp elbows business.

K

Kevin Jones 04:27

And that, of course, evolved to doing just retained executive search and climbing the ladder to do more senior level searches where, you know, now our business is focused on the C suite, and you know, meaning positions that report into the C suite, as well as you know, the board and the board services that the C suite report to.

K

Kevin Jones 04:51

And, I've always done commercial real estate, so that's, you know, that's why I know the sector so well, it's been over 25 years. And you know, beyond executive search, I've, you know, had opportunities and successes to be able to call it create strategic introductions.

K

Kevin Jones 05:10

And, you know, we're not investment bankers, but we've been able to match companies and capital, we've been able to match pipelines and developers. So, you know, the skill set goes beyond executive search, but you know, that's the core business and some other opportunities happen just through those relationships.

T Trisha Talbot 05:30

I was reading your bio, and you studied behavioral psychology, which I'm sure you draw on that for both recruiting and advising on healthcare real estate trends.

K Kevin Jones 05:39

and personally, it comes in handy.

T Trisha Talbot 05:46

Oh, sorry, go ahead!

K Kevin Jones 05:47

No, that was it.

T Trisha Talbot 05:49

Well, I wanted to touch on, start with the technology and how it's changing in commercial real estate, how firms are leveraging that? You know, into their underwriting, even using AI.

T Trisha Talbot 06:01

And for healthcare real estate, you know, talks about how they, you know, they put all of their investment requirements in and then, you know, it spits out some data. But for healthcare real estate, other than, you know, price and return and all of those, what do you think are some other requirements that are being put in that melting?

K Kevin Jones 06:18

That's a great question and clearly, you know, the topic right now Trisha, you know, we were talking about this a year ago, you know, there was a lot of talk about Prop Tex and you know, the value of technology, real estate historically has been a laggard in terms of utilizing new technologies available.

K Kevin Jones 06:37

And, you know, in the last 12 months, you know, whether it's driven by COVID, or just, you know, the, the more sophisticated business, that real estate's become, the technology component is the driver, and I think that's going to be the driver of 2022.

K

Kevin Jones 06:52

And it touches so many aspects, you're right, you know, you're talking a little bit about the AI investing, where you're creating algorithms where you can go in and essentially look for, buy sell points, you know, what markets, what asset types to be into, and that's really valuable.

K

Kevin Jones 07:11

But, you know, there's so much because real estate has been slow to adopt, there's just so much involved there, you know. The Real Comm Conference was last week, and that's a real estate, you know, technology conference, and, you know, I haven't validated this, but they were talking about 500-600, new prop techs developed. So you have a lot of new technology coming at real estate, and it's everything. And that's just not commercial, it's residential, too. I'd say 25% of that number is going to be touching, residential, single family not multifamily.

K

Kevin Jones 07:48

And, you know, the, the impact is, is going to be tremendous. There's, there's maybe two schools of thought, right? Let's just use technology as best we can, or say we use it and advertise that we use it, but we're still, you know, doing business the same way we've done 5 to 10 years ago.

K

Kevin Jones 08:08

But right now, there's such a push, and it's not just automation, but it's AI, it's how how people approach the business. You know, within the last week, we've started searches, that's a head of innovation and technology for a \$30 billion institutional real estate investor. And we're working with a prop tech, that's focused on automating a mortgage process and being able to do that online.

K

Kevin Jones 08:39

So, you know, it's, it's both right? It's the old guard that's really adopting new mentality, new thought process, and, and not just trying to adopt technology, but devour technology and consume it and make sure that, number one, they're very competitive, but also, you know, becomes a recruitment tool, right? If you are looking at a next generation of recruitment, you need to be sophisticated and have a technology platform, that is more than just for show, you know, it needs to be integrated into your daily access.

K

Kevin Jones 09:12

And that plays to, you know, all the property companies with, you know, the hybrid work environments, I mean, there's so many changes that's happening. And that's part of the

solution of this hybrid, you know, back to work, work from home, balance is technology. And I think that's what happened is so many companies were exposed during COVID that they talked about technology, and they thought they had technology, but when it came down to it, you know, they were underserved and underutilized on the technology piece.

T Trisha Talbot 09:44

Well, since you began your career in healthcare real estate, technology must be revolutionizing the pace of play and just in the speed of information gathering, you know, just in transaction side from site selection to negotiations and you know, even contracts I mean, just having to previously send them through fax.

T Trisha Talbot 10:04

And now, if you don't have DocuSign, you know, people start getting annoyed, like, they don't want to schedule a time to meet with you. And I think, you know, and all of that, but I don't know what you think but I mean, I think it's just going to even get faster,

K Kevin Jones 10:17

yes! And it's gonna, it's gonna be exponential I think in the next 12 months, because of the focus, and more so the investment. There's a tremendous investment in real estate technology. And, you know, in all markets, it's a global push, it's not just the US. And it's touching every aspect of the business, not just site selection, and expediting lease signatures, but it's how people are approaching the business.

K Kevin Jones 10:47

And you know, that there's a real component, because real estate is a business, you've got some, you got a really strong multi decade professionals that have been doing business, you know, a certain way. But, you know, I've been in real estate long enough, I've seen it go, you know, where people talk about deals on the back of a napkin to the back of an envelope, you know, to a whiteboard to a smartboard.

K Kevin Jones 11:09

But now you've got, you know, 3D holograms, and you've got, you know, we have a, we're engaged in a conversation for a search for a spatial scientist, you know, so these are positions that literally didn't exist several years ago. And, you know, that's what our clients are looking at, you know. There's a science to the built space, and they're trying to capture that. So, that's where the industries heading, and you know, I'd say part of the industries already there.

T Trisha Talbot 11:42

Well, what do you say, and I mean, there is the technological side, when you know, you're

well, what do you say, coz I mean, there is the technological side, when you know, you're looking for a deal, and once you have a deal, you can try to automate processes. But you know, real estate does have some depth, like you said, deep seated roots and relationships, if a property is over leveraged, and an owner doesn't have to sell, they don't have to, you have to meet with them and try to convince them

K Kevin Jones 12:05
Yeah!

T Trisha Talbot 12:06
you know, and sometimes it's not just about the money for them. So how do you think it's gonna affect that part of the business that I don't think it's going away?

K Kevin Jones 12:15
Yeah. The face to face, the relationship, Look! I agree with you, that's still a core component. You know, technology won't change the fundamentals of an asset. You know, you could just see, you could get clarity on it, but it won't change the fundamentals.

T Trisha Talbot 12:32
Right.

K Kevin Jones 12:32
If a property is over leveraged, you know, technology isn't gonna save you from that. You know, and it might make access to capital, so easier that it becomes an issue in and of itself.

K Kevin Jones 12:44
But the relationship part, you know, in real estate, and like, so many businesses, you know, executive search is a perfect example of the business.

K Kevin Jones 12:53
You know, I remember decades ago, Monster.com was going to, you know, get rid of search and LinkedIn, and LinkedIn is a strong tool, but now it's overpopulated. And it's just like a, you know, electronic classified ad, if you're posting a position. So, you know, the technology piece is important, the relationship piece just won't go away.

K

Kevin Jones 13:19

And there are companies out there, you know, and we see them, you know, we're embedded in the culture of our clients. And frankly, our, you know, the companies that we're recruiting from, you know, we understand their cultures as well. And there is strong commitment to relationships, people still want to do business with the people they've been doing business with, that they're very comfortable, and they trust.

K

Kevin Jones 13:43

And there is a component we're seeing it, some companies just are so calculus driven versus culture driven. And, you know, it's not bad but you really need to make sure that you've got culture, you know, and calculus right now. And I think you've got to focus on not just your existing relationships, but how to build relationships.

K

Kevin Jones 14:04

Yeah, there's a skill set involved, some people that have been in business for a long time and real estate's perfect example. You know, they've got 20 close business associates, but they've never developed the skill set of how to take that 20 and leverage it to 40, 60, 80. And that's really, you know, as important as technology is that skill set of leveraging relationships, of being able to create and build a network versus just work with the same people all the time. That's a great skill set, and that's, that's a little bit lost with a focus on technology, because people just think that it's only fundamentals, and it's all about cap rates and the deal either works or it doesn't.

K

Kevin Jones 14:37

But Trisha, you're in health care real estate that's a very collegial business, it's a collegial sector.

K

Kevin Jones 14:37

And everybody, there's an old school even though it's a young sector, there's an old school of healthcare real estate. You know, of people that have been in the space for, you know, 10 plus, you know, 10 to 20 years, I'll say,

T

Trisha Talbot 15:13

Yeah.

K

Kevin Jones 15:13

10 to 15 years, maybe. But, you know, and they like to do business and, you know, they're leery of the new players that are coming in, and the new brands that are coming in, all the capital coming in overseas. So, you know, technology doesn't solve all these problems, but you

capital coming in overseas. So, you know, technology doesn't solve all those problems, but you know, the relationships still matter.

T Trisha Talbot 15:32

Absolutely. Well, I want to flip over to recruiting for this industry. So you know, you have commercial real estate industry that yeah, as you mentioned, as a slow adopter, and you've got the old guard that is used to doing things a certain way.

T Trisha Talbot 15:46

Then you have the healthcare industry, which is a mix of clinicians, healthcare companies, hospitals, both profit, not for profit payers, medical device companies, and an academic system that's necessary to support it and rising costs, no one has a silver bullet to solve.

K Kevin Jones 16:00

Yeah.

T Trisha Talbot 16:00

And then you have this healthcare real estate industry, that's a niche created to provide, you know, financial and facility solutions for medical services. So I see a lifetime of solutions to address more questions than we have answers for, but how do you find the talent that can be successful in this changing, you know, wave that is coming, whether we want it to or not?

K Kevin Jones 16:23

Yeah. That's the big question, right? I mean, you know, in my business, we love, you know, we love the articles and the headlines and say, talent wars, right? I mean, that's, that's good for business. And, look! I look at search too, you know, the technology is great! You know, our firms ZRG, we're data driven, we are technology enabled, and, you know, we leverage both of those pieces to do our jobs better. But there's still a human assessment, right? I mean, we're in the people that, the ultimate people business. So we're still assessing talent, you know, that's not just all done with algorithms.

K Kevin Jones 17:02

So, you know, you can get, you can get insights, you're able to, you know, I find a lot of the assessments, you're able to verbalize that gut feel, right? It's like, when something doesn't feel right. And then as you read a report, maybe or an assessment, you're able to verbalize that, so it's, it's really helpful.

K

Kevin Jones 17:23

But when it comes to recruitment and search, you know, I still go back, and I think it's, you know, I think it starts pre research, pre outreach, with just really understanding the position, you know, it's not always just looking for a title in an asset type.

K

Kevin Jones 17:39

But every company, there's, there's a nuance in every position, and you really need to, you know, it's a practice skillset of just really understanding and listening to three people talk about a new position, and look for where they're consistent, look for where they're inconsistent, you know. And, and that's where you're going to find the nuances of what they're really looking for, when it comes down to four finalists, you know, who's in, they all look similar on paper, you know, who's that best person.

K

Kevin Jones 18:07

And that's still a human functionality, you know, it's not a keyword search. But it is a human assessment, you know, of who's the right person to fit here. You know, we can, you know, we've got a company that we acquired, called Walk the Talk in the UK, and they're continuing to grow into the US, and it's a culture driven business. And they're, they're incredibly strong at assessing cultures, and then building on the culture that works, and then creating accountability to the culture, you know, it's a great process, and it's, you know, they're a tech savvy company.

K

Kevin Jones 18:12

But at the end of it, it's still that human connection in terms of these are the people that work here, these are the people that fit and these are the people that don't quite fit that they can get up to speed. You know, it's not it not everybody is just, you know, yes or no, there's a lot of gray area when you come to that.

T

Trisha Talbot 19:03

Yeah. Well, I'm gonna move now to the Q&A to get to know a little bit about you, so what was your first job?

K

Kevin Jones 19:12

Yeah, so, it's interesting. started in search right out of school. So my first real job, you know, was in recruitment. And as I'd mentioned, you know, it was you know, grinding the phone. I had every US area code memorized because it was just that you would just crank the phone, you know.



K

Kevin Jones 19:35

But you know, as a kid I'd worked for a cater and you know, I always liked that. It was a pretty fancy cater and we would work these big affairs and you know, it was hard work, but it was also customer facing and you know, it taught me you know a lot about that white glove service. You know, that people talk about when we technically and literally wore white gloves. So I kind of get the meaning there, and it was, you know, it was project oriented too, you know, you would start at 2pm and start setting up and then close it down at 2am. And, you know, there was a great sense of accomplishment, just A to Z and running that whole affair. So that was my first job, and you know, obviously, like most people, I still think about it, and I still apply it to what I do on a regular basis.

T

Trisha Talbot 20:31

Yeah no, that's great. I think learning the service industry is great. It just helps you get a perspective on, you know, dealing with people and all different kinds of people.

K

Kevin Jones 20:44

Yes, yeah. And, yeah, and thinking on your feet and working as a team and carrying your weight. You know, you know, I also learned there's no your place, you know, I was, you know, I was I was wasn't part of the party, you know, I was serving the party. And, you know, and I say that with humility, but you do you learn your place and how to fit in, and that's really important, too.

T

Trisha Talbot 21:08

Yep, definitely. What would you be doing for a living if you were not working in the healthcare real estate industry?

K

Kevin Jones 21:14

Yeah. So, you know, in search, you know, a lot of, I think the approach to my business, and in so many businesses, if not all businesses, solving other people's problems, right? There's something that's kind of easier to solve someone else's problems. You have clarity, you have solutions, you get excited about it, you're not overly emotionally attached to that problem, which makes you you know, better capable of solving it. So I think I'd be doing something where I'd be solving someone else's problems, you know, and I couldn't tell you what that would be. I've been doing this too long to think about any other career, really. I have no creative gifts that are just inherent that I'm, you know, I'm not secretly a musician or an artist, so I lack that depth of creativity.

T

Trisha Talbot 22:12

What or who are you reading to reading or listening to right now? For news information or inspiration?

K

Kevin Jones 22:17

Yeah! I'd say my news is from you know, Michael Che and Colin Jost from SNL. I try to avoid the, you know, the more serious people that take it all so seriously. You know, I, my, my reading, you know, I've always liked Joseph Campbell, there's a guy Michael Neal that I read, you know, I think I think that's pretty strong. You know, I like podcasts. I'm getting into things you should know, things you should have learned in high school things that, you know, I'm always astonished that I had no idea of.

K

Kevin Jones 22:55

So that's probably what drives me is, you know, it's not greater knowledge, it's more basic knowledge that I crave, you know.

K

Kevin Jones 23:02

and knowledge that I think I should have known, but for whatever reason, I just didn't know about it. You know, I was inspired. I saw this documentary on World War Two. And I was amazed at just how little I knew about it, you know, it was insulting to anybody involved of just and it was, it was a spectacular documentary. And, you know, it made me realize what else don't I know about? And turns out, there was a lot. So that's what I like to pursue right now, and, you know, I'd say, in my free time, or, you know, free podcasts listening.

T

Trisha Talbot 23:25

Yea.

T

Trisha Talbot 23:32

Right. What is one thing you do every day for healthy self care?

K

Kevin Jones 23:41

I walk my dog, that's great. You know, it's interesting, so recently, I got an Oculus, the virtual reality. And it's awesome! It's, you know, you've got to do a deeper dive and really use the tool for what it's got versus just games or golf. But, you know, I've been probably using that too much every day. But it's really a great tool! And it's really a lot of fun! Everything from exercise to meditation to you know, learning new things, you can do it all right, within those goggles, it's fascinating.

T

Trisha Talbot 24:22

It's nice! My kids have one I have not used it yet, I'll have to.

K Kevin Jones 24:25
You should try it!

K Kevin Jones 24:28
That's where I started too! My son is older, his company gave them out to you know, part of their team. And I tried it, I took it off and ordered one, I mean, I was hooked immediately, so.

T Trisha Talbot 24:40
Nice.

K Kevin Jones 24:41
Yeah.

T Trisha Talbot 24:41
I have to try it out!

K Kevin Jones 24:43
Yeah.

T Trisha Talbot 24:43
Alright, I'm gonna love your answer to this, are leaders born or trained?

K Kevin Jones 24:48
Yeah, that's a that's a fair question to ask me, right? Based on my business. I would say this, you know, when I think about that, and that's, that's not an easy you know, it'd be easy just to say one or the other. But of course, it's not. You know, I think leadership, right? And achievement, it starts with appetite. You know, what somebody is appetite to lead and to achieve and become, you know, great producers, it boils down to ambition and appetite, I think more so than genetic qualities or even intellect, you know. All those things are great tools that are needed. But if you don't have the appetite to do something great with what you've got, and that's all we've got, is what we've got.

K

Kevin Jones 25:30

And it doesn't matter whether you're born or or learning about it. Leadership is a really unique thing, where there's a, there's a menu of skill sets that are needed. And, you know, it's not just, you know, somebody that's born lucky, or somebody that's born intelligent. I mean, certainly being smart, being engaging, being compassionate, you know, those are all elements that we're not necessarily we're born with some of it, but not all of it, you know.

K

Kevin Jones 26:01

I always compare intellect to height, you know, so I'm 5'11, and you know, I can get on my tiptoes or slouch, but I'm still 5'11. You know, and intellect is like that, you know, you've got what you've got, and it's what you do with it, you know. Do you build on it? Or do you just slouch? You know, and though, that's how I approach the, you know, the nature versus nurture elements, because everybody's got great gifts, and some people have more than others or more obvious gifts than others. But it's about what you do with what you got more so than that.

K

Kevin Jones 26:39

And the other thing too, you know, when it comes to leadership, you know, what I found too, what we're talking about more is firm, and with our clients, you know, IQ and EQ, you know, we're just big components, right? And you got to have that balance, got to be smart, got to be compassionate. And that's, that's become a given, right? I don't think that's, that's insightful.

K

Kevin Jones 27:02

The piece that we're looking at, and we're talking to our clients about, and this comes with cultures, you know, it's called DQ, which is a Decency Quotient. And, you know, there needs to be well, there is a focus on decency, right? And this isn't just professional, it's personal, it's, you know, it's every aspect of our lives, you know, whether we're walking through a store, you know, walking into a meeting, but there's a decency quotient.

K

Kevin Jones 27:29

And I think people are becoming more aware of that, and recognizing, you know, who fits into their quotient of decency, and who doesn't, becomes very obvious after a couple of minutes. And, you know, I think we're building teams or building businesses using that element, that decency quotient, more so than the IQ than ever before.

K

Kevin Jones 27:50

And I think that's what companies are craving. When you when you look at your leader, regardless, and we all have some, you know, whether it's a board or whether it's a boss, you know, if that person is bringing that decency quotient, to the, you know, to the party, all those

other elements, you know, you can work through. I mean, you need competency, you need depth, you know, you need sincerity. And I won't say those are assumed, but, you know, those are all learnable and teachable and coachable. But the decency piece is, you know, if you don't have it, you probably aren't aware that you don't have it. And that's that's the therein lies the problem, right?

T Trisha Talbot 28:29

Yeah. I like that! Oh, that's great! I, this is the first I've heard of decency quotient. I'm going to look that up now!

K Kevin Jones 28:35

Yeah. My partner Vikash had told me about it, so I've got give him acknowledgement on that.

T Trisha Talbot 28:42

Oh, that's great.

K Kevin Jones 28:43

Yeah.

T Trisha Talbot 28:44

Well, Kevin, thank you very much for your time. This has been a great interview! I appreciate it.

K Kevin Jones 28:48

My pleasure, Trisha.

T Trisha Talbot 28:52

I'm grateful for you tuning in to the Providers Properties and Performance podcast. If you enjoyed it, please subscribe, rate, review and share the podcast with others. As a disclaimer, this podcast is intended for educational and entertainment purposes only and not intended for specific real estate investment advice.