

Demonstrating the Impact of Business Relationship Management

How Business Relationship Management Translates
into Business Results



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Introduction

In today's business environment, business relationship management (BRM) is frequently caught in the crossfire between delivering measurable value and being perceived as a cost center. While executives seek clear, quantifiable returns on investment, much of business relationship management's contributions—fostering trust, driving collaboration, and enhancing strategic convergence—are challenging to measure in purely numerical terms. This disconnect creates a tension that leaves leaders in a difficult position, where they are expected to justify their role with metrics that don't always capture the true value of their work. However, through a structured approach to measurement, BRM leaders can develop dashboards that reflect tangible outcomes and showcase the broader, long-term impact of relationship-driven initiatives. This article explores how a comprehensive BRM leadership dashboard can bridge the gap between measurable results and the intangible benefits business relationship management brings to an organization, helping executives see beyond the numbers to understand the full value of business relationship management.

*NOTE in this article we use the term BRM leader. This is any leader in an organization that has relationship management capabilities, competencies and responsibilities.

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The Value Dilemma: Business Relationship Management, Executive Tensions, and Leadership Challenges

Executives often evaluate organizational activities through the lens of financial returns. When business relationship management is perceived as a cost without clear and immediate revenue impact, it faces scrutiny. The dominant question becomes, "What value do we get from this?" Without concrete metrics, business relationship management can quickly fall into the category of "nice to have" instead of "must have." This pressure to quantify value leads to the assumption that something is not valuable if it cannot be measured in a tangible way. BRM leaders are then forced into an untenable position—either produce clear, measurable ROI or risk being marginalized. But is this the right way to view business relationship management's value?

In many organizations, the root of the issue is a fundamental misunderstanding of what business relationship management entails. Unlike traditional management roles focusing heavily on metrics, business relationship management is deeply entrenched in fostering strong, productive relationships across various stakeholders. This role requires a nuanced blend of empathy, strategic foresight, and interpersonal skills to bridge gaps between business units, ensuring alignment with broader organizational goals.

"When management questions the value of business relationship management, it often indicates a lack of understanding of the importance of relationship management competencies for leaders, or points to a deeper organizational dysfunction that prioritizes products and systems over human relationships."

This dysfunction leads to overemphasizing tangible, visible outputs at the expense of more subtle but equally crucial leadership skills like relationship-building.

It is true that aspects of business relationship management can and should be measured. Improved outcomes, satisfaction, and efficiency improvements are all tangible metrics. However, not all value created by business relationship management can be reduced to simple numbers. Relationship-building, fostering collaboration, and driving innovation take place over long periods and in less tangible ways. These activities form the foundation upon which other measurable successes are built.

When leadership demands that business relationship management only focus on quantifiable activities, they shut the door on intangible value; a door that could lead to long-term differentiation and success. Can the trust built between business relationship managers and key stakeholders be easily measured? Can the increased convergence between business units that paves the way for innovation be reduced to a number? Some things, although difficult to measure, profoundly impact organizational results.

By insisting that business relationship management activities are only justified if they are entirely tangible measurable, organizations risk setting the bar too high and shutting down initiatives that offer value in more subtle, long-term ways. BRM leaders are catalysts for change, trust, and innovation across an organization. Their work often impacts culture, collaboration, and strategic convergence—all critical yet notoriously difficult to quantify. This measured approach discourages risk-taking, as BRM leaders may avoid valuable but complex initiatives for fear they will struggle to measure their success up front. This premeditation kills innovation, as many groundbreaking ideas come from exploring the unmeasurable, the qualitative, and the relationship-based aspects of business.

Moreover, the problem escalates in organizations that emphasize products and systems over the art of relationship-building. This emphasis can create silos and reduce the capacity for innovation, as it neglects the role of business relationship management in enhancing collaboration, trust, and shared understanding. Without a BRM leaders influence, discussions and decisions that drive operational effectiveness and adaptive change are less likely to occur.

Executives must adopt a more nuanced view of value to strike the right balance. Measurement is crucial for ownership and performance management, but it must be balanced with trust in the value of intangible assets. Organizations should focus on measuring what they can while leaving space for the qualitative, long-term contributions business relationship management brings. By recalibrating their understanding of business relationship management as a core leadership competency, organizations can build stronger internal relationships and foster innovation, ultimately ensuring their long-term success in an increasingly competitive environment.

The Need for a Comprehensive BRM Leadership Dashboard

Building on the ongoing challenge of demonstrating the value of business relationship management, the complexity of BRM activities and their often intangible outcomes pose significant challenges for both BRM leaders and executives. As discussed earlier, business relationship management is frequently undervalued due to its qualitative nature and the difficulty in quantifying its broader impact. This leads to a disconnect between BRM leaders and executives, where BRM leaders struggle to articulate the value of their efforts, often leading to frustration, doubt, and feelings of isolation. Meanwhile, executives face skepticism, confusion, and the emotional burden of justifying business relationship management investments without clear, measurable evidence of their impact.

There is a critical need for a comprehensive BRM leadership dashboard to bridge gaps and address challenges faced by both parties. This dashboard serves as a tool for translating the intangible value of business relationship management activities into something more recognizable and offers a pathway to reframe the conversation around BRM's strategic importance.

BRM Leaders Perspective

The dashboard is an essential tool to track progress, report on successes, and communicate the indirect benefits of a BRM leader's work in a manner that resonates with their partners. It helps alleviate frustration by providing clear metrics and impact stories that showcase the long-term, strategic benefits of BRM activities. By making the value of relationship-driven initiatives visible and quantifiable, the dashboard will boost BRM leaders' confidence and help them demonstrate the depth of their contributions beyond simple ROI metrics. This approach also reduces feelings of doubt and insecurity and help BRM leaders feel more empowered in their roles.

The Executive Perspective

For executives, the dashboard serves as an indispensable resource for understanding the overall leadership capability of business relationship management within the organization.



By linking business relationship management activities to tangible business outcomes and strategic objectives, it addresses skepticism and confusion. The dashboard demonstrates how these efforts contribute to organizational growth, cost savings, and risk mitigation—key metrics that executives care about. By offering a clear and concise overview of BRM impact, the dashboard reduces executive uncertainty and enhances their engagement with BRM initiatives, ensuring these initiatives receive the recognition and support they deserve.

Ultimately, the BRM leadership dashboard fosters a more supportive and integrated organizational culture. It needs to be emphasized that this is not just a dashboard for a BRM team, this is for all leaders in the organization that are focused on managing relationships. By providing a transparent and comprehensive view of BRM activities, the dashboard bridges the communication gap between BRM leaders and executives. Highlighting the strategic importance of BRM and showcasing its contributions to business success, the dashboard plays a crucial role in enhancing the visibility, perceived value, and effectiveness of BRM leadership capabilities within the organization.

In essence, such a tool not only brings clarity to the often misunderstood or under-appreciated value of business relationship management but ensures that relationship-driven initiatives gain their rightful place as vital contributors to an organization's long-term success.



The Six Pack of Aviation

In aviation, the "Six-Pack" of flight instruments is essential for pilots, especially under instrument flight rules (IFR), where visibility is limited, and pilots must rely entirely on their instruments to safely navigate and control the aircraft. The six instruments—airspeed indicator, attitude indicator, altimeter, turn coordinator, heading indicator, and vertical speed indicator—provide pilots with the critical data needed to avoid disorientation and make informed decisions when natural visual cues are absent.

Like pilots navigating through clouds or fog, BRM leaders operate in environments where uncertainty, ambiguity, and misalignment can cloud decision-making. The need to trust objective data over instinct is just as critical. A well-structured BRM leadership dashboard mirrors the function of the aviation six-pack, serving as a reliable source of information that ensures clarity and direction in managing relationships and strategic initiatives. This dashboard offers BRM leaders and executives crucial insights into relationship health, convergence with business goals, and the impact of BRM activities across the organization—much like an altimeter or attitude indicator helps a pilot maintain safe and level flight.

By trusting this data-driven approach, BRM leaders can confidently steer their organizations through complex relationship dynamics, ensuring they avoid potential missteps and maintain a steady course toward long-term success. This trust in "instruments" over subjective perceptions is key to fostering organizational resilience and enhancing collaboration, making the dashboard an indispensable tool for navigating the intricacies of modern business relationships.



The Six-Pack for BRM

In business relationship management, adopting a structured approach akin to the "six-pack of aviation" provides a clear, effective way to monitor and guide the development and performance of BRM leadership capabilities. By focusing on key metrics that reflect business relationship management's contributions to strategic objectives, this dashboard helps leaders navigate the complexities of relationship management and ensures that executives can see the tangible and intangible value of business relationship management activities.

Strategic Convergence

Strategic convergence measures how well business relationship management activities align with the organizational goals. This metric ensures that the relationships BRM fosters contribute directly to the broader strategic direction of the company.

Value: By tracking strategic convergence, BRM leaders ensure that their efforts continuously converge with the organization's objectives. This metric highlights the direct impact business relationship management has on achieving strategic goals, alleviating executive skepticism by linking business relationship management activities to concrete business results.

Impact: Demonstrated through impact stories and grounded in an Impact Canvas, highlights how the BRM leader's involvement in initiatives has directly influenced organizational outcomes.

Innovation and Value Creation

One of the key components of BRM leadership is driving innovation and creating value. Recognizing that innovation can mean different things for different organization, the focus on creating value seems universal. Metrics in this area track the number of collaborative initiatives, the strategic value derived from these efforts, and feedback on the effectiveness of collaboration. Utilizing tools like Impact Canvas or Impact Tiles allows BRM leaders to showcase how their efforts create long-term organizational value through relationships.



Value: Measuring the involvement of BRM leaders in innovation and value creation demonstrates the tangible benefits of activities, highlighting how these initiatives lead to new opportunities and strategic advantages. This supports the overall goal of the dashboard—linking BRM activities to clear business outcomes, which addresses executive skepticism and showcases the broader impact of relationship management.

Impact: In organizations we often use a dashboard of initiatives that is broken up in strategic, future-looking, operational and maintenance initiatives. Incorporating a clear link to the involvement of the BRM leader on the dashboard is crucial for demonstrating their influence on these initiatives. This can also be translated via impact stories.

Partnership Health

Tracking the health of partnerships offers a snapshot of how well key relationships are functioning. A partnership health score can be derived from regular assessments and feedback, indicating trust, mutual value, and the strength of collaboration with partners.

Value: By proactively monitoring partnership health, BRM leaders can identify and address issues before they become problematic, reinforcing the importance of healthy, productive relationships. This metric plays a vital role in demonstrating to executives the value of BRM's focus on maintaining and nurturing key collaborative partnerships.

Impact: Although relationship maturity assessments can be used here, they are often not a great measure of impact. The focus should be on direct quotes from partners how the BRM leader enabled strategy and results

Engagement Level

Engagement metrics measure the depth of involvement in crucial relationships, assessing the quality and frequency of interactions. Using tools like relationship value maps, BRM leaders can visualize the strength of their relationship networks and the value they generate for the organization.

Value: Monitoring engagement levels provides valuable insights into the active participation in relationships, linking BRM activities directly to strategic results. It addresses executive concerns by demonstrating that higher engagement leads to vital collaboration and better outcomes for the organization.

Impact: Relationship value maps show how results are impacted by the BRM leader through collaboration in the network.

Behavioural Change

Measuring organizational behavioural change provides insight into how well strategic behaviours, influenced by BRM efforts, are being adopted. This includes evaluating how BRM-driven initiatives lead to cultural or operational shifts that enhance collaboration and performance.

Value: Behavioural change metrics provide concrete evidence of progress in relationship dynamics and strategic initiatives, validating the BRM leader's role in driving meaningful organizational change. This metric offers a clear link between BRM activities and long-term strategic outcomes.

Impact: Addresses specific behaviour themes in the organization and how this drives better collaboration; the related results are captured in impact stories.

Learning and Adaptation

Finally, learning and adaptation metrics assess how well the organization learns from its relationship management experiences and adjusts its strategies accordingly. This continuous feedback loop ensures that business relationship management efforts are refined over time for greater effectiveness.

Value: Monitoring learning and adaptation showcases the organization's ability to grow and improve through BRM initiatives. It demonstrates to executives that BRM efforts are not static but continuously evolve to provide greater value over time, reinforcing the importance of ongoing investment in relationship management.

Impact: Utilizing the *Leading with BRM* approach to do a BRM framework assessment makes it possible to demonstrate learning and adaptation of the BRM leadership capability. The heatmap resulting from this can show how business relationship management continuously improves.

Implementing these six key measurements provides a comprehensive overview of BRM leadership capabilities. Much like how a pilot relies on the six essential instruments to navigate safely, BRM leaders can use these metrics to effectively guide their organizations through the complexities of strategic relationships, ensuring convergence with long-term goals and continuous improvement. This approach fosters trust and confidence in business relationship management, ensuring executives recognize its indispensable role in organizational success.



Where to Start with Measuring BRM and Demonstrating Value to Executives

When beginning the process of measuring business relationship management performance, it's important to start with what is measurable and recognizable, and then expand from that foundation.. The key is to focus on metrics that are immediately actionable and most relevant to both BRM leaders and executive stakeholders. By beginning with clear, quantifiable data, you create a foundation that can grow as the organization becomes more accustomed to tracking BRM activities. This approach also provides an early opportunity to gather feedback from executives, refine metrics, and continuously improve the dashboard's effectiveness.

Start with What's Measurable and Actionable

The first step in measuring BRM performance is to focus on the metrics that are already within reach—those that can be easily tracked and provide tangible value.

For instance:

- **Innovation and Value Creation:** Begin by tracking collaborative initiatives that BRM leaders have facilitated. These can be measured in value forecasting or by tying specific initiatives to strategic objectives. Utilize tools like Impact Canvas to clearly illustrate how business relationship management efforts have contributed to new business opportunities or efficiencies.
- **Partnership Health:** If your organization already conducts relationship assessments or has tools to measure trust and collaboration, start by using these to create a "partnership health score". This score can be regularly updated to reflect the health of key internal and external relationships.
- **Engagement Level:** Tracking the frequency and quality of interactions is often one of the easiest places to start. This tracking involves simple metrics like the number of touchpoints or meetings, or more sophisticated measures such as the depth of engagement in strategic initiatives using tools like relationship value maps. Additionally, it's important to identify at what organizational level these interactions occur, whether at the operational, tactical, or strategic level, to better understand the scope and impact of the engagement.

By focusing on business relationship management's initial, measurable aspects, you can create a clear picture of the value and impact that is being delivered. These metrics will provide executives with data points that link business relationship management activities directly to business outcomes, helping to alleviate skepticism about the BRM leader role within the organization.

Demonstrating Value to Executives

Once you have started measuring the key business relationship management metrics, the next step is to present this information to executive management in a way that resonates with their priorities. Executives are primarily concerned with how business relationship management efforts align with business strategy, improve efficiency, and contribute to growth.

To effectively demonstrate value:

- **Frame the Metrics Around Strategic Objectives:** Show how BRM initiatives tie to the organization's broader strategic goals. For example, demonstrate how a collaborative project facilitated by BRM directly contributes to cost savings, new business opportunities, or risk mitigation. Conversely, if BRM is not involved, these opportunities might be missed, leading to uncoordinated efforts, misaligned priorities, and potentially higher costs or greater risks, as the strategic alignment and collaborative synergy BRM provides would be absent
- **Use Visualizations and Storytelling:** Dashboards should show data and tell a story. Use visualizations like graphs, charts, or Impact Tiles to make the information more digestible and relatable. Complement the numbers with stories of how BRM efforts have improved partnerships, enhanced collaboration, or helped navigate complex projects.
- **Focus on Immediate Wins:** In the early stages, emphasize quick wins—demonstrable successes that are easy for executives to grasp. This might be a high partnership health score on a key stakeholder relationship or a clear example of value creation in a cross-departmental project. These wins help build credibility and momentum for the BRM function.

Executives can use the dashboard not only to track business relationship management's alignment with strategic objectives but also as a powerful tool to steer the organization toward a more relationship-centered culture. By regularly reviewing the dashboard, executives can assess the health and depth of key business relationships, identify areas where collaboration is thriving or struggling, and make informed decisions to enhance partnership effectiveness across the enterprise. The dashboard provides a clear, measurable view of progress toward fostering strong, strategic relationships, offering insights that go beyond operational success and into the core of relationship-building.

Executives can also leverage this tool to track the continuous improvement of the organization's relationship-centered initiatives. As key metrics improve, such as increased stakeholder engagement or reduced time to align on projects, the dashboard acts as an indicator of cultural shift toward collaboration.

Regular reviews of this data allow executives to celebrate progress, course-correct where needed, and continually drive the organization toward a culture that prioritizes relationships as a means of achieving sustainable, long-term success.

Gathering Feedback and Improving the Dashboard

Once the initial metrics are presented, it's crucial to seek feedback from executives actively. The goal is to refine the dashboard into a tool that provides the right balance of qualitative and quantitative data, addressing both what BRM leaders need and what executives expect.

To approach this phase:

- **Engage in Dialogue:** After presenting the dashboard, ask executives what resonates with them and what they feel is missing. This open communication ensures the dashboard remains relevant and aligned with their priorities.
- **Iterate and Adapt:** Based on executive feedback, continue to refine the metrics. For example, if executives desire to see more direct financial impacts from BRM activities, explore ways to tie BRM initiatives to cost savings or revenue generation over time.
- **Expand as Capabilities Grow:** As executives become more comfortable with the dashboard, you can introduce additional metrics that address more complex aspects of business relationship management, such as strategic convergence or behavioral change. These more qualitative areas may require time to implement but are crucial for painting a complete picture of business relationship management's value.

Building Confidence in BRM Through Measurement

By starting with what is measurable, presenting clear and relevant data, and refining the approach based on executive feedback, BRM leaders can gradually build a dashboard that demonstrates the value of business relationship management and helps foster trust and support from executive management. This iterative process ensures that the dashboard becomes an essential tool for BRM leaders and executives, guiding decision-making and reinforcing the strategic importance of BRM within the organization.

Ultimately, the ability to measure and clearly communicate the impact of business relationship management is essential in demonstrating that business relationship management is a value-generating capability, not a cost center.

By demonstrating how business relationship management initiatives contribute to strategic goals, drive efficiency, and enhance organizational growth, the focus shifts from viewing business relationship management as an operational expense to recognizing it as a critical leadership capability that strengthens relationships and fuels long-term success. This ensures that business relationship management is appreciated for its tangible impact on the organization's ability to evolve and thrive.



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Conclusion

In an environment where every function is scrutinized for its contribution to the bottom line, business relationship management can easily be misperceived as a cost center rather than a value-adding leadership capability. However, by adopting a structured approach to measuring and showcasing the impact of business relationship management, organizations can unlock the full potential of relationship-driven initiatives. A well-crafted business relationship management leadership dashboard empowers executives to see beyond immediate financial returns, offering a comprehensive view of how relationship management aligns with strategic objectives, drives collaboration, and fosters long-term innovation.

As business relationship management leaders embrace metrics that reflect both tangible and intangible outcomes, they shift the narrative from cost to value. This shift not only enhances the visibility and credibility of business relationship management within the organization but also strengthens its role in steering the organization toward a relationship-centered culture. With a focus on collaboration, trust-building, and strategic convergence, business relationship management becomes a vital force for sustainable growth and adaptability in an increasingly complex business landscape.

Ultimately, the ability to measure and communicate business relationship management's contributions will ensure it is recognized not as a discretionary expense but as a strategic leadership capability critical to organizational success. By continuously refining the tools and metrics used to demonstrate the impact of business relationship management, leaders and executives alike can foster an environment where relationships are viewed as a key asset, driving both immediate wins and long-term organizational success.

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