

Real Estate Executive to Grads: Prepare for Big Bets

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Related Cos.

Jeff Blau, president of Related Cos.

By Maura Webber Sadovi

Times are tough, but Jeff Blau, president of Related Cos. says there is plenty of opportunity for those starting out—in real estate and beyond. That was his message in a commencement speech to 2011 graduates of the University of Michigan’s Stephen M. Ross School of Business, named after Related’s founder and chief executive. Related is a private New York real estate firm with assets valued at over \$12 billion.

Mr. Blau, 43, had advice for the grads about dream jobs, big bets and the unexpected power of a summer internship. Here are some excerpts:

On dream jobs: “The business climate you are entering into today is drastically different than when you first started your program...If, as a result of the new world, your plan did not come together as expected and your thought-to-be ‘dream job’ did not appear, do not be disappointed. View this as an opportunity, not an impediment.”

On Related in the current business climate: “When the catastrophic economic events of the past few years hit, we faced a crossroads. We were a real estate development company with 2,000 employees facing little or no development opportunity. We could have chosen to downsize and simply operate our current real estate portfolio. But instead, we got creative and found opportunity in adversity through advisory services, international expansion, fund management and banking platforms. .Today, across our platform, we have more employees, more lines of business and more revenues than we did before the recession.”

On choosing a different course when he graduated in 1990: “At the time, many of my fellow graduates viewed the Goldman Sachs and the McKinseys of the world as the jobs to be coveted. They offered stability, a great career track, and a quantifiable upside. And while they were great firms, I chose a different course. Truth be told, I didn’t get a job offer from either one of those firms, but I indeed chose a different course. ...Upon graduation, I joined Related Companies after completing a summer internship there the year before. I told Stephen that I would only stay for a year or two as I wanted to work for myself. He responded by saying that if I were any good, it would then be his job to keep me by creating an environment that would allow people to have their own projects, grow, pursue their own avenues and be entrepreneurial. That was 21 years ago.”

On big bets: “Find a mentor, someone you can confide in and trust, someone who shares your values. I found mine in Stephen Ross. He taught me to believe in myself, dream big and take risks. As he often says, ‘The less you bet, the more you lose when you win.’