

# Focus Lifts Remodeling Firm

Partnerships attract and keep talent.

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FOR THE ALMANAC

In a year in which housing resales have slowed, credit is tight and investment portfolios are typically smaller, it would be reasonable to suppose that custom home builders and remodelers are just holding steady or even cutting back — anything but expanding.

Supporting this assumption is the fact that new home construction unemployment has been rising for 19 months, even as many remodelers confront lower demand and smaller projects.

Such metrics do not, however, apply to BOWA Builders, a nationally-recognized residential building firm with a large Potomac presence that recently celebrated its 20th anniversary. At BOWA, the scope and number of new projects has increased in the past 12 months, and — more significantly — the 80-employee firm is still adding top managers while expanding its geographic reach.

**THE STORY** of BOWA's growth stems from an unprecedented decision by the company's founding principals almost a decade back to offer partnerships to top managers, a career option usually associated with law firms, accounting practices and other professional service businesses. The idea is that senior managers — "team leaders" in BOWA-speak — are given unfettered general management control over their own geographic territories, and given incentives to both increase client lists and manage profitably. After seven years, they can participate in the company's stock ownership program, an option no eligible manager has so far failed to exercise.

"What BOWA's doing is attracting talent," said Michael Morris, who edits *Qualified Remodeler Magazine*. "It's a smart idea. There are lots of so-so remodelers. But gifted managers who have mastered



Steve Kirstein

all the skill-sets needed to produce distinguished work are rare."

Noting that his magazine selected BOWA "National Remodeler of the Year" two years ago largely on the strength of their high-performance service model, Morris says the firm continues to be a recognized standard-setter.

**BOWA'S TEAM LEADERS** — there are now five heading up company business in Montgomery County, the District, Fairfax County, Arlington/Alexandria, and Loudoun and Fauquier Counties — particularly like the fact that the non-traditional organizational chart allows them to mainly concentrate on projects, design solutions and clients.

"This is a management system that puts me in business for myself, supported by a very efficient central administration," said Steve Kirstein, who directs BOWA's Maryland division. "My job is to create finely-articulated homes for people who wouldn't be satisfied with anything less." Kirstein, who holds a degree in construction engineering as well as an MBA, is a second-generation builder well-versed his industry's business traditions.

"I've seen talented builders and architects stretched so thin by the travails of running a small business that their personal performance becomes mediocre. When you're spending half your time on taxes, payroll and insurance, your core skills are just not being exercised," he said.

In that sense, Kirstein thinks BOWA's approach is an improvement on the service matrix offered by the "boutique" remodeler since it allows more attention to the client's primary interests: "If the project head is spending a lot of time on non-project activities, he may need to compensate by charging everything he does at firm's top hourly rate.

"By contrast, BOWA is like a talent management agency — superb administrators oversee corporate matters ... so team leaders can be dedicated to delivering exceptional work."