



FAMILY BUSINESS

newsletter

Frankel Building Group: Delivering Experiences Through Custom Homes

One Family. One Dream.

By Faith Ideh

After the recession in the 1980s, Jim Frankel took the leap and started Frankel Building Group in 1988. Initially, he ran the small custom-building business by himself. Now, Jim's sons – Kevin and Scott – run the company and have transformed what was once a very small business with many moving parts into a large scale, highly successful firm, fully integrated with cutting-edge technology.

The Frankel business model has evolved into a full-service, custom design-build firm that provides a one-stop shopping experience from architecture, construction and interior design to home care, land acquisition and custom pools. Also, with more young people building homes, Frankel's clientele now consists mainly of younger people who seek out Kevin and Scott based on referrals. While the Frankels use a variety of marketing strategies, a happy customer is often how they get their next customer.

According to Jim, it's very difficult to be successful in the home building business without a unique value proposition. Frankel's unique selling point is "design-build" – the commitment to delivering not just a home but an experience to their customers – and living up to this reputation means everything. "The stakes are pretty high," Kevin said. "You have to give clients the exact experience they want, and you still have to build their house in the shortest possible time, while reducing all the perceived risks."

Although Kevin once worked in commercial real estate, and Scott in production building, neither of them thought they would work with their father. The business was small, and Jim did not have a succession plan. Jim and



Co-president and Principal Kevin Frankel, Chairman and Founder Jim Frankel and Co-president and Principal Scott Frankel lead Frankel Building Group.

his wife, Carol, are devoted to their family and observed that many parents and children cannot successfully and happily work together. "Most self-made entrepreneurs are poor delegators and don't willingly relinquish control of something they have created," Jim said. Jim's priority became to effectively delegate authority and make the transition from parent to co-workers a success.

Jim, Kevin and Scott pay attention to the value of the family relationship while constantly working to make the business successful. This is ingrained in the culture of Frankel Building Group where many employees have spent 10 or more years with the company. "I could have hired somebody and entrusted them with a big piece of what we do, but their goals and dreams might not be the same as mine," Jim said. "My sons and I have one dream. I never wonder how hard they're going to try to get something done. They are as committed as I am." "We don't spend time second guessing each other," Scott added. "We know our intent and we know we're supported. The client comes first, the company second, and everyone is OK with that."

Jim believes that to accomplish great things, family businesses must create an environment of trust where talented people can contribute. Jim is pleased with how things have turned out. "To see your children grow something you've built and be everything that you want them to be for themselves, is immensely rewarding," he said.