

MYBIGGESTMISTAKE

LESSONS LEARNED THE HARD WAY » BY CASEY PAYTON



A landscape business owner says he should have embraced taking risks.



Franz Witte (third from left) with his family.

COMPANY: Franz Witte Landscape Contracting Inc.

HEADQUARTERS: Boise, ID

EMPLOYEES: 25 year-round, 85-100 in peak season

SERVICE BREAKDOWN: 34% commercial; 27% residential design/build; 14% maintenance; 25% nursery

CLIENT BREAKDOWN: 75% residential; 25% commercial

2011 REVENUE: \$6.5 million

PROJECTED 2012 REVENUE: \$7.5 million

RISK TAKING OFTEN is a necessity when business owners want to get ahead. But for Franz Witte, owner of Franz Witte Landscape Contracting Inc., a rocky market in 1980 and 1981 paralyzed his business. He was afraid to take a risk, and that cost him.

"I was struggling to get over the mental experience of some difficult times, and I let my fear stagnate the business," Witte recalls. "I kept things small and did a lot of the work myself. Ultimately, that held the company back from growing. I lost about five years of growth and possible expansion into other markets or segments of business because I was scared."

In his 40 years of business, Witte considers his fear of risk his biggest and most costly mistake. While it's hard to put a number on the loss, Witte says he could have lost as much

as a few million dollars in profits from it. He missed out on promising opportunities, all because he held back. By the time the 2008 recession hit, Witte had learned from his mistake. He knew to do three important things.

Hire the best — even in the worst of times

A rocky market typically inspires business owners to consider firing more than hiring. But, Witte says, it should be the other way around. "In a tough economy there ends up being a lot of good quality employees on unemployment. That's the time to snatch them up," he advises.

Witte's daughter, company president Seneca Hull, says that's exactly what the company did in 2009. "It was an awful time for business and a scary time to be hiring a new manager for the commercial division of our company. But we knew if we waited until the economy turned around that he wouldn't be available anymore," she says. "We stuck our neck out and knew the risk involved, but it advanced our business and helped us become one of the last men standing in the market."

Let go of the fear

Even when times are tough, Witte says he's focused on keeping the fear behind him. "Fear can be controlling and it makes it hard to see opportunities

that are out there," he says. "You have to maintain a positive attitude, keep your head up and keep looking around for the next job."

Hull adds that it's critical not to get overwhelmed by bad news. "It's easy to get caught up in the doom and gloom when it's all bad news on TV, but if you're able to cut through that, you realize there are still opportunities out there," she says.

Always concentrate on moving forward

Similar to cutting through the bad news, Witte says it's always important to look ahead and keep the business moving forward. It's also the reason he doesn't harp on his mistake. "There's no point in looking back on it now," he says. "That's just another way to get caught up in failure instead of looking to the future."

Witte says the most important lesson he's learned is to keep moving forward. "In 2009 when the recession was at its worst, everyone hunkered down," says Witte. "They pulled back and didn't do anything. But that's what I did back in the early '80s, and I wasn't about to do it again."

"I worked through it this time and produced good sales," he continues. "Another thing I've learned is that employees want to keep moving forward, too. As scary as it may be in tough times, my best advice is to forge ahead."

Payton is a freelance writer with seven years of experience covering landscaping.

PHOTO COURTESY: FRANZ WITTE