

# Establishing a sensible seasonal labor pay policy for turf employers and employees

## LAYOFFS MAY NOT PAY OFF

By RICHARD I. LEHR

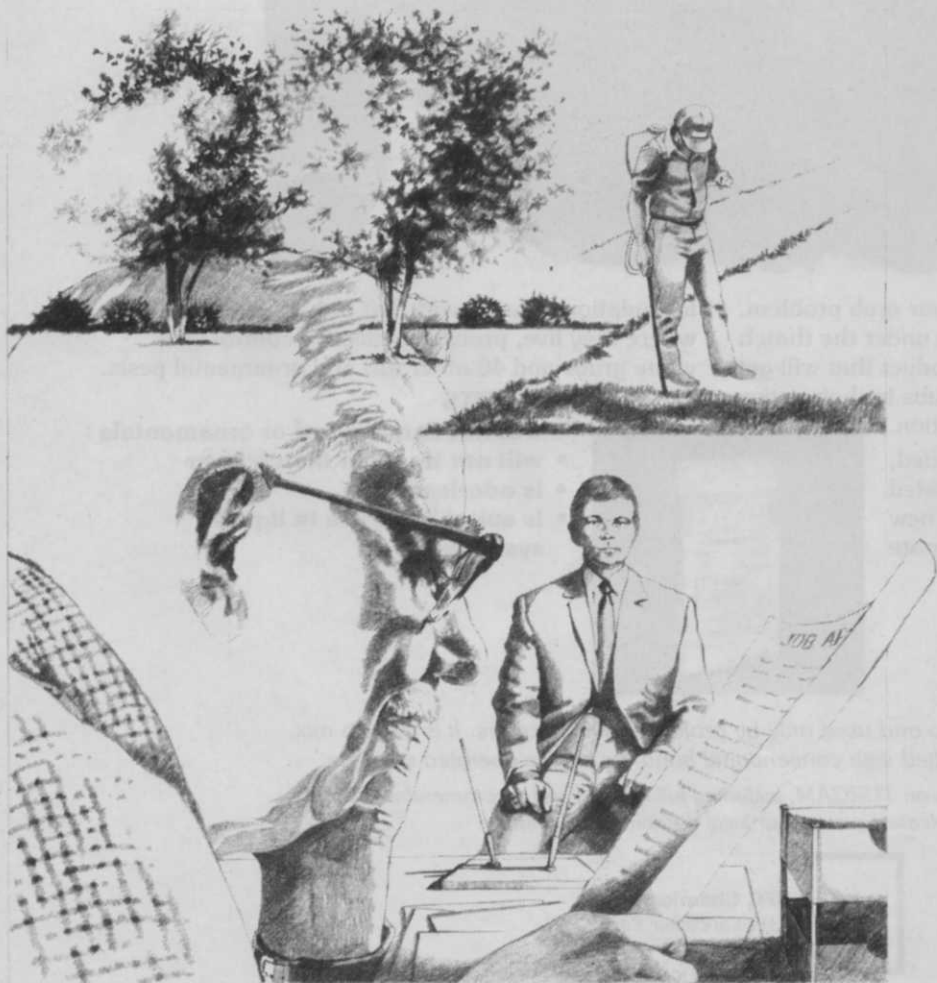
The seasonal nature of the turf industry has traditionally meant that turf employers would only hire on a seasonal basis. However, the sophistication of the turf industry in methods, materials and research, has reached the point where many turfgrass employers are finding a seasonal labor policy may have become unaffordable. This article summarizes the problem of developing a labor relations policy for a business that is still seasonal for most employers, and then developing alternatives where the turf employers could have the option of employing individuals on a year-round basis.

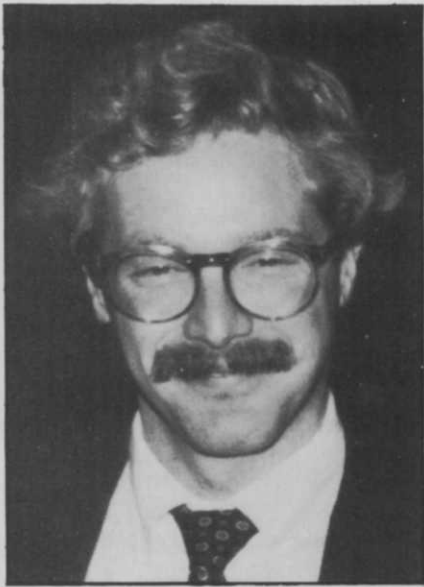
During the winter months, when cash flow problems develop, many turf employers prefer to lay off technicians, making them eligible for unemployment, and hope that they will still be in the labor market when the turf employer gears up for the new year. Though the turf employer saves an immediate payroll cost by laying off a technician, he will have lost approximately \$2,000 if that employee needs to be replaced next year. That \$2,000 figure is the estimate of what it costs to train a replacement. In addition to the costs of training, the turf employer loses business opportunities with turnover because a replacement is now going into the neighborhood who must begin over again in developing rapport with the customers and an identity such that other neighbors could be attracted to using the turf service.

Finally, though laying off employees saves an immediate payroll cost, it does increase the turf employer's unemployment tax. Therefore, this rate, which is an

*continued on page 60*

Richard I. Lehr is a partner in the Birmingham, AL, law firm of Sirote, Permutt, Friend, Friedman, Held & Apolinsky, P.A. and chairman of the Management Labor Law department. His firm represents a large contingent of turf-oriented employers across the country and internationally. Lehr is a frequent speaker on labor-related topics at turf conferences across the country. Periodically during the year, this column will address key issues facing the Green Industry in the labor area.





Richard I. Lehr, attorney

analysis based on the number of weeks former employees received unemployment compensation during the year, is an additional expense which the turf employer assumes during layoff periods.

On the other hand, employing a technician on a year-round basis poses problems during the off-season due to a cash flow shortage. Additionally, there is only so much vehicle and equipment maintenance which can be done during the off-season. Basically, what can a technician do, even though he is on the payroll? Finally, if the technician is used to making a considerable amount of money during the busy season, whether on a bonus and/or commission basis, isn't it possible that he may quit during the off-season, when even though he is receiving a steady paycheck, it is for less than what he was receiving during the season?

We have seen the seasonal lay-off or year-round approach work successfully for turfgrass employers. Some employers will hire individuals for the season at a minimum wage, plus overtime, and then lay them off immediately at the conclusion of the season. Others perhaps pay their technicians more, keep them employed year-round, have less turnover, and are equally as profitable. Therefore, success and failure exists with either policy. Hopefully, some of the following ideas will assist turf em-

ployers in structuring their employment policies to afford them the opportunity of avoiding seasonal layoffs.

An initial approach that could be used is to structure a pay system such that the employee is paid a relatively steady salary throughout the year, regardless of the variations in the amount of hours worked. For example, a seasonally-adjusted wage program is a situation where an employee during the busier time of the year receives a lower hourly rate than during the slow period. Because the employee works overtime hours during the busier season, the overtime rate, when added to his hourly rate, should be roughly equivalent to what he will earn during the slower periods. The advantages to this system are that it facilitates the opportunity for an employee to plan financially on a steady income throughout the year, and it also enables the employer to avoid the wide fluctuations in labor costs between excessive overtime premiums during the busy season and layoffs during the slow season. The overtime expense within this program will not be as substantial, because the turf employer is paying the employee a lower hourly rate. The premise for implementing seasonally-adjusted wage plans is that rather than paying an employee a substantial amount of money during the busier season, the turf employer is, in essence, saving some of the money to compensate the employee during the slower time of the year.

Alternatively, a turf employer may compensate the employee during the summer season on some type of a production bonus pay system, and then shift to an hourly rate or fixed salary program during the off season. Again, the weekly salaries could be substantially equivalent, because of the turf employer's ability to take a little bit of the excess payment during the summer and use that to spread out compensation for over a 12-month period.

Either of these pay systems will avoid the situation where a technician is earning up to \$400 a week during the turf season and collecting either \$90 or \$120 a week

unemployment during the off-season. The technician would earn less during the summer, but earning less during the summer could afford the turf employer the opportunity to keep the technician employed year-round.

Other pay systems could accomplish the same objective of affording the turf employer the opportunity to employ technicians year-round, but they would be slightly more expensive than the ones discussed above. For example, a fixed salary for fluctuating work week program guarantees an employee his salary regardless of whether he works fifteen minutes or forty hours in a given work week. For each hour worked over forty, he is paid "half-time", not time and a half, as overtime. Therefore, during the slow season there will be no half-time hours worked and thus no half-time compensation. During the summer season, the half-time compensation would not be extensive. For example, the technician earning \$200 a week and working 50 hours

---

Although laying off employees saves an immediate payroll cost, it increases the employer's unemployment tax.

---

during the season will have to be paid an additional \$20 as half-time. During the off-season, he is simply paid a flat \$200 a week salary. Alternatively, a turf employer may pay an employee on fixed salary for fluctuating work week a lower weekly salary during the business season and a higher weekly salary during the off-season, which when half-time is averaged in, will approach the seasonally-adjusted wage plan discussed above.

Assume that the compensation aspect can be structured such that when the turf employer figures the savings by not laying off people and develops a pay system so that the payroll costs are rather constant for the year, he then has the

*continued on page 83*

question of well, so what, what am I going to do with these men? Certainly, training and vacations can only last for so long. Many companies which employ technicians on a year-round basis shift from maintenance, training and vacations to sales. That is, the technicians solicit on the routes for which they are responsible either increased or continued use by existing customers, or developing programs from other customers who have been solicited in the past

An essential part of the technician's job performance during the off-season could rest on his ability to sell services in the areas he worked during the year.

but have not selected to use the turfgrass employer. Therefore, an essential part of the technician's job performance during the off-season could rest on his ability to

**MULCHING** from page 68

which are biodegradable and organic. In addition, it reduces soil moisture evaporation.

**Tips for good turf**

We use wood-fiber mulch for projects 7,000 square feet or larger. The reason we set a minimum is that we don't want to leave a partial load in the hydraulic mulch equipment. We've found that four bales of mulch gives us good coverage on 7,000 square feet. Then we reload if the job requires it. Shanklin recommends greasing the equipment daily, and he takes it in for routine maintenance twice a year.

Shanklin's assistant opens the mulch bags and hands them to him for loading. Shanklin then does the mixing. When it's time to spray, the driver returns to the cab of the truck while Shanklin does the hose application. The mulch's temporary green dye serves as a visual guide to even coverage.

Typical projects are probably

sell services in the areas in which he worked during the year.

A turfgrass employer who decides that he does not want to develop a pay system which would provide for year-round employment could supplement an employee's unemployment insurance. This supplement would limit the employer's ability to actually have the individual working during the off-season at various times, and there is an unreliable aspect to it—there is no assurance that the individual will not accept other employment after collecting the unemployment supplement from the employer. There are ways to avoid this, such as treating the unemployment supplement as a loan, which is extended to the employee after he signs a note to be payable upon his return to work.

Regardless of whether a turf employer structures his pay program for seasonal or year-round employment, he should oppose all unemployment compensation claims except those caused by layoffs. An

*continued on page 86*

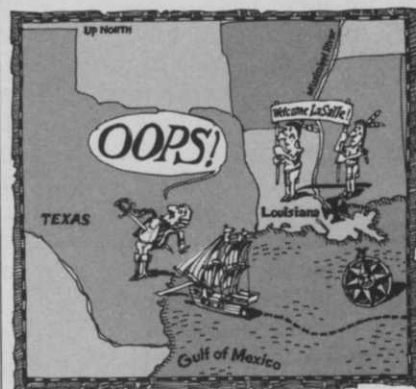
similar to those any park and recreation department would have. For example, Charlotte has 120 athletic fields. In mid-1981, we wanted to convert two baseball diamonds into a soccer field. We used Hydro Mulch fibers to develop grass on the skinned infields.

Late in the year we hydraulically mulched 18 acres of land acquired from the county. We created gently rolling hills for this multi-purpose athletic field, which would include two little league fields, one regulation baseball diamond and a soccer field. We sprayed in November in order to have grass for the spring season.

From August 15 to November 1 is our fall season, during which we seed the Kentucky 31 Tall Fescue, Creeping Red Fescue and Kentucky Bluegrass. We use the same seeds in our spring season that runs from February 15 to April 15. Then until mid-June we use the warm season Bermuda grass.

*Continued on page 86*

René Robert Cavelier de La Salle led an expedition across the Atlantic in 1684 to colonize New Orleans. Unfortunately his campaign failed. He missed New Orleans and landed in Texas. His faulty sense of direction was not overlooked by his followers who eventually killed him.



## The right campaign in the wrong place can kill you.

Many a great campaign has died because it didn't get to the right place or the right people. When you advertise with BPA-audited (Business Publication Audit of Circulation, Inc.) magazines you know exactly whom you're reaching. BPA publications regularly update circulation figures, so your message gets to the people who can make your campaign a success.

**BPA** We count, so your ads will.

This BPA-audited magazine donated the space for this ad, with creative and production costs contributed by BPA agency and advertiser members

Conwed mulch promotes germination of these grasses by retaining moisture and shielding the seeds from temperature fluctuations.

**The Future**

Our mulch use will definitely expand in the coming years. Through a \$9.7 million bond issue passed in 1978, Charlotte has funding for new recreation areas. The money is earmarked for natural

preserves, district parks, neighborhood parks and special facilities. We just purchased, for example, almost 700 acres for a natural preserve. It will have hiking, camping, scenic trails, lakes and other features. Wood fiber mulch will help us develop grass in appropriate areas.

In short, the addition of hydraulic mulching to our landscape program has given us greater flexibility.

We know we have a desirable, labor-saving alternative to straw.

That's important in light of our expansion plans. We conducted a study to project community needs to 1990. The study recommended we more than double the number of athletic fields to 250 and increase other facilities as well.

We'll be working with creek banks, flood plain land, swells and other spots where erosion presents a problem. Wood-fiber mulch is a good choice in these cases, and I'd recommend it to other park supervisors facing similar situations. **WTT**

**LAYOFFS** from page 83

individual generally is ineligible for unemployment compensation if his termination was caused by poor attendance, violation of company policy, disregard of a supervisor's request, poor work performance, or dishonest act, such as falsifying time records. Whenever possible, the employer should give a "final warning" prior to termination, so there is no doubt that the employee is informed of the consequences of his future conduct. If an employee is ineligible, the turf employer will save money by paying a lower state unemployment tax.

The very nature of the turfgrass industry requires creative approaches to minimizing the financial detriment of employee turnover due to layoffs. **WTT**

**MOWERS** from page 65

can trim closer and mow on a slight grade, some things big machines can't claim. The big riders cost anywhere from \$9,000 to \$12,000 while a walk-behind, self-propelled unit costs between \$2,200 and \$3,000. They are less expensive than tractors and are more serviceable. Our 40-inch mower fits between the wheel wells of compact pick-ups and the 48-inch will fit similarly on a standard-sized pickup."

Carl McCord is preparing to reveal his time-motion study results in the near future. At that time, the specific types of jobs and efficiency of various mowers will be known. It is a trend worth watching. **WTT**



**Reliability** is the hallmark of Weather-matic lawn and turf irrigation systems. Every valve is pressure-tested before it leaves our factory. Every sprinkler head is designed for years of trouble-free operation. Every controller is durable, dependable and accurate. They're all designed to work together, so you can install a Weather-matic system — and forget about costly callbacks and repairs for years to come.

An integrated Weather-matic system is your sensible investment in landscape maintenance. Write for the name of the Weather-matic distributor in your area.

You can't beat the Weather-matic system, because it *works*.



Weather-matic • Box 18205 • Dallas, Texas 75218

Circle No. 159 on Reader Inquiry Card