

SEASONAL HELP

Do you keep them or let them go?
Most green industry firms face that question yearly.
The answer may depend on your company philosophy.

by Rudd McGary and Ed Wandtke

Anyone in a seasonable business has a recurring problem.

At the end of the working season, you may not have sufficient work to justify keeping some employees during the off-season.

The issue is not work performance. Rather, the cost of keeping them during the slow season is not feasible.

This is a typical challenge the seasonal business faces today because of the increased compensation paid to all employees.

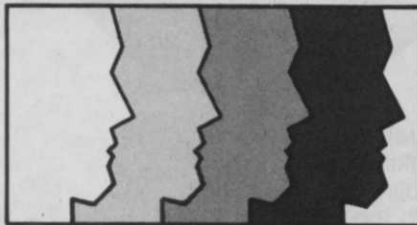
There are two ways to approach an answer to this problem: first, from a management and organizational standpoint, and second, from a cost analysis viewpoint. Both need to be integrated when making the decision on retention.

From the management and organizational viewpoint, the question of continuity of effort and understanding of company methods, and philosophy of operation are the keys.

A work unit's continuity will determine, in many cases, its productivity. If the team has been together for a long period, it is able to work smoothly and understand the work that needs to be done.

You don't have to preach working together each year if you keep the same people. This usually means better efficiency from the work unit and a

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better attitude.

The question of philosophy and methods is another part of the managerial issue.

Whether you are in lawn care, grounds maintenance, or golf course work, the way tasks are done is usually determined by the top manager. If the people working for you understand tasks and also how you expect them to be done, less management time is needed.

This will happen more quickly if you have continuity in the work force.

A typical response to these thoughts is, "Yes, but I can find people whom I pay less if I get new people each year." That may not be wise. Let's look at the quantitative side of the question.

First, you must add in the amount of your time needed to manage or train new people to do their tasks. This costs money.

Second, consider the cost of a less effective worker. They may get the task done but will take longer. This costs money.

Third, consider the time it takes to get a unit working like a team. The individuals may work well alone but they need to function together and it takes time to do so. This costs money.

The question of how much money it costs for all of these things to occur is hard to tell unless we can look at your financial statements and assess the costs. Often it is cheaper, in real dollars, to keep your people than it is to lay them off.

There are certain instances—such

as golf course work or lawn maintenance—where you can keep your key people and lay off your entry level workers.

But in many cases, such as lawn care, you might look at off-season vehicle and building maintenance work or even the marketing function to keep your people employed.

The cost analysis involved in keeping the people should include the costs indicated above plus the benefits of having experienced help.

Experienced help will usually have fewer equipment accidents and may also possess the ability to solve equipment problems easier as they arise in the field.

If you do an exact time and money analysis of management costs, continuity, team building, and efficiency,

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you might find that the best possible way to work is to retain your people year-round.

There is no easy answer to the question of retaining current employees vs. recruiting new hires annually. Each company or organization is different.

Clearly, from an organizational standpoint, it is best to keep your people. Factoring in your costs for retraining and other time consuming management processes will give you the correct picture of actual costs.

Doing both organizational and financial analysis will give you the best possible tool in determining your choice of keeping your people or hiring a new work force for each new season.

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