

## end services at low-end prices

Because of the way NatureScape is run, it can adjust to the needs of its clients.

by James E. Guyette

Proper advance planning with low overhead, attention to details, and better rates than the competition are the marketing ploys of NatureScape, a full-service landscaping company in South Euclid, Ohio.

NatureScape clients all know that "you don't always have to pay a high price to get high quality work," owner Jil Morgan explains.

She won't discuss prices—citing competitive reasons—but Morgan does reveal that she strives to shave 20 to 30 percent off the going rates within the area.

Savings are garnered through a number of methods, such as running the operation from a garage and her home rather than renting expensive office space. Morgan's high level of experience also contributes to more efficiency, she says. She has a degree in landscape construction/contracting, with studies in urban forestry, from Ohio State University; plus, she's worked in the industry for 10 years.

Another money-saver is a strong word-ofmouth network which helps her locate the two to five extra employees used each spring and summer. "We can't afford to hire someone with several years of experience," Morgan explains, "but if it sounds like they know what they're doing, we'll give them a shot."

A sound training system helps too, says Morgan: "We like to show them the way I was taught."

No mow and go—Morgan stresses that high quality work at a fair price usually just means going beyond the typical "mow-andgo" attitude sometimes found in the industry. "We give more for the money," she notes. "If it only takes a minute to help the customer out, we go the extra step."

That attitude is instilled throughout every task NatureScape undertakes. While on a property, "we'll walk around with a bucket and pull dead leaves out of plants."

The extra steps so often overlooked by competitors may include something as simple as carrying customers' full garbage cans out to the curb. "We know that every Wednesday, the trash goes out."

NatureScape's marketing niche is offering specialized full-service care to smaller properties—especially those belonging to older residents. "Senior citizens can't get out there and mow lawns and cut up sticks," Morgan explains, adding that NatureScape has always included such factors in its business plan.

"We usually are prepared for anything that happens, and we're flexible," says Morgan. "Because of the way the business is run, we can adjust to the needs of our clients."

Such services tend to be greatly appreciated, and they were especially welcome after the area was ravaged by a massive summer storm.

Riding it out—The Cleveland area's "Great Storm of '93" last August lasted less than 10 intense minutes. The driving rain and howling wind gusts exceeding 100 mph created the most massive power outtage in the history of the local utilities. Huge trees were left toppled atop houses, and residents were literally left in the dark.

Proper advance planning meant that NatureScape crews could provide quick response time, which pleased current clients and helped pick up some new ones.

"There were branches and sticks all over. It was a real mess," Morgan remembers. "When we went out on our jobs we took the chain saw, pruners and other equipment with us."

Discounts of 10 to 20 percent were automatically granted to long-term customers or to those who had offered referrals. "We tried to help out." she says.

Not a single stick was left by NatureScape clean-up crews. "Being female, we like to look at the little things," says Morgan of the company, which is owned and operated by women.

Not surprisingly, clients' neighbors noticed this treatment and approached NatureScape for even more work, including future design and installation jobs.

—The author is a freelance writer specializing in the green industry. He is based in South Euclid, Ohio.

## Slowing down money leaks

by Dan Sautner Padgett Business Services

As a business owner, only you can control how the business operates. Part of this control relates to corporate finances.

Any company is like an old row boat, with a large number of small leaks. Each leak in itself is not important or dangerous to the well-being of the craft, but the sum of many leaks leads to disaster. As a business owner, you have to have a way to watch for the leaks, and a way to stop them.

Cash—The best type of cash is the cash coming into your business. Part of your business must include some kind of system to record sales and account for cash receipts. Beware of cash-over and cash-short situations. At the very least, these are indicators of poor customer service; at the worst, they are signs of an organized attempt by dishonest people to remove your cash.

Inventory and supplies—The next area of control is in the supplies and inventory that you have on hand. A steady gross profit margin is usually the easiest control to have, and this is achieved through regular inventories and a monthly profit-and-loss statement.

If you have a consistent and stable gross profit margin, then you are likely in

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control of your inventory. Keep your storeroom neat, organized and secure, with limited and controlled access. Keep track of the supplies that you use so that abnormal usage can be spotted. Make sure that your employees understand that shrinkage will not be tolerated.

Purchases-Pay only for goods and services actually received. Inform your vendors that orders can only be placed by authorized personnel, and thoroughly

check every shipment of goods you receive. Ensure that you are receiving what you ordered and it is in acceptable condition before you sign the receipt.

When studying your invoices, doublecheck the mathematics. These computer print-out bills can look very formal and correct, but check the addition and crossmultiplication. Computers may not make a mistake in adding, but programmers sometimes make mistakes on the instructions that they give.

Pay attention to goods purchased. These may or may not be subject to sales tax, so careful attention can save money.

Pay bills on time. While this may not be the time on the invoice, set a policy that your cash flow can live with. Always match the received date to the invoice date and take the later of the two. Set aside a specified time to do this task. Try not to hastily pay a bill because someone is trying to exert pressure. Paying bills results in money leaving your business, and this is the worst kind of money.

Sales-Because so little of the total sale actually ends up in net income, little mistakes can hurt you. Make sure that all services are billed. It is often easy to overlook that small item, especially if several employees were involved in providing the service to the customer.

Have a system that records each service rendered, and make sure this reaches the final billing. At the billing stage, make sure that the bill is calculated properly. Few customers look for under-billings.

Periodically review your billings to check the math and services billed. If you have a number of people billing, make sure that you can track mistakes back to the right person.

Summary-The above hints can be classified into issues of completeness, accuracy and the authorization of every transaction your company makes. We appreciate that you cannot be there every moment for every transaction. You can, however, set up simple procedures for yourself and your staff. Ask yourself the following questions:

- 1) Are my sales complete and accurate? How do I achieve this within my system? Am I sure that every product and service delivered is at the price specified?
- 2) When I pay a bill, am I getting the services and products I ordered, for the price I agreed to, and have I fully received the billed items?
- 3) Am I keeping control of my assets? Am I getting full value for the resources I give away to improve my net income?

Take a moment to see if you can plug a few of those business "leaks." Do not fall for the temptation of thinking that if you have never had a problem, no problem will ever occur. Do not depend solely on people to catch mistakes, or to not make them in the first place. After all, making mistakes is what humans are all about.

—Dan Sautner is chairman of Padgett Business Serivces. This is the third of a series of articles on accounting Sautner is writing for LM.

