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employee may be a potential buyer when retirement time comes. One of the greatest benefits you can bestow upon this individual is to recognize their key status within your business and work together to plan for the eventual sale of the business to that person.

The most successful benefit programs are designed to "benefit" the needs of everyone. However, before undertaking any change in your benefits structure, be sure to consult a broker or agent who is familiar with the industry. Moreover, bring in your tax and legal professionals as required to be

certain you are complying with the appropriate federal and state regulations.

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# Learning from natural disasters

## Disaster factoids

- **Dollar value of weather-related damages, 1993:**  
\$13.8 billion
- **Deaths directly attributed to weather events, 1993:**  
350
- **No.1 weather killer:**  
flash floods, 140 deaths annually over last 20 years
- **Number of deaths from lightning on golf courses, 1993:** 1
- **Number of U.S. states with more than \$1 billion weather-related damage, 1993:**  
4 - Iowa \$5.9B,  
Illinois \$2.7B,  
California \$1.1B,  
Missouri \$1.0B
- **Number of U.S. states with no weather-related damage, 1993:**  
3 - Delaware, Maine,  
Rhode Island
- **State with fewest tornados, 1961-1990:** Hawaii (0)
- **State with most tornados, 1961-1990:** Texas (137)
- **Average annual number of tornado-related deaths, 1961-1990:** 82

Source: National Weather Service



by John B. Calsin, Jr.

■ Drastic or immediate changes in the weather, beyond normal climatic conditions, can mean lost work, lost wages, a poor bottom line, even bankruptcy to the golf course or landscape company. Or, it could mean a bonanza.

In eastern Pennsylvania last summer, a late-evening tornado moving in a north-easterly direction took several lives and devastated numerous properties. The tornado meant lots of work for tree companies and landscapers with tree divisions. Bids for tree removal often ranged in the multiple thousands of dollars.

But there is a downside for golf courses and there can be one for landscapers: biting off more work than employees are able to cope with. In the rush to clean up, at least one landscape company reacting to the Pennsylvania tornado underbid. As the work progressed, it became evident that there were too many trees for the company's manpower and equipment to handle cost-effectively.

The work lagged and the property owner felt the need to resort to an attorney.

Here are some points to keep in mind when dealing with a situation that might bring windfall profits:

1) If it is a natural disaster, be sensitive to the needs and feelings of the customer, especially if the customer is the owner and has suffered a major or devastating loss. Your understanding and genuine sympathy could lead to future referrals after the disaster.

2) Is insurance money involved? What restrictions, if any, might the insurance company require? Is it really possible for your company to meet those stipulations?

3) In spite of the potential financial dividends, is your company really able to handle the job? Do you have enough men and equipment? Can additional equipment be rented cost-effectively? Is it, indeed, available for rent? Is the work such that additional personnel could be hired through a temporary placement agency such as Manpower Inc.? (It may be beneficial to investigate temporary employment agencies before you need one, as applications must be filled out and your credit may have to be checked.)

4) If you have to rent extra equipment or hire temporary help, will you make enough profit to justify the extras?

5) Do you really want these jobs? Will your regular customers' service suffer in exchange for what turn out to be only a

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few extra dollars after all the expenses are figured in?

6) What might be the hidden or unknown drawbacks to the extra work you might get? If in the winter, is the ground frozen, or might your equipment bog down? What about underground utility lines?

Natural disasters can either be a finan-

cial boon or bust. Quick action may be necessary to capitalize on an unusual weather event. But moving too quickly or not considering all the ramifications of getting the work may cost you money in the long run.

—The author is a freelance writer based in eastern Pennsylvania, and a frequent contributor to LM.

# 'Working' a disaster: don't be a casualty!

**Consider if you can make money by travelling out of state for extra work, and remember that different regulations may apply.**

by Ed and Aaron Wandtke

■ Natural disasters may actually be rare opportunities for your company, if you are in the design/build, renovation, tree removal, pruning, maintenance or lawn care business.

How you deal with these occurrences can have a significant impact on your current and future business relationship with a customer. What issues should you consider: travel to a disaster-stricken area to help clean-up or rebuild? And how do you prioritize this opportunity?

Natural disasters—such as ice, floods and snow storms—in a single market or regionally, bring many opportunities for a green industry company to earn extraordinary income from special services. Your

decision to seek work in a disaster area may also affect the level of service you provide to your current customers. Establish a priority list, using the following criteria:

**Priority 1:** Work you can complete with existing staff, resources and equipment, for *existing* customers.

**Priority 2:** Work you can complete for new customers in the current market, with established personnel and equipment; this work does not affect service to existing customers.

**Priority 3:** Work that's available in the established market, for municipalities or state agencies, by current personnel and equipment, that will not affect the ability to service present or new customers.

**Priority 4:** Work you can perform in the main market for current customers using personnel or rental equipment you do not employ and own.

**Priority 5:** Work in other markets, for municipalities or state agencies, completed with current personnel and equipment that will not affect the ability to service present or existing customers.

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## Preparation is the key to getting through a crisis

■ According to the American Red Cross, businesses should treat the following areas in their business plans. All involve crisis management:

**1) Offsite relocation:** Identify alternative sites for critical business functions. You should also determine which units or departments could relocate. Agreements can be made with real estate agents and others for back-up sites.

**2) Management information systems:** Know how to identify and secure key records, software and equipment. Key personnel should know how to access vital data, too.

**3) Telecommunications:** Identify back-up communication systems with employees, customers, vendors and shareholders. Then, talk to your communication system agent about getting back-up systems in place.

**4) Utilities:** Be prepared to handle temporary utility loss, including establishing procedures for shutting down the facility and releasing employees early.

**5) Crisis communication:** Establish a solid crisis communication plan. Designate an organization spokesperson, and identify the most effective ways to communicate with the media, the local community and government officials.

**6) Human issues:** Dealing with the emotional stress that accompanies a crisis is as important as physical recovery. Have a program in place.

For more information on how to cope with crises in your community, contact your local American Red Cross, a business management consultant and/or any national trade organizations to which your business belongs.



Your crews must be aware of the types of clean-up or replacement work they may encounter in a disaster area.