

"I can already hear you asking: 'Dwight, how can you afford that level of compensation?' The answer is productivity and profitability.



Our people are productive

Labor is in short supply. We in the green industry have to jump through hoops to come up with enough people. So we bite the bullet, jump through those hoops, live with the turnover, go through the hiring cycle over and over again, and complain the whole time about how hard it all is.

Sound familiar? Actually, the story is not new. Historically, the attitude has been that our industry can't hire good people because we're seasonal and low-paying. We assumed that what we have today is what we would always have: a relatively large number of unskilled, low-salaried workers who presented all kinds of hiring problems — not to mention retention problems. We lived with those problems, and complained about them.

Maybe you live with them today. But at Dwight Hughes Nursery, we don't.

You may have heard of us and our philosophy — we've attracted some industry attention with our success in modernizing operations. Like most other companies in modern times, except in our industry, we have invested time and money in systems that promote success. These include mechanical systems, management systems — and our people.

Find good people

For starters, we do not go looking for just anybody. I used to be on the advisory board of our local community college, which has a two-year program in horticulture, landscape maintenance and design. If we need an

employee, that's where we go first.

We look for a certain kind of person, hopefully having some of the following:

- ▶ a farm background, with an understanding of the agricultural work ethic
- ▶ experience with machinery and equipment
- ▶ physical strength (still needed, even though our systems rely on machinery whenever possible)
- ▶ a love of outdoor sports, especially all-day activities like hunting and fishing, because this can indicate a person well-suited to working in cold, windy, damp, broiling or otherwise unpleasant weather.

We've had wonderful results with this methodology, and I recommend it to you strongly.

Keeping them

After we find someone we like, how do we get them on board? After all, there are a lot of vacant jobs out there today looking to be filled. Our answer to that question is to make the investment and offer our employees a job that is rewarding and satisfying. We put out the effort and the dollars to offer them things like:

▶ **Their own space:** A lunch room they consider their home base offers them an ice machine, a refrigerator loaded with free soda pop and fruit juice, a big utility sink and a microwave oven.

▶ **Field trips:** We take field trips to our growers, major suppliers and equipment manufacturers. We pay our people for their time during these trips, and, as often as possible, tack on some fishing to the end of the day. Once a year, we rent a 'company

plane' and fly somewhere a little farther away. These trips are educational and fun, and build a sense of company identity.

► **Job rotation:** Like most landscape companies, our people tend to become specialists over time. But we are willing to shake things up. If someone expresses an interest in something new, we really try to figure out a way to let them do that on the job. Employees appreciate this opportunity, which helps foster a sense of team work.

► **Excellent tools and equipment:** Never underestimate the thrill people get when you allow them to work with well thought-out, well-maintained systems and tools. This should be a no-brainer for you. Think about how much you like laptop computers, cell phones and new trucks. What makes you think your employees are any different? A major element of their job satisfaction is having good systems and tools (for example, our trucks have cell phones in them so we can communicate all the time).

► **Great compensation:** Yes, we offer our people a much better compensation package than is typical in our industry. Our hourly scale of \$10 to \$15 per hour is pretty good pay in our part of the country. Full-time employees get time and a half over 40 hours, and since we work 50 to 60 hours a week in season, that overtime really adds up.

All four of our workers have a complete company-paid health care program; a pension plan to which we

contribute 10% of their salary annually; and a profit sharing plan equalling up to 15% of salary. In a good year, the pension and profit sharing plans add 25% to their income. We also offer a lot of small but important perks, like company caps, shirts, and jackets.

Can you afford it?

I can already hear you asking: "Dwight, how can you afford that level of compensation?" The answer is productivity and profitability. By investing in systems — and people — that allow us to do more with less, we generate over \$100,000 a year in revenue per employee. With financial numbers like those, we can afford to provide better compensation packages, better tools and paid field trips. Get the picture?

One more thing: not only is hiring an integral part of our "System for Success," but it has effectively solved the turnover problem. In 22 years, we've had three foremen. The first two went on to start their own businesses, and the third is still with us. Laborers have stayed with us for an average of six years, and some of those who left did so to start companies of their own. (That's always a bittersweet experience after the investment we've made in them, but I'm also proud of their achievements. And since our plate is full, it's not as if they've stolen any business from us.)

In this day and age, we think that a turnover rate of once every six or seven years is nothing short of amazing. Especially since it's part of our overall success!

— *The author is president of Dwight Hughes Nursery in Cedar Rapids, IA, which is recognized throughout the industry for innovation. Dwight is a board member of the American Nursery and Landscape Association's Horticultural Research Institute, and has attracted national attention for his work in developing robotic equipment for use in the green industry. His book and videotape, "Systems for Success," detail his methods (Published by Dwight Hughes Systems, Inc., Cedar Rapids, IA, 1996; 319-396-7038; fax 319-396-9139).*

Dwight's labor tips

- Give employees their own personal space
- Take them on field trips
- Give them a variety of tasks
- Give them excellent tools and equipment
- Compensate them greatly