



THE LABOR CRUNCH

Rx for winning in the service industry



Does it seem more difficult to find “good” people? Good people are everywhere — they just don’t want to work for us. Here’s how to get your recruiting act together.

BY BILL HOOPES

Every day, experts analyze factors that impact success in our business and we develop business strategies with the same basic resource list. It doesn’t seem all that difficult until we encounter the most critical resource of all—the human resource.

Wanted: Effective people

No service business can realistically expect to reach objectives or maximize results without an effective people strategy. Service is demanded, designed and delivered by people. We see the failed efforts of good people again and again. And we are forced to conclude that, if the people plan flops, the business plan flops.

But are human resource problems that big of a deal? After all, everyone knows at least one manager who has survived some sort of horrific staff problem and gone on to succeed. Some do make it in spite of human resource problems but they never maximize results. In fact, a team cannot execute (or grow) nominally without a trained, effective staff.

So what’s the quick answer? (This is America, the information age — give it to me fast so I can get back to work!)

► Developing a core of effective team players doesn’t happen overnight.

► Staffing must be an ongoing process. It takes time and effort — lots of personal, hands-on effort and a little luck to boot.

► This “people problem” didn’t develop quickly and it won’t be solved quickly.

► In some cases, management’s perspective on what it takes to develop and maintain a long-term, productive staff in the service industry must be rethought.

The struggling manager

I recently spoke with a struggling lawn care manager, working hard to make spring a success and finding that his only real problem was people. The marketing worked, the weather was as predicted and the trucks, equipment and products were ready and waiting.

Then, as the work increased, so did turnover. His response was to run the ad. Sadly, his ad had lots of company in the classified section.

“You must do more,” I advised.

“No time now,” he shot back. “We’re getting behind — gotta put the fires out!”

Can you guess what happened next? He spread the same workload over fewer people and more quit. And so it goes.

Year after year, managers repeat to themselves “I’m all staffed up” and cross their fingers, hoping their worst fears won’t come true. The problem is that they are “staffed up” with the wrong people. Warm bodies, while appearing to be adequate, only do one thing predictably: drain your labor budget!

Like I said, “You have to do more than run the ad.”

Recruiting doesn’t come easy

Let’s talk more about the difficulty of attracting the best people. Woody Hayes, “Bear” Bryant, Vince Lombardi and Jimmy Johnson had no problem attracting football players to their teams. But nobody wants to be on our team...or so it would seem. Recruiting “the right stuff” is tougher.

Still, I’ve observed that for every prize (especially a prize considered worth having), there is a contender in pursuit. In that respect, the game is the same. What has changed is the public’s perception of our industry. For me, that perception is part reality, part fiction. And because a job candidate’s vision of a career in the service industry is cloudy at best, that is precisely where we need to go to work.

Let me restate a fundamental idea: our people problems in the service industry have nothing to do with an absence of “good” or “adequate” people. In fact, there are just as many good people around today as at any time in this country’s labor history — maybe more. But they don’t want our jobs! That is the single most distressing problem we face, but it’s also our greatest opportunity.

In the past few years, why has the 18-to 25-year-old labor segment been “turned off” from our industry? Are you sure it’s as simple as “nobody wants to work anymore?” I’m not sure of that, and I’ve seen enough to know I’m right about this.

Let’s review some of the reasons younger workers do not want our jobs, or why they quit soon after they take those jobs. The key reasons include:

1. Our industry has changed and our jobs have changed with it.

I recall the “glory days” of lawn care service:

- four applications per year (not six to eight);
- little or no aeration or seeding;
- few bothersome customer calls;
- not having to sell more and more — very little telemarketing;

► practically anyone could hold a job in our business and do the work at a reasonable pace (in a reasonably pleasant work environment with business enough for all who wanted it).

2. We’ve evolved. Landscape and lawn care firms, once operating in a sim-

Checklist for success

Look at this typical industry manager’s checklist for success:

- Business/personal objectives clarified
- Market niche (need) identified
- Mission statement on paper
- Business plan complete
- Marketing strategy set
- Capital
- Physical plant/equipment
- Vendors/suppliers
- Human resources necessary to execute — Houston, we’ve got a problem!

This planning sequence is typical. Most landscape and lawn care managers can work out a logical plan and have the best intentions, but it all seems to unravel when we get to the people part.

Is there a strategy in the world of Y2K that will help you succeed through people? Yes.

Is it quick, easy and manageable? And will it fit into my already overloaded day? No.

You have two choices: adapt to the realities of the 21st century labor market or continue to suffer frustrating failures.

— Bill Hoopes

pler world, now face more irritating and confusing regulation, some of which relate directly to our ability to be productive through people.

One example comes to mind. In some states, even if you are able to hire effectively, veteran employees are routinely given excessively high daily production goals (creating instant alienation), while the new hire proceeds through what can be weeks of

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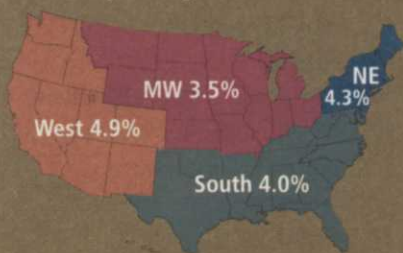
LABOR FACT

1999 U.S. unemployment rate

Seasonally adjusted, in percent

Average: 4.25%

January through November



Editor's note: 4.0% unemployment is the traditional threshold for 'labor shortage.' Bureau of Labor Statistics does not keep unemployment data for the Green Industry; numbers are not broken down by detailed industry.

SOURCE = US BUREAU OF LABOR STATISTICS (BLS)

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 required "training" before qualifying for the certification test. Fail the test and new hires face another month of waiting.

While all of this is going on, your best person quits. "It's just not worth it," he says on his way out the door. So regulations, needed or not, impact our workplace.

3. There is fierce competition at both ends of the competitive spectrum. New business entrants (sometimes former employees) offer extreme personal service at one end. At the other end, large conglomerates deal out lower prices made possible through economies of scale.

The result? Everyone is forced to work harder, offer better service and charge less. We are forced to demand productivity more than we ever have before, while in-

sisting that our employees take time to do a better job.

In many cases, we are failing to do anything more than create turnover. While the few really large companies realize increased productivity through customer route density, the latest equipment and technology, most jobs in our industry have evolved into a succession of endless, pressure-packed days, few Saturdays off and an atmosphere far different than the one some enjoyed 20 years ago. Today, candidates that once gave us a close look now push the reject button and go elsewhere.

With the unprecedented 17-year economic expansion we are enjoying, high school, tech school and four-year graduates now have the largest variety of career options in history. Many candidates we were

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LABOR FACT

What exactly is H2B?

By now the once obscure acronym 'H2B' is well known in the Green Industry. But what is it exactly? It's a visa classification of the U.S. State Department.

The 'H' is the category of the visa ('T' would be a NAFTA visa, for example); '2' refers to the educational level, in this case 'below college' or unskilled; and the 'B' stands for 'business.' The last is one of two dozen categories — for example, you may also have heard of H2A, in which the 'A' stands for 'agriculture.' The categories are very specific, and the distinctions between them are hair-splitting. But for the Green Industry, H2B is almost always the applicable program.

H2A carries no numeric limits with it, but H2B caps at 66,000 workers yearly. Interestingly, the industry has yet to reach that 66,000 number, despite the labor needs. (*Landscape Management* has heard different quotes for 1999, ranging from 50,000 down to 32,000 workers.) The bureaucratic complexity of the H2B process probably accounts for that.

But if you can get past the red tape, perhaps with the help of a company specializing in H2B, you've got labor that definitely won't be sent back to Mexico if the Immigration and Naturalization Service pays your job site a visit. That's worth something!

— 'Labor Facts' are contributed by George Witterschein



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once able to attract and keep now see a limited opportunity with a lot more work and less leisure time than before. They simply opt out, partly because they can.

Attack the people problem

First, we need to attack the mistakes we made along the way. We can make great strides in improving our human relations status if we can correct four basic mistakes that are at the root of our troubles:

1. Unclear message. I implied that the public's perception of our industry as a career destination has become negative. Changing that perception starts with individual managers and operators.

Sadly, I've observed that too many managers have no clear self image as a person or a manager. Start there. If you are not totally clear about and comfortable with who you are and what your business

stands for, how can you communicate it to a job candidate surveying the opportunities?

If you are one of those who still thinks people work for money alone, think again. Today, more is required to attract and keep people and it begins with a clear, communicable picture of what you are about.

2. Poor recruiting. For many reasons that are partly related to the image problem, we may be ineffective recruiters. That must change.

3. Weak priorities. Too often, we are consumed by putting out fires — failing to correctly prioritize our time and efforts. We can do better and spend our time better.

4. Poor environment. Finally, we don't maintain positive workplace environments for our people, and we must do that if we want to improve our lot.

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