

Sandy had enough information to see if the financial risk was worth it. He was managing his business, not letting his business manage him.



## How to plan for success

**E**ditor's note: Last month, we saw the mistakes John made when he started his own landscape business. In contrast, we see that his former boss Sandy spent time pre-planning his organization's growth. Here's how he managed it.

### Sandy's successful system

Like John, Sandy once worked for another landscape firm, but he knew he had to educate himself.

First, he hired a Green Industry consultant to help him develop a business plan forecasting sales volume for the year, which was broken down so he knew how much work had to be done each month.

He then developed a structure for the office that included what information would be tracked, and how it would be tracked. As the company grew, he knew

### Sandy's Cash-Flow Plan

Typical high-season estimated sales volume is \$45,000. (Total year gross income \$350,000.)

Business established with 60% maintenance contracts and 40% landscape/irrigation installation.

This month's contracts would provide \$27,000.

Extras on maintenance contracts such as planting annuals and upgrades would provide \$6,750.

New landscape and irrigation work would provide \$11,250 of income.

when to add staff and what their job descriptions would be. The flow of a job lead was developed.

Yearly budgets that defined how much start-up money was needed allowed Sandy to control his company's growth. His estimating system priced projects to recover all direct and indirect costs, plus make a profit.

Then Sandy created a company manual, which eliminated many employee problems. Then he developed education, benefit and incentive programs.

Next, he developed a maintenance program to handle basic repairs and servicing until the company could hire a full-time mechanic. The recovery of all equipment costs was part of his estimating system.

Sandy had enough information to see if the financial risk was worth it. He was managing his business, not letting his business manage him.

### Typical Job Flow Plan

- ▶ Part-time receptionist or voice mail gets client call.
- ▶ Receptionist notes the service required and enters it onto a client information form.
- ▶ Sandy returns the call and makes an appointment to meet the client during his "sales" time.
- ▶ He meets client and gathers information, prepares a quote on-site if it is a simple project and schedules an appointment to review the quote with the client.
- ▶ Client signs a contract or proposal. One copy goes to the office for accounting and another to the field.
- ▶ Upon completion and inspection of the work, a job completion form is filled out by production team and turned in for billing.

Jerry Gaeta is a partner with The Good Earth Inc., Mt Pleasant, SC, and a green industry consultant. He can be reached at 843/884-6114.