

EMPLOYEE RETENTION

Enployees

By identifying and addressing your employees' needs, you'll give them a reason to spend their career with you

BY JASON STAHL / MANAGING EDITOR

What's more difficult: finding good employees or keeping them? Some might say finding them, but it's becoming almost as difficult to keep them. The day you take it for granted that your good employees will stay with you is the day you can kiss them goodbye. There are lots of opportunities and employees can afford to be choosy. If you have a program geared toward keeping employees happy, bravo. If you don't have a program, or if you have a program but aren't giving it 100%, you could learn a thing or two from the managers and employees we interviewed for this article. Some have been with their companies for over 15 years; others have just started. If you're not willing to listen to them, you've already taken your first step toward losing employees.

Treat me right

Most employees we talked to said being "treated right" was the reason they have stayed at their companies. In some cases, fair treatment outranked compensation, but that's because some employees felt that not getting a raise was an example of not being "treated right." But most agreed being "treated right" means more than getting fairly compensated — it's being recognized and having a say in every day events.

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"What's kept me here the longest is the owner," says Jerry Harrison, director of operations and six-year veteran of Greater Texas Landscapes, Austin, TX. "I like the manner in which she (Debby Cole) treats people."

Bill Schultz, a 16-year customer service representative for One Step Tree & Lawncare, North Chili, NY, emphasized that nice treatment from his boss, Bob Ottley, had to do with his lengthy tenure. "Bob's a nice guy to work for," Schultz says. "He makes it fun to work here. Also, he relies on our opinions and lets us try out new ideas."

Francisco Aguirre, an irrigation technician who has 5 1/2

years of service with Del Conte's Landscaping, Fremont, CA, received

the "Iron

Man" award



Francisco Aguirre

from his company last year, but that's only one reason he's content with his job.

"There are a lot of good op-

6 things employees need

- **Compensation:** "You have to be competitive."
- Recognition: "Recognition will pay off 1,000-to-1 over compensation, maybe 10,000-to-1. People want to be recognized when they get results."
- Fun: "Fun is the biggest differentiator of all six employee needs. Make yourself the "CFO" — Chief Fun Officer. Find someone in your company who likes to put fun things together and start a regular program."
- Personal growth: "Buy a book or two from Businessweek's bestseller list and give them to an employee. Even if he or she doesn't read them, at least you showed you care about their personal growth."

Challenge: "We all need challenges. Find something you enjoy doing and do it forever."

■ **Convenience:** "Don't hire people who have a one-hour commute to work. If you can, set up their hours so they're not fighting traffic — instead of 8 a.m. to 5 p.m., make it 6 a.m. to 3 p.m."

This information was taken from a talk entitled "The Landscape Contractor's Toolchest" given at the Green Industry Expo by Kraig W. Kramers, President & CEO of Corporate Partners, Inc., a consulting firm headquartered in McDonough, GA. 770/389-8511 portunities here," Aguirre says. "Also, the company pays attention to its employees and likes to teach everyone equally on training and safety issues."

Movin' on up

If only employee retention was as easy as giving out awards, pats on the back and discussion forums. No matter how much recognition an employee gets, there are no substitutes for compensation and promotion. Almost all of the employees we interviewed said that if they had never received a single raise during their time with their company but were consistently recognized, they wouldn't stay. Apparently, recognition without raises is not recognition.

Chris Ashby, 29-year-old vice president of operations for Carver's Lawn and Landscape, New Castle, DE, wouldn't think of leaving his company now that the prospect of ownership sits on the horizon. He started in 1995 as a landscape designer, then became general manager in 1997.

"My goal now is to purchase the company," Ashby says.

And if an employee feels that he or she has gone as high as possible, he or she is likely to leave for greener pastures. "I don't want to push spreaders my whole life," Schultz says. "I want to move up, not sideways."

Starting out

When Kurt Bland graduated from North Carolina State University last spring, he was aggressively recruited by major landscape companies. With a double major in agricultural business management and horticulture science, plus the experience of having worked for his father's landscape company, Bland Landscaping Co., Apex, NC, since he was young, he could choose whoever he wanted.

Bland had many conditions a company had to meet for him to consider spending a long time there. "First, I didn't want to work for a company whose mission it was to be the biggest in the country," he says. "Second, it had to provide me with an opportunity to

grow through selfenrichment. I also wanted someplace where I wasn't just a number and



Kurt Bland

where I could have lots of fun." Direct and indirect compen-

sation was also a concern for Bland. When he chose to work as a division manager for Del Conte's Landscaping, the company didn't have a 401K plan. In fact, he asked several employees why they were leaving, and they said it was because of the lack of long-term security, i.e. a 401K plan. He asked his boss, Tom Del Conte, if he could take the first step toward establishing one, and Del Conte said yes.

"The positive attitude my boss had toward my idea was a great influence on me," he says. *continued on page 32*

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The manager's perspective If there's anyone who can answer why someone would spend their entire career with one employer, it's Phil Williams, director of grounds at the College of Wooster, Wooster, OH.

"I had to be somewhere where I could expand my knowledge and do something interesting," Williams says of his first years there.

He began his career there in 1962, and in 1969, he was promoted to his current position. Since then, it's been the personal rewards of the job that have made him stay put.

"It's rewarding to see our crew get up at 4 a.m. and clear snow from 48 parking lots, 10 miles of sidewalks and the steps of 100 buildings by 8 a.m.," he says. When all things are

good



considered, a Phil Williams

employee retention program boils down to showing you care, and there are many different ways to do that.

Kristina Harper, human resources director of Greater Texas Landscapes, knows Texas heat all too well. Summer is when many of the company's laborers decide they can't hack the heat, making it also the time when creative employee retention strategies must be used.

"We hold a summer party with games to get their spirits up," Harper says. Among 85 employees, she considers anyone with three years of service a longtime employee and considers herself lucky to hang on to a laborer for seven months to a year. Employee recognition breakfasts every three months try to improve that number.

Rick Carver, president of Carver's Lawn and Landscape, does not allow his 23 year-round employees to work over 40 hours a week, a rule conceived to keep employees around longer. "I don't want work to get in the way of their family lives," Carver says. "If they're happy at home, they'll be happy at work."

Carver boasts a 90% retention rate in his company. The average employee has more than one year of service and about 50% have two years or more. He expects his average laborer to stick around for at least two years.

Employee retention strategies can also be used before someone is hired. Don Ekema, general manager of Summer Rain lawn care company, Margate, FL, says it's important to ask the right questions during the interview.

"I ask a person where else he's looked for a job," Ekema says. "If the answer is the local gas station or anywhere he saw an ad, I know this guy is only looking to make \$6 to \$7 an hour and isn't likely to stick around. If he says he's looked at other lawn companies, I know he'll stay and learn and grow with the business."

Wooster's Williams employs the same strategy when hiring. "I've always tried to hire employ-

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Employee retention two ways: Percent or time

Let's face it — keeping entry-level employees is a challenge. Our Best Practices Panel had plenty to say about this topic and decided that a tiered approach was best. The benchmark is:

- 75% retention for entry-level, in-field crew
- 85% retention for foremen and middle managers
- 95%+ retention for senior managers

These benchmarks may be low to some operators, and several on our panel expressed a preference for something closer to 80% to 85% for in-field crew.

Entry-level here refers to full-time employees, not just seasonal workers. For those, consider a more realistic dip below 75% (in some cases as low as 50% for the season), but aim to keep them as long as possible through the season (sometimes a challenge in itself). Some companies offer graduated bonuses to get them through their busiest months.

The time factor

Our panel also discussed length of employment as key to measuring retention. In an ideal world, the best employees stay on and the worst voluntarily leave quickly, but that's just dreaming. So it's reasonable to ask how long should crew members stay? How many years should your middle managers remain? Here are the Panel's suggestions:

- at least 2 years for entry-level, in-field crew
- at least 5 years for foremen and middle managers
- at least 5 to 10 years for senior managers

Raising employee retention rates is not impossible. It starts with finding out why employees are leaving and addressing those problems immediately. Then, take a close look at your organization and ask why your employees *should* stay. You might be surprised!

Your ideas, responses and feedback are welcome. Please contact the editors at 800/225-4569, fax 440/891-2675 or email: sgibson@advanstar.com. ees who have a degree or background in grounds managament," he says. "That way, I know they'll stay with me for a long time."

Bob Ottley, president of One Step Tree & Lawn manages almost 30 full-time employees. One of the first steps he took to retain employees was offer yearround employment, and that was partly a result of buying a Christmas Décor franchise. Another step was focusing on customer retention.

"We agreed that if they (employees) could keep their customers year-to-year, we could pay them year-round," Ottley says. "We improved our customer retention 16% the first year we went to year-round em-

ployment. I guess it is harder for customers to cancel their account when they have a



Bob Ottley

personal relationship with their lawn care person."

Ottley expects 25 to 30% turnover, especially during heavy growth periods when he can't afford to be too choosy about hiring. "Some people decide the job isn't for them," he says.

Once employees enter their fourth year of service, he says they seem to need more responsibility to stay content. "They are in charge of their own area," he says. "They schedule their own work and sales, so they have a sense of ownership."

Become a retention-based company

BY GEORGE WITTERSCHEIN

Gincinnati-based Sasha Corporation is a 15-year-old consulting firm specializing in employee retention. Their clients include fast food, manufacturing and cleaning companies — businesses with work forces and retention problems similar to the Green Industry's. When Landscape Management asked Sasha's vice president Brenda Corbett if she could offer a list of innovative strategies our readers could apply to their employee retention programs, she said no.

The reason, she said, was because her company follows a system, not a list. "It's like standing up at one of those meetings and saying, 'Hi, I'm Joe Landscaper and my company has an employee retention problem.' You don't need a quick fix — you need to be a retention-based company."

"You need a system because of the new, nontraditional employee," adds Karl Corbett, Brenda's husband and partner. "In service industries, frontline people are frequently workers between jobs, people who for whatever reason are not candidates for the next dot-com opening. We call them nontraditional employees. We're getting all kinds of people in this segment — immigrants, older adults, people who have never worked or those who are otherwise hard to employ."

"Compared to generations past, this worker does not have a noticeable work ethic," Corbett continues. "Your company needs a systematic approach because it is tremendously challenging to successfully manage, supervise and keep these workers."

To address this need, Sasha offers training modules in audio and video, aimed at frontline supervisors. This emphasis is intentional.

"Around 80% of employees who leave service industry jobs do so because they don't get along with someone at work. Of course, that person is usually their immediate supervisor," Brenda explains. "If you want to become a retention-based company, start with frontline supervision."

Supervisors, Brenda says, usually earn their position because of production skills or good attendance, not because they have management skills training.

"Your typical landscaping company is a perfect example," Brenda says. "The people who start the company may know a great deal about landscaping but have never been managers in their lives. Then, they hire frontline workers, and the frontline people frequently are those nontraditional workers between jobs, who, if anything, require exceptional management."

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