

# best practices

GUIDELINES TO HELP AN INDUSTRY GROW

## branch offices

### No need to reinvent the wheel

BY BRUCE WILSON

Opening a branch office is a big decision for a company. Here are some suggestions:

- ▶ Don't open a branch office unless your current business is running smoothly and operating at a top tier profit level.
- ▶ Develop a step-by-step plan to transfer your good systems to the new branch.
- ▶ Have a couple of trusted, competent people in place to run the branch.
- ▶ Preferably, you'll have a significant piece of business as a base to build from. (Many companies build a satellite first, then convert to a branch when it reaches a significant size).

The next issue is how to build the branch in a way that

gives it the best chance to succeed. You can sum up the answer in a single word — control. Vital to establishing a successful branch operation is the system that you use to control it. For example, you must establish limits on spending and set approval levels for estimates and pay increases, to name just a few of the controls you should have. These controls help you eliminate a lot of "surprises."

In other words, you build your branch with defined systems and policies that mirror the base company's procedures. There should be a standard way of doing things like proposals, contracts, estimating,



Bruce Wilson

billing and employment documents. You can probably think of others unique to your operation.

You should have a good cost tracking system so you can track the branch's progress. It should build budgets and set sales and margin targets, which you can track it against. Since you won't be on site, you'll need real-time information letting you know how the branch is doing.

#### Consolidate overhead

Whenever possible, use the main company as a hub for doing as much centrally as possible. The goal should be to look for the most efficient way of doing things in a way that overhead isn't duplicated.

Also, make sure that the new branch doesn't develop a culture of its own, to the degree that it ends up being a different company. The customer experience is key here.

And don't forget to establish best practices within your company. You don't want the new branch reinventing the

wheel. Decide ahead of time what things will be done the company way and which things can be done differently to accommodate variances at the new branch.

There's a fine line here between allowing an entrepreneurial environment and obtaining consistency of performance.

### Sound off

What's your experience with starting a branch office? Share your story with the readers of *Landscape Management* magazine by contacting Managing Editor Jason Stahl at [jestahl@advanstar.com](mailto:jestahl@advanstar.com).

To comment on this month's "Best Practices" column by Bruce Wilson, contact him at [bwilson@wilson-oyler.com](mailto:bwilson@wilson-oyler.com). Wilson spent 30 years with Environmental Care, Inc., before partnering with Thomas L. Oyler to form the Wilson-Oyler Group, which offers consulting services. Visit [www.wilson-oyler.com](http://www.wilson-oyler.com).

### How to measure

Most people in the landscape business consider a branch operation successful if it:

- ✓ develops into a profitable business,

### Success...

- ✓ complements the original company, and
- ✓ gives customers the same experience that they came to expect from the parent company.

**LANDSCAPE MANAGEMENT** (ISSN 0894-1254) is published monthly by Advanstar Communications, Inc., 131 W. First St., Duluth MN 55802-2065. **Subscription rates:** one year, \$46, two years \$67 in the United States & Possessions; \$76 for one year, \$113 for two years in Canada and Mexico; all other countries \$148 for one year, \$220 for two years. For airmail delivery, include an additional \$70 per order annually. Single copies (pre-paid only): \$8 in the United States; \$10 in Canada and Mexico; \$15 all other countries. Back issues, if available: \$16 in the U.S.; \$20 in Canada and Mexico; \$30 all other countries. Add \$6 per order for shipping and handling. **Periodicals postage paid** at Duluth, MN 55806 and additional mailing offices. **POSTMASTER:** Please send address changes to Landscape Management, P.O. Box 6198, Duluth, MN 55806-6118. Canadian G.S.T. number: R-124213133RT001. Publications Mail Agreement Number 40017597. Printed in the U.S.A.



Copyright ©2003 Advanstar Communications, Inc. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including by photocopy, recording, or information storage and retrieval system, without permission in writing from the publisher. Authorization to photocopy items for internal or personal use, or the internal or personal use of specific clients, is granted by Advanstar Communications Inc. for libraries and other users registered with the Copyright Clearance

Center, 222 Rosewood Dr., Danvers, MA 01923 phone: 978-750-8400 fax 978-750-4470; call for copying beyond that permitted by Sections 107 or 108 of the U.S. Copyright Law. For those not registered with the CCC, send permission request in writing to Permissions Dept. Advanstar Communications Inc., 7500 Old Oak Blvd., Cleveland, OH 44130 or fax to 440-891-2740.

*Landscape Management* does not verify any claims or other information appearing in any of the advertisements contained in the publication, and cannot take any responsibility for any losses or other damages incurred by readers in reliance on such content. *Landscape Management* welcomes unsolicited articles, manuscripts, photographs, illustrations and other materials but cannot be held responsible for their safekeeping or return. Advanstar Communications provides certain customer contact data (such as customers' names, addresses, phone numbers and e-mail addresses) to third parties who wish to promote relevant products, services and other opportunities which may be of interest to you. If you do not want Advanstar Communications to make your contact information available to third parties for marketing purposes, simply call toll-free 888-527-7008 between the hours of 7:30 am and 5 pm CT and a customer service representative will assist you in removing your name from Advanstar's lists. Outside the U.S., please phone 218-723-9477.

