

MYBIGGESTMISTAKE

LESSONS LEARNED THE HARD WAY » BY CASEY PAYTON



Rooting out employee problems from the start can prevent serious costs and problems.

CHRIS LEE, PRESIDENT of Texas-based EarthWorks Inc., has learned to tackle employee problems practically from the moment they appear. In fact, Lee has realized that even small issues, which seem like isolated incidents, can be warning signs of larger problems to come. It's a lesson Lee says was costly for his company — and it's why he made some important changes.

After a \$25,000 workers' comp claim that Lee is convinced was illegitimate, he found himself thinking about the employee's time at the company. The warning signs were there, but the problems all began as small and seemingly unrelated incidents.

"What we've figured out is that almost any time you have a serious employee problem, whether it's an illegitimate workers' comp claim, insubordination or even a potential lawsuit, it can almost always be traced back to something that should have alerted you early on," says Lee. "Maybe it's a customer complaint, or a complaint from one of your foremen. It seems like something small, but it's not."

Lee says that one of the roadblocks to putting two and two together at his company was poor communication. The customer service department may have gotten a complaint about an employee from

a client, and the foreman might have been having problems — but unless all of this was communicated, it made the issues seem small and isolated.

"When there's a truly problematic employee, there's almost always a pattern, so it's important that everyone is in communication," says Lee. "What we now do differently is host a daily production meeting. The meeting involves every manager in the company, from customer service to operations to HR. That way, we can bring up any employee complaint and address it right away."

Avoid complacency

Addressing it right away is a large part of the solution. Lee says it can be tempting to let an employee problem slide because it's not always easy to find laborers, even in this economy.

"This is tough work, so it can be hard to find people who want to do the job," he admits. "At times you're short-handed or in the middle of a job, and you feel like you just want to squeeze a couple more days out of an employee before you address the issue — but that's inevitably when something will go horribly bad."

"We've learned that no matter how much we need the job to be done, we need to protect our business even more. It can be hard to accept, but it's better to lose a little production

time than to jeopardize the whole company."

Now, from the very first time Lee gets a complaint about an employee, he takes immediate action. He has implemented a two-strike policy: "The first time we get the complaint, we reassign them to a different crew and tell them that they have a strike," says Lee. "That gives them a fresh start. We understand that sometimes it's just a personality conflict, and we don't want to fire someone if they might work well in a different crew. But we make sure the employee understands that if we get complaints from their new crew, that we have to get rid of them."

Lee says he's also learned some of the red flags that can alert him an employee might turn out to be a problem. It's often evident from the very first week on the job, he adds.

"Anytime you get an employee that does the bare minimum or doesn't want to work, it's a person who can turn out to be a real problem," he warns.

If issues aren't addressed immediately, Lee says, they can affect a crew's morale.

"Once you let just a little bit of that poison into the water, it can take a great group of guys and cause them to suddenly feel like they're working too hard or not getting paid enough," he says. "That's a bad situation that you need to prevent from the start."

Payton is a freelance writer with six years of experience covering landscaping.



Chris Lee



COMPANY: EarthWorks Inc.

HEADQUARTERS: Lillian, TX

2010 REVENUE: \$13.5 million

NUMBER OF EMPLOYEES: 300

SERVICES: 65% maintenance; 25% installation; 5% tree trimming and removal; 5% irrigation and repair

CLIENTELE: 100% commercial