

# A GROUP EFFORT

Owners of large and small Green Industry businesses alike can benefit from the professional companionship and outside perspective of fellow company operators.

BY HEATHER TAYLOR

**E**ven though Jim McCutcheon operates a successful commercial landscape maintenance operation, he still doesn't believe he has all the answers when it comes to running a business.

McCutcheon, CEO of the \$15 million company HighGrove Partners in Atlanta, attributes at least some of his success to his interaction with fellow Green Industry business owners from other parts of the country who can relate to the issues he faces in his business.

"The help and advice of my peer group over these eight years that we've been together has been completely and utterly invaluable in everything I've done," McCutcheon says.

Green Industry business owners, whether they're seasoned veterans or just starting out, can benefit from a sounding board in the form of those who have been in their shoes. This was the message at a Green Industry Conference (GIC) panel

in October that featured McCutcheon and other business owners who are members of different types of peer groups.

## PEER GROUP ANATOMY

There are different types, sizes and approaches to peer groups. They can be made up of leaders of a few similar-sized companies or they can comprise heads of companies of different sizes that all share similar goals. Several types of groups were represented on the panel.

When Burt DeMarche, president of The LaurelRock Co. in Wilton, Conn., joined a peer group, his company was at about \$3 million in revenue (it's now at \$5 million), and the biggest company in the group brought in about \$18 million. The peer group has since disbanded, as some of the members moved to different types of groups.

"I've heard others say they'd like to be in a group with just smaller businesses — maybe like the \$3 million to \$5 million range—and try to keep it really tight, and there probably are

benefits to that too," he says.

McCutcheon's group consists of six members, representing different types of landscape companies. The group started out looking to add companies that were similar in size and business mix but changed its mind, instead focusing on companies with similar values.

Mark Schlossberg's group is different from the other panelists' groups because it's made up of people from different industries. Schlossberg, president of Baltimore-based ProLawnPlus, belongs to a group of 16 business leaders that includes a mix of business-to-business and business-to-consumer companies. The group includes another landscape company (not a competitor), an HVAC contractor and several government contractors.

"I'm in small-business group for businesses between \$1.5 and \$5 million. Most of us have the same types of issues. I highly recommend it," he says.

Schlossberg's group is facilitated by a company called Vistage. It's larger than the other panelists' groups, which

each have five to seven members. And while the other panelists' groups generally include members from across the country, Schlossberg's group members operate in the same region.

## A LITTLE PERSPECTIVE

Having fresh sets of eyes from outside of the company can help business owners realize things they didn't see before.

For example, Schlossberg recalled previously being in a peer group with Phil Fogarty, the panel's moderator and currently a master franchisor for the Ohio, Pennsylvania and New York Weed Man franchises. As the members pored over finances and made profit-and-loss suggestions, they noticed that Fogarty's profit margin in the grub treatment category seemed unusually low. They learned he gave away a lot of product for free, including grub treatments. The cost of materials was expensive, so the promotion hurt his bottom line. The group was able to help him realize this wasn't the best business practice.

Another benefit Fogarty points out is touring other members' facilities, which is common in Green Industry peer groups. "It's a very eye-opening thing to have people walk through your facility and have people point out things that you walk by every day and you don't see," he says.

The group also can open members' eyes to personnel issues. It's amazing how it can take peers to make someone realize something that's happening in front

of them all the time, DeMarche says. "Sometimes it points out the obvious, but it's so important to do that."

## WHERE, WHEN, HOW

McCutcheon's group meets three times a year: in February, June or July, and November. The location rotates; each member takes a turn hosting it at his facility. The members usually fly in on a Tuesday, meet all day on Wednesday and attend a big dinner together Wednesday night. Typically, the host company is responsible for the dinner bill.

Each member gets one and a half hours to present to the group any problems they have. All the financials and reports are provided to every group member before they arrive at the meeting, so when they get together they're not just rattling off sales numbers.

The host company gets additional time—a total of about three hours—to review concerns. The sessions include a broad range of topics, but it's imperative that each member comes prepared with plenty to discuss.

McCutcheon's group recently began doing a fun outing on the final day, Thursday, to get to know each other better. Activities have included fly-fishing and hot air balloon rides.

DeMarche's group also scheduled three meetings a year, planning one of them at GIC to save on travel expenses because the members already would be together in the same place. The group

would arrive at the GIC location a day and a half early to conduct its meeting.

DeMarche recommends hiring a facilitator to lead the group rather than trying to self-manage the meetings, which is what his former group did.

"We'd start focusing on one company whose issues were more important, then you get halfway through the day and realize you haven't gotten any further than that one company," he says. "I think we all learned from that, but it's a balancing act. The facilitator helps you with that balancing act."

Schlossberg's group meetings are slightly different. Their meetings are monthly and include a coach and business consultant. One member will host the meeting and provide lunch, though it's often at a venue away from the members' places of business.

Members take turns giving presentations displaying financials, and the group processes an issue. It doesn't matter that the members are from different industries; they can relate to each other's problems, Schlossberg says.

"It's things like human resources issues, personnel, sales vs. operations, interaction between those personnel, sales commissions and safety issues," he says. "We all have the same issues."

Group members also get a monthly one-on-one with a consultant who is also available as needed between meetings.

One aspect of peer groups that turns some business leaders off is the fact that



A Green Industry Conference panel in October focused on peer groups. From left: Burt DeMarche, Bruce Wilson and Mark Schlossberg.



members have to be willing to fully disclose the company's finances. It can be reassuring, however, that the other members of the peer groups aren't competitors and that most groups require members to sign a confidentiality agreement so company secrets don't leave the group.

There's also the matter of work and responsibility to think about before joining a peer group.

"I assure you, the last thing you're going to do is show up at a meeting saying, 'Gee, guys, I was too busy. I didn't have the time to get to that. I'll talk about it next time.' That's not a real pleasant thing to do. We've all got a responsibility to each other," McCutcheon says.

Fogarty agrees. "It's not for the faint of heart," he says. "All of that work and accountability is what drives the benefit that you're going to get out of this."

"So if you think it's the kind of thing you can just do off on the side and not have any responsibility for it, it's prob-

ably not for you, at least not yet," Fogarty says. "Maybe it's something you'll be ready for at another time."

### LOOK IN THE MIRROR

On the other hand, companies who think it's not for them because their business is already successful only need to look at the panelists to see that's not true, Fogarty says.

"These people run really well-thought-of companies," he says of the panelists. "Anybody who doesn't think they have problems just needs to look in the mirror a bit harder."

McCutcheon says belonging to this type of group has paid off multiple times.

"That consistency of being there and having those people there that know and understand your business will help you when you're truly in need." **LM**

*Taylor is a freelance writer based in Cleveland.*

## Peer group partnership

Bruce Wilson, managing partner at the Wilson-Oyler Group and a *Landscape Management* columnist, and the Professional Landcare Network (PLANET) are teaming up to help the association's members form peer groups.

PLANET is taking applications from CEOs and company owners who want to become part of a group. Details are not yet set in stone, but there likely will be three types of groups, based on company sizes. The Wilson-Oyler Group will facilitate the groups.

PLANET says the program will begin this year. Executives who are interested in learning more about the peer group program may contact Joan Haller at [joanhaller@landcarenetwork.org](mailto:joanhaller@landcarenetwork.org) or call 703-736-9666.



## WHO'S IN CHARGE OF YOUR FLEET?

A fleet manager **PURCHASES** all vehicles and equipment, **FOLLOWS** the latest technology trends and software, **SCHEDULES** maintenance, **MAINTAINS** the fleet budget, **IMPLEMENTS** safety standards, and **PROVIDES** technical support for your operation.

*Do these responsibilities fall onto you or one of your employees?*

**NAFA Fleet Management Association offers fleet solutions for landscaping and lawn care companies, no matter what size trucks or vehicles you have!**

Network with thousands of colleagues and vendors facing similar fleet concerns! In addition, NAFA's legislative team gives voice to issues affecting the entire fleet management community.



**To more effectively manage your fleet operations, connect with NAFA!**

**Join NAFA Today!**  
**[www.nafa.org/join](http://www.nafa.org/join)**

