



HOW DO I MOTIVATE MY STAFF?

BY MARK BRADLEY

A □ Every year, finding and keeping good staff is one of the biggest problems for landscape contractors. With industry prices stagnant and even deflating in some areas, it's never been more important to get maximum results out of your most important resource—your people.

THE PROBLEM

Our industry faces significant labor challenges. Our average wages are less than other trades, and we don't attract enough exceptional, young talent out of schools. Most companies are small businesses working without a plan, with limited opportunities for advancement and no formalized training. Many can only guarantee steady work for eight months a year. The work is hot, cold, wet and dirty. It's no

wonder it's difficult to find people who want to commit their futures to our industry.

But you have a choice: Join the tens of thousands of other companies that play victim to labor problems or seize the opportunity to differentiate yourself. The labor problem, in fact, can be an extremely powerful competitive advantage.

BUILDING A DOOR OF OPPORTUNITY

During performance reviews for my company, it became obvious we lacked a system for employees

to envision how they fit in. I find reviews are more positive when criticism is framed as "this is what you need to be doing to get to the next level" rather than "this is what your weaknesses are." But right after our review process came the questions: "When will I be re-evaluated?" "What else do I need to do?" "How can I move to a hardscape crew?" "Where can I go to get that training?"

Employees were motivated to move up, but there was no system in place to guide them, and they weren't about to make it up themselves. So we set the following system in place to define the opportunities available to staff and the criteria required to move up the ladder. There are five steps to implementing the system.

1 Define the roles.

Identify different positions in your company as an opportunity tree. Even if you haven't had formal positions before, draw out what they'd look like. If they're not clear to you, imagine how your staff feels about future opportunities with your company. Make it look like a flowchart or an organizational chart. Use this for new and existing hires to illustrate the opportunities.

2 Establish pay scales.

We define fixed wage floors and ceilings at each position. Ceilings motivate development. An A-level laborer will bump up against a wage ceiling eventually. To earn another raise, he needs to develop himself into a bigger role. Incentive systems based on time served breed overpaid, underperforming employees.

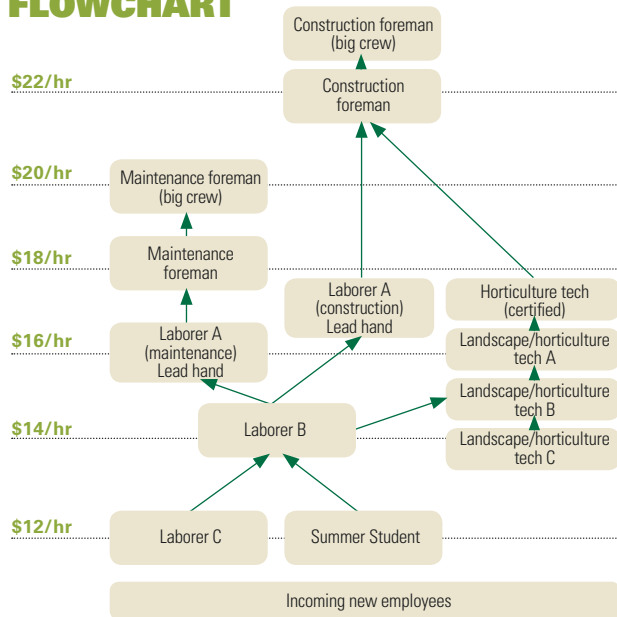
» WEB EXTRA

To download sample advancement opportunity criteria or view a video about effective employee bonus systems, visit the Web Extras section at [Landscape Management.net](http://LandscapeManagement.net).



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SAMPLE FUTURE OPPORTUNITIES FLOWCHART



*Opportunity paths are suggested/typical but don't necessarily need to follow the order above. Wages and positions have been changed for confidentiality.

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3 List your requirements.

Define your standards for each position. To move up to a B-level laborer, you need to take a first aid course. To be a stonemason apprentice, you must register in an apprenticeship program. To be a foreman, you must become a Landscape Industry Certified Technician. Whatever your firm's criteria are, put them in writing to give your staff a clear road map. Ensure you've got a plan for which training expenses (if any) your company will cover (e.g., employees do the course on their own time, but you'll reimburse the cost of the course after completion).

4 Make your goals their goals.

I believe strongly in employee incentives, especially at the foreman level. Hourly wages put the company and its staff at odds. The longer jobs take, the worse for the company, but the better for the staff. If we want to inspire performance, we must create incentive systems that reward staff for achieving company goals. Keep your goals objective. Bonuses given without transparency for how they're calculated are forgotten faster than they're spent. Objective goals are based on criteria such as beating sales or production targets, estimated hours and a target sales-to-wages ratio (total sales divided by total wages).

5 Stick to it.

You need regular feedback and reinforcement. Have a performance review at least once a year with written objectives and give your staff a copy. Come back to that document during the next review. Share information, such as how the company is doing relative to our bonus or incentive goals. Discuss it in meetings. Put a chart on the wall at the shop. Without regular reinforcement, this will be just another change that didn't work.

THE RESULTS

➤ **Better hiring.** Your opportunity tree diagram is an ideal tool for hiring. Show prospects the opportunities for growth in your company. You'll excite the right kinds of employees and drive the wrong kinds to find work with your competitors.

➤ **Better motivation.** Without an opportunity system, staff will lack drive and motivation. Visible opportunities, clear criteria, incentive systems and wage ceilings work together to provide strong incentives for improvement.

➤ **Better culture.** Everyone knows who's moving up and why. They know the expectations you set. Raises and promotions are earned on merit, not just time served.

➤ **Better accountability.** You're putting the responsibility on your employees to develop themselves. You've provided the framework. It's up to your staff to take advantage of it.

➤ **Better responsibility.** Delegate work easier by making certain roles and responsibilities part of your opportunity criteria. Inspire others to sweat the small stuff, so you can focus on the big picture.

➤ **Better sales.** Our employee-training program has played a role in our sales presentations to customers with high standards for health and safety.

➤ **Better profit.** Worried about rising costs because of raises? Consider this: A raise of \$1 an hour will cost you about \$1.25 an hour after taxes, benefits, etc. That's \$12.50 a day. If that employee is just 10 percent more productive as a result of his training, engagement, experience and attitude, then you've added \$40 a day in productivity, assuming a charge-out rate at \$40 an hour, 10 hours a day). The difference is even bigger if he's installing materials. He'll install 10 percent more material a day, as well.

Defining opportunities for your staff is just as important for your company as it is for them. Hiring key people off the street is like handing the keys to your business to a stranger. A few mistakes can cost you a lot of money in a short amount of time. Given the industry's turnover, successful companies must be focused on developing their talent. Current employees know your systems and procedures. You know their strengths and weaknesses. It's a win-win for the company and employees. **LM**

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