

Fueling GROWTH

by sharing customers

Companies with both design/build and landscape management operations sometimes bemoan the fact that the two departments lack synergy. All too often, the installation department goes one way and landscape management goes another, leaving potential growth and money lying on the table. Instead, wouldn't it be nice if a company could maintain nearly every property it installed or, vice versa, send over an installation crew every time a maintenance customer wanted significant renovation?

Mike Hoffman, CLP, president of Hoffman Landscapes in Wilton, Connecticut, has developed a strategy that encourages his departments to share customers and growth opportunities. Its foundation is based on awareness, to make sure customers understand his company's full capabilities, and on an organizational structure that allows each department to focus on the work it does best.

"When a design/build project nears completion, the project manager will introduce his customer to a maintenance department salesperson," Hoffman explains. "The salesperson details our full-service landscape management program and explains how it can protect the customer's new investment in landscaping. He goes on to explain that signing up for our maintenance program extends the guarantee on new landscape plantings for as long as we maintain the property."

Signing up for the program has many other benefits for the customer, Hoffman points out. It is so comprehensive that clients can consolidate the work being performed by several (as many as five or six) companies into one easy-to-manage relationship. The program includes 25 line items. In addition to traditional maintenance services such as mowing, pruning, and weeding, crews also provide deer and tick control, clean patio furniture, and change light bulbs. They also offer putting green and golf tee maintenance (for residential clients, not golf courses), fencing and automated gate repair/maintenance, plant health care, perennial care, and container planting and maintenance, and they take care of just about any customer request involving the property's exterior. Maintenance supervisors have even acted as "keyholders" for customers who winter elsewhere or travel extensively.

Currently, about half of our company's design/build customers have signed on for this maintenance service. Hoffman said that percentage could be upwards of 80 percent or 90 percent if the projects were to fall within maintenance's criteria (e.g., size of job, location, level of service, and so forth).

"When we want them, we get them 90 percent of the time," Hoffman emphasizes. "Sometimes the design/build department will introduce the maintenance department immediately after its first visit to the property. This occurs when

GROWING CUSTOMERS

- Introduce design/build customers to your landscape management team.
- Offer long-term guarantees that require your company to provide maintenance.
- Encourage customers to protect their investment.
- Make landscape management customers aware of all your service offerings.
- Stay in touch with customers, new and old alike.
- Offer new service in a timely manner.



Until Hoffman formed enhancement crews, small design/build projects took a back seat to large pool and patio projects.

the landscape architect knows the design/build work will be limited to a small area of the property. It is not uncommon for potential design/build customers to sign a maintenance agreement before they see their first design concept.”

Clearing a hurdle

Hoffman’s crews may maintain a property for several years before customers decide they want a landscape redesign or renovation. Again, it comes down to awareness, says Hoffman. “Nothing hurts me more than to see a long-time landscape management customer turn to another landscape contractor for an installation project. This doesn’t happen very often now, since all our landscape management customers are made aware of our full-service offering.

“We mail to all our maintenance clients, twice a year. We tell them about design/build projects we are working on or have completed, give them design/build brochures, mention design/build awards we have won, and ask them to keep checking our Web site to see pictures of our latest work.”

He continues, “Three years ago, our biggest hurdle was handling small design/build leads from our maintenance department in a timely fashion. Small renovation projects especially were put on the back burner until a design/build crew could be freed up to complete the work. The lag time reflected poorly on our company and jeopardized the relationship our landscape management crew had with the customer.”

The hang up involved both crew schedules and the cumbersome design/build sales process that was being applied to jobs needing only a simple proposal. “Design/build focuses on projects that require design work, town/city

approvals and variances, complex estimating, large equipment, or more than two or three days to complete,” Hoffman explains. “The design/build group works carefully through a regimented process. It starts with a client interview about needs, then the group gathers all relevant site information, researches building and conservation codes, and produces a design and estimate based on this data.

“When the design/build group applies this thorough process to a small job, it spends too much time processing the lead. Also, the small project gets last priority behind larger opportunities, and the client waits too long for a response. As you can imagine, it is difficult for a landscape architect to focus on a one-day foundation planting when he has a client banging on his door for a \$200,000 pool environment. The maintenance department is better suited for small projects because it is accustomed to estimating on site and can often write a simple agreement for the job on the spot.”

Hoffman met the challenge by forming enhancement crews to be managed and staffed by maintenance department employees. The crews were given broad capabilities — from constructing small masonry and hardscape projects to installing trees, shrubs, and other plantings. Adds Hoffman, “The

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foremen who run these crews are some of the most versatile and knowledgeable in the company. They float back and forth between maintenance work and small projects. And unlike the design/build crews, the enhancement crews are accustomed to completing several jobs a day. The maintenance department can often estimate and install before the design/build group can meet to talk about it.”

Forming enhancement crews had other side benefits. Says Hoffman, “These crews also perform some of the more complicated maintenance tasks such as pruning, fertilizing, and perennial-garden maintenance. You need to have knowledgeable people do this work, but you can’t hire someone just to prune and fertilize because these tasks only cover about 25 percent of the season. How do you retain talented people like this if they have to mow and pull weeds for the other 75 percent of the season? The answer is finding enhancement work for them, and many times they end up working on the same properties, for the same clients.

“There’s another benefit, too. When we first identified the need to have the maintenance department perform the small jobs, we relied on our existing maintenance crews to do the work. As you can imagine, they had limited capacity because they were already committed to contract work. So,

we performed enhancement work on Saturdays. In this configuration, we were not able to keep up with the request volume. Only when we formed the separate enhancement crews did we see the big jump in our up-sell rate.

“Now, the rule-of-thumb is that any project that takes less than three days to complete and doesn’t require the use of heavy equipment or design capability will be directed to an enhancement crew. The gap that was in our business model has been filled. Our maintenance department has an up-sell rate of over 60 percent (for every \$1,000,000 in maintenance contract work we expect to sell over \$600,000 in enhancement work), with most of the work performed for our existing client base.”

In the meantime, Hoffman says he stays in touch with past design/build customers to see if they need landscape upgrades, maintenance services, or another phase of the work completed. “There’s always a next phase,” he adds. Upgrading customers, selling customers another service, and mining old leads are all part of the company’s ongoing growth strategy. As Hoffman points out, growth is a requisite if companies are to provide new opportunities for their employees, and what better way to grow than to expand on relationships you have with current customers. 



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