

GROWERTALKS

Guest Column

12/1/2017

The Labor Issue: Bend or Break?

Daniel Currin



As I sat around a conference room table in my senator's office in Washington D.C. discussing the woes of the labor scarcity in the green industry with other industry leaders and the decision makers in Washington, it dawned on me that the conversation we'd been having for the past two days now (and really for the last several years) was valuable, but it was likely only a short-term fix.

Yes, we're in the midst of a labor "crisis" and there's certainly value in seeking help from those who are capable of affecting systemic change. But I couldn't stop thinking about how it's ultimately our responsibility and privilege, as innovative entrepreneurs, to find a

creative solution to the challenges we face in business. We're no different from any other industry in that way. We can't look backward to how it used to be, thinking we'll do what we've always done. We must look forward to new solutions.

So when left to our own creativity and resourcefulness, how might we reframe this labor scarcity? What if we turned it on its head completely and we found this problem to be an opportunity?

Think about it: Any time a resource is scarce, it creates greater competition around acquiring that resource. For example, if labor is abundant, then the barriers of entry to the market are low. Anyone can buy a truck and some equipment and start hiring for their new business.

If labor is scarce, however, a new business really must up their ante to enter the market (be the highest-paying employer, offer the best benefits, provide an excellent training program, etc.). These efforts require more dollars than most start-ups have, therefore, fewer competitors will ultimately enter the market. With fewer new companies joining the industry, customer selection narrows and prices tend to rise.

A scarce resource gives those of us already here the opportunity to strengthen our competitive edge. I'm not saying this will come easily—just the opposite actually—we now must get serious about asking ourselves, "How can we better access this scarce resource? What does it look like to be the employer of choice in our market?" Because if we don't ask these questions ... then someone else will and we'll be the ones closing up shop.

So how do we reshape our organizations to become the employer of choice? Unfortunately, I don't have a magic formula to give you. But I do know that it's our opportunity as entrepreneurs to figure it out. I know we can't simply hope that the government will create our solution or wait around to mimic others in our industry. We have to start at home, in our own companies, and regain our identities as the creative problem solvers and innovators that we are. We need to look at what other leading industries—tech, manufacturing, construction, health care—have done when they've faced labor scarcity.

So while I don't have answers for you, I'm happy to get the conversation started. Here are a few ideas that have been on our leadership team's whiteboard these last few months:

Recruiting is dead. Connecting is the future. Don't waste time on Craigslist, Indeed or industry job boards. Go where the people are and spend money on targeted advertising to connect with the people who want the jobs you have.

Flip the org chart. You're the least important person in your organization; your frontline production teams are the rock stars. Be their biggest fan and devote your time to creating an awesome production team culture. Your customers will recognize this, appreciate it and buy more from you.

Econ 101. Supply and demand. Pay people more. Raise your prices. Focus on holding overhead down and increasing your total gross profit dollars. Don't worry about historical gross margin percentage targets; the middle of your P&L is going to look different.

Robots. Every industry that faces a labor crisis must mechanize, so embrace the robotic future. Or until there are green robots, use technology to increase efficiency. Optimize, automate and outsource everything. (Check out Ari Meisel's book "Idea to Execution.")

I have the privilege of leading the landscape service company and nursery operation that my father began in 1979 alongside one other employee. We've now grown to be in the Top 150 Largest Landscape Companies in the nation and employ over 180-plus people. This means we've experienced a lot of growth over the last 38 years, but it also means we've encountered a lot of obstacles.

With each new obstacle that presented itself, the company always faced a choice: to bend or break. And now, as our prospective employees no longer form a line out the door of the office as they once did, we have that same choice: bend or break. If we choose to bend and come up with creative solutions, we just may strengthen our company's overall position in the market. And if eventually our industry consists entirely of strong companies that chose to reframe this labor problem as an opportunity, then we'll have evolved into a more robust, creative and resilient industry overall. And THAT is an industry and a future I want to be a part of.

If you care to join me in this endeavor, I want to hear from you. Shoot me an email at dcurrin@greenscapeinc.com and let's keep this conversation going. **GT**

Daniel Currin grew up in the green industry, working in every role from crew person to branch manager in the landscape service company and nursery operation that his father founded in 1979. Now President of Greenscape, Inc. in Holly Springs, North Carolina, Daniel's background in finance and his love of all things entrepreneurial drive his passion to reimagine the future of the green industry. Daniel is involved with the Green Industry Council and has served as president of the GIC and the nonprofit Come Alive Outside. When not dreaming up new ideas, Daniel can be found skiing in the Rockies or keeping Amazon in business one book at a time.