

RENEWABLE ENERGY

Sustainable business practices allow your company and your team to thrive



By ERIC HAUGEN

I'll start with honesty. When I heard the word "sustainability," my initial thought would always go straight to the importance of recycling my water bottle.

However, it's taken me some time to grasp a broader understanding. In today's world, sustainability encompasses much more than just environmental concerns.

After years of owning and operating a business, and now assisting other companies in managing theirs, I've come to realize the significance of business sustainability. It involves a business's ability to thrive and endure, adapting to evolving market dynamics while staying true to its core values and purpose.

True business sustainability goes beyond mere salt reduction and reducing carbon emissions. This consistency that sustainability

provides is the ability to adapt when change comes. We all have an inherent desire for peace and comfort, which is driven from sustainable operations, sales and financial performance. Though we may thrive on the potential of selling a big retail center snow proposal, we most likely enjoy knowing which contracts are signed well before the season comes.

We are all in the snow removal business, so odds are we have some crazy in us; but a successful business needs sustainability. If the systems are in place and capacity is understood and sold ahead of time, then we are capable of overcoming the inevitable curveballs and attacking the big spring blizzard.

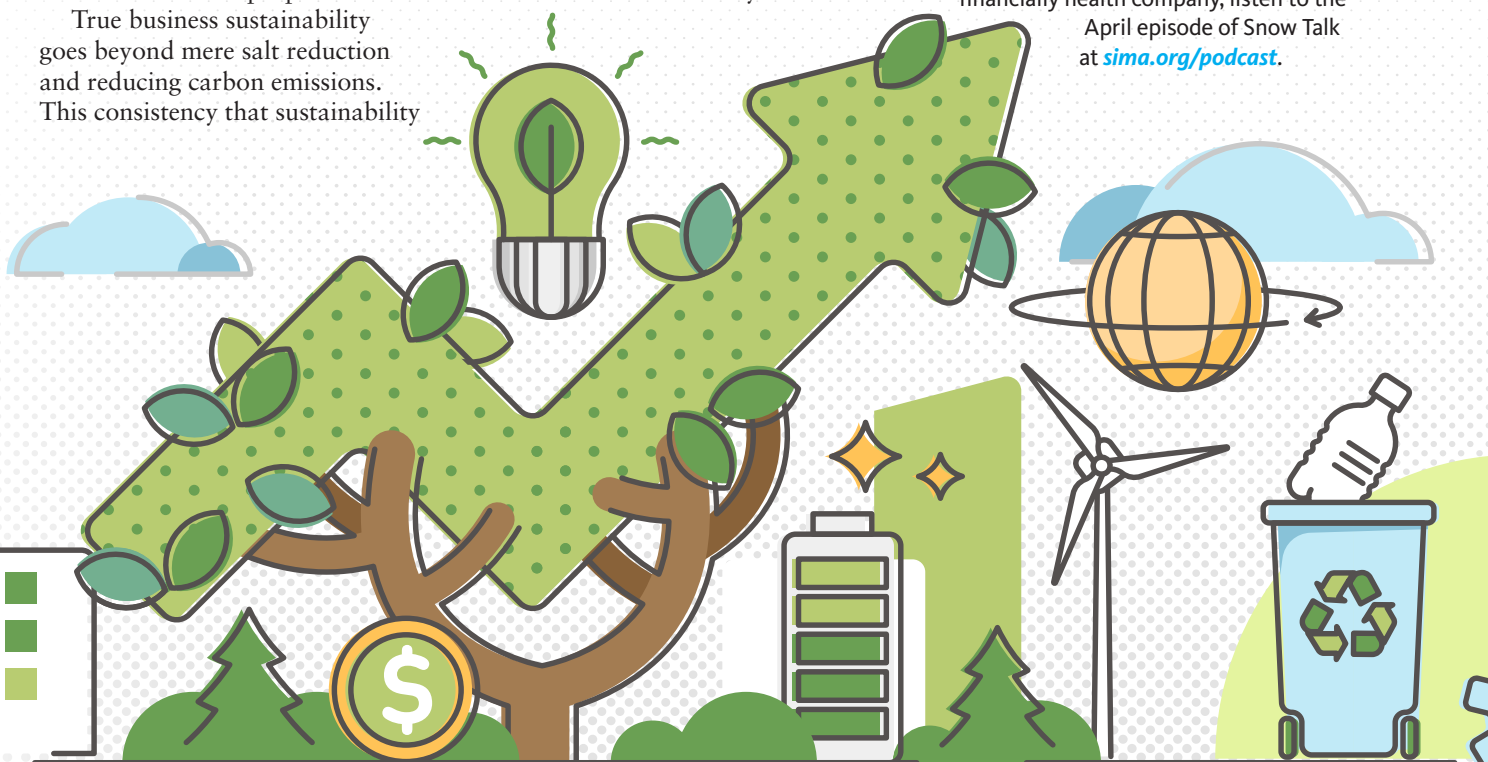
By providing systems, tools, and resources for our teams and clients, we will have the ability to build a company that is prepared and ready to provide the service we promise in the timeframe we say it will be

done. Let me explain in more detail by examining four factors: financial, sales, operations and culture.

Financials

Financial sustainability is the cornerstone of business longevity. It involves maintaining consistent margins, optimizing resource allocation, and investing in the team and future growth opportunities. Almost every company I meet with believes the answer to all problems is growth. While scalability is often necessary, without understanding what is measurable and where the financial health is currently, the company will not grow in a healthy way and can potentially cause more harm than good. Sustainability leads to healthy scalability.

For more strategies on how to become a financially health company, listen to the April episode of Snow Talk at sima.org/podcast.



Key tools for achieving financial sustainability include budgeting, setting long-term strategic goals and benchmarks, and cash flow forecasting to anticipate and mitigate financial risks. If the answer to any financial questions is “I think,” it’s time to create the basic tools to offer an answer of “it is.” Financial understanding leads to financial sustainability.

Seasonal snow structure contracts are one of the most effective tools I see with today’s snow companies. The ability to budget, manage cash flow, and maintain team members comes from seasonal structures. If this is not in your repertoire, perhaps now is the time.

Sales

Effective sales strategies are essential for driving revenue growth and sustaining profitability. Whether offering seasonal services like snow removal or providing ongoing maintenance contracts, businesses must balance supply and demand, avoid over or under selling, and leverage tools like sales calendars and budgets to align sales efforts with strategic objectives.

How do you know what the right property is? One of the most common phrases my advising partner uses is “the right property is at the right place and for the right price.” It is often easier to ignore a strategy and just place a dollar figure on the property. However, the goal should always be based on capacity of resources versus the blanket sales goal.

Easier said than done, but building the tools that align marketing and sales strategies will give you and the team the ability to sell where, when and how the company should sell.

Most importantly, to quote another advising partner, “always sell two seasons ahead.” How often do you submit the next season’s snow contract at the end of the current season? I know, I know, they never sign till later anyway. However, what if we do not have the capacity to do the work when “till later” comes? How do we know if we don’t have enough work to utilize the equipment and it will sit in the yard next to the rust pile? Or even more concerning, what if we buy equipment for the new property but they do not renew until next year? Understanding capacity and selling early helps with planning and creates a less stressful snow season.

Operations

If you sold based on your capacity and one season ahead, how would that help your operations team? The routing could be done early, the equipment hydraulics would be functioning properly, and the subcontractors would be set to go. Would that provide the peace and contentment we all inherently desire? Of course, everything is easy until the first storm comes. So here is where tools create the sustainability for successful operations.

For example, a standard operating procedure that dictates start time of the first visit, removal path, equipment maintenance, timesheet documentation, etc., could be a tool that allows your team to be ready out of the gate when they arrive on-site. Being well-prepared before the first snow falls increases efficiency, client retention and team morale.

Culture

As we have seen for several years, one of our most difficult barriers is finding and keeping good people and subcontractors. The amount of burnout among team members is alarming, let alone getting people on-site. Though we can dive into the importance of social sustainability at another time, the team is the most important resource for any successful

snow operation — before, during and after any snow event.

Clear communication, consistency and autonomy are essential elements of a healthy workplace culture that enable employees to perform at their best and to adapt to changing circumstances.

Developing tools for communication and remaining consistent are essential. How often do we come to the table with great ideas of changing this process or how we do things? We have discovered the answer to our problem at hand (while often missing the unintended consequences). What I see more than anything with struggling companies is the inability to allow the change to take place and remain consistent on the follow through. This damages your culture and creates team burnout.

A sustainable culture will create an environment where team members have the opportunity to thrive and have some form of consistency and expectations. Developing an organizational structure of positions, job descriptions, measurable goals, and expectations, while staying consistent, creates the ability to scale in a healthy way.

Final word

Business sustainability is the ability to put the spark out before it becomes a fire. When the fire is going, that is your focus every day and it never allows for preparation time.

Let’s pretend we are in a perfect world; say we know what our capacity is for both resources and required budgeted revenue (budget). We sold to our capacity 4-6 months ahead of the season (sales calendar). Our team knows their roles (organizational chart), has the resources to succeed, and knows how to communicate with the team internally and the clients externally (SOPs). What would the end result be for you, your team, and your clients? **SB**

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