A GUIDE to outsourcing grounds management services

ROUNDS MANAGE-MENT is a delicate balance of managed timelines, limited resources and quality performance. The more a sport facility is used, the higher the expectations of the players, coaches, fans and financial supporters. Uncertain economic conditions, extreme weather or just plain bad luck challenge all of us. We adapt and survive by learning to do more with less.

Imagine this scenario; you are planning a renovation project. Traditionally, you have always done this kind of work in-house. This job is a little bit different. You must complete it quickly and while there is adequate funding, this is a high profile assignment. In order to complete the mission successfully (to specification, on-time, and on-budget), requires that you use specialized equipment (which you do not own). Purchasing new machinery is out of the question at this time. Renting or borrowing is not an option either. Besides that, you are under staffed, overtime pay is discouraged, and the routine work still has to get done. What to do!

Outsourcing certain grounds maintenance tasks to outside contractors is a tool that can give a manager an opportunity to save money, meet goals and provide timely service. Like many other

aspects of grounds management, this may not be for everyone; how and when you use it depends upon your specific circumstances.

The traditional in-house grounds department business model allows a grounds manager maximum flexibility and control. Tactical decisions such as when to mow or irrigate can be made quickly. Most in-house groundskeeping departments perform the basic grounds maintenance functions at their sites. The more sophisticated grounds operations are often capable of specialties such as arboriculture, fine horticulture, pesticide and nutrient application, earthworks and hardscaping to name a few. But over time, circumstances change and savvy grounds managers periodically review their strategic plans to eliminate problems, save money or improve results. Some grounds managers look beyond their organizations for solutions.

WHAT ARE ADVANTAGES?

What advantages are there to outsourcing? You can continue to focus on work you do best (your brand). Many managers find that it simplifies operations because it reduces the investment in dedicated equipment, talent or technology for projects that are not part of their routine. You share risk by collaborating with a specialized company thus,

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helping to ensure the best results. For example, many grounds managers frequently contract out tree work or fertilizer and pesticide applications because the service provider possesses specific equipment, knowledge, licenses and experience. In addition, the contractor can save their client time by sourcing materials and because of their greater buying power, often they can pass along a cost savings.

Sounds great, doesn't it? But beware; there are some disadvantages you need to think about. First, you could become preoccupied with the contract administration, causing you to neglect other responsibilities. Second, your contractor could become distracted with other projects, resulting in poor service for you. Third, some managers have reported that their service provider changed their key personnel, were sold or went out of business in mid-project. Perhaps the biggest risk of all is the effect outsourcing will have on your valued staff. Think about how your team will feel if you contract out the work that your people enjoy and take pride in. Overcoming resentment and rebuilding trust takes a long time, and may never be completely restored.

Many operations outsource grounds maintenance services as a way to save money. To find out if outsourcing would be cost effective for your organization, you must conduct a thorough cost analysis. Examine all of the costs involved of performing the work in-house. This would include equipment costs (purchase, depreciation, interest, repairs, taxes and insurance), direct costs (fuel, transportation, storage, licensing and permits, costs of labor) and indirect costs (training, overhead, benefits etc). Add to this opportunity cost (the cost of performing a task compared to doing other tasks of greater or lesser importance). Compare these with the costs of the contract (be sure that your metrics are the same as the contractor's). By doing your homework, it will be clear whether or not it is cheaper to do the work in-house versus contracting the work out.

FINDING QUALITY

The best way to find qualified contractors is by networking with people in your local STMA chapter, state turfgrass, nursery or landscape associations. Don't rule out service organizations and even the local Chamber of Commerce as contact sources for capable and professional service providers. If you are required to seek competitive bids, be sure that your bid documents clearly specify what contractor qualifications you require. Referrals from the owners sometimes can be helpful, but be careful. Their relationship (family, friend or benefactor) with the owner could jeopardize your position if there are conflicts.

We've all heard tales of road builders constructing sports fields that fail. Instead, seek out experienced contractors who specialize in the type of work you are trying accomplish. Do they have the right equipment in good working order, a stable and experienced workforce, appropriate licenses, insurance and a business philosophy similar to your own? Check references and visit sites where they have completed work.

The best way to begin the outsourcing relationship is by being well prepared. You will be in the strongest position if you know what you are doing. Provide clear, correct, concise, complete and consistent specifica-

tions. During contract negotiations, substitutions might be proposed. Know what you can and cannot accept. Use written contracts and change orders because they protect both parties. Once the contract begins, communicate directly with a designated contact pertool. If you know your costs and have good specifications you will be able to make informed decisions whether outsourcing will work for you or not. Above all, always surround yourself with good people, treat them well and communicate effectively.

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son and avoid the temptation to micromanage. Most importantly, remember that prompt payments and being reasonable can move mountains for you.

The take-home message here is that outsourcing grounds maintenance services is a Don Savard, CSFM, CGM is the Athletic Facilities and Grounds Manager for the Salesianum School in Wilmington, DE and is the President of the Sports Field Managers Association of New Jersey.



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