



Gardeners' Guild

“Have you ever watched people at the bank when the teller is counting out their money? They don’t let anything distract them,” says John Ossa. After becoming president of Gardeners’ Guild, Ossa realized that he could tap the power of that focused attention: for him, that window opens in the moments when employees know that they are about to receive their account statements. Gardeners’ Guild has learned to cultivate every learning opportunity with carefully designed small-group meetings that make sure employees understand not only what the new stock value is, but why it changed.

Gardeners’ Guild, Inc., (GGI) headquartered in San Rafael, Calif., has 135 employees and is 100% employee owned through an ESOP. The company creates and maintains landscapes around the San Francisco Bay Area, from rural areas to public squares nestled among the skyscrapers of the financial district. GGI just celebrated its 35th year in business and its 10th year as an ESOP company. Its continued success—most recently, three first place awards from the California Landscape Contractors Association—is partly due to the high standards it sets for itself in contributing to the communities it is part of, and partly to the smart business choices all employees make every day.

Entrepreneurial Thinking

If you talk with Ossa about open-book management, he’ll be happy to tell you about how GGI shares information: the company posts financial statements and projects reports, broken down for each manager. But what he really wants you to understand is the education that goes behind the numbers. Keeping people informed about the current state of the company is essential, but the real reason to share those numbers is to make sure all employees understand their impact on the company.

GGI works hard to keep business literacy front and center: it’s built into the hiring process and the new employee orientation. Managers reinforce the factors that drive profitability. The company created Gardeners’ Guild University, a 12-session course that covers basic business financials, leadership, customer service, and communication.

The company uses a simple exercise to teach the income statement. The trainer begins with one dollar in small change. He hands all of the change—one typical dollar of sales—to an employee. That employee takes out the number of pennies that correspond to direct job costs and passes the remaining change on to the next employee. That employee keeps the pennies that represent variable overhead and passes the rest on to the next person, who removes fixed overhead. The last person in line ends up with the pennies

that represent net profit and a powerful lesson about the role of employees.

Why invest in education? When people understand what drives profitability, they don’t see their bonus or their stock as an entitlement. They know why they got the benefit that they did, and they know that they would not have benefited if the performance targets hadn’t been met. Beyond that, the flip side of entitlement is empowerment: employees know that their actions matter, that they are part of a team that is building its collective future.

For companies that want to share more information with employees, Ossa has some advice:

- **Plan your learning opportunities** — To make the most of those brief windows, know the three or four key messages you want people to leave with.
- **Aggregate numbers carefully** — Companies need to share enough information to be useful, but not too much for people to absorb or so much that private information is made public.
- **Be brutally honest** — Don’t sugar coat bad numbers.
- **Repeat.**

Giving Back

GGI is committed to its communities—both professional and geographic. The list of ways GGI employees have been involved is long and includes people with all sorts of different functions at GGI. The company supports local college landscaping programs, county efforts to improve investments in work force development, the local green industry council, and the certification program for the California Landscape Contractors Association.

This level of community involvement is not part of the management review process, but it is part of the company mission statement: “GGI is a team that takes pride in creating and enhancing landscape environments which build enduring value for our customers, our community and our employee owners.” As Ossa says, to be a manager at GGI “you just have to believe it.”

Supporting the community does provide concrete benefits to the company as well. The company believes that involvement outside the company is the best kind of leadership development. The focus on mission also creates a different work environment, one that rewards people on multiple levels and makes them more likely to remain with the company. The company’s reputation as mission-driven also differentiates it from competitors, giving the company a boost in finding new customers—and new employees.

In itself, there’s nothing too exciting about locking up tools when you leave a job site, checking the oil before starting a piece of equipment, or maybe participating in industry events. But for the employee owners of Gardeners’ Guild, each of these things is a link between them and their community, between them and their future. ■