

Statistics

RESOURCES

INDUSTRY TRENDS BY THE NUMBERS

REALIZE RATES

The realize rate is a metric that assesses labor productivity and estimating accuracy. It's calculated as revenue dollars (adjusted for materials and subcontractor revenues) divided by labor hours for matched events, like a job, a department or an annual P&L statement. For example, invoiced job revenues of \$10,000 adjusted for material costs of \$2,000 marked-up by 25% (material revenue of \$2,500) yields \$7,500 in labor revenues, divided by 250 job labor hours equals a realize rate of \$30 per hour. This actual rate needs to (1) exceed your financial billing rate, and (2) be within 6% to 8% of local per hour competition prices. Realize rates vary dramatically across the country. The variation is a function of factors like length of season, base wage rates, union costs, weather, customer willingness to pay for landscape and local market pricing history.

The average realize rate can range from \$47 per hour in the Northeast to \$19 in S. California and Florida.

Nationally, the average realize rate can range from \$47 in the Northeast in certain markets, to as low as \$19 per hour in the Southern California and Florida markets. Outside of these specific areas, the average rate conforms to a narrower range of \$25 - \$30 per hour.

SOURCE: KEHOEGUIDO

Which of the following did your organization do last year?

Added a service	22	Sold all or parts of a business	13
Bought another business	32	Bought or acquired a new franchise	9
Opened a new branch	25	None of the above	19
Dropped a service	22		

Percentages based on 418 responses

SOURCE: LM SCI SURVEY

UP, UP AND AWAY!

A recent survey conducted by the American Society of Landscape Architects revealed that starting salaries for graduating students is on the rise. For undergraduate students, the average 2003 starting salary was \$34,000 compared to \$32,000 in 2002. For graduate students, the average 2003 starting salary was \$41,000 compared to \$38,000 in 2002. For more details on the survey, visit <http://www.asla.org/whatabnew.html>.

Survey says...

Unbelievably, the new year is already a couple months old. How is your year shaping up so far? What does your crystal ball say?

- 38% 10% to 15% revenue growth
- 20% More than 20% revenue growth
- 15% Less than 10% revenue growth
- 12% 15% to 20% revenue growth
- 11% I don't anticipate any revenue growth in 2004
- 3% I think things will be worse in 2004

Percentages based on 65 responses

Log onto www.landscapemanagement.net and answer our online survey. We publish the results here monthly.

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