



Wages and Benefits in the Florida Landscape Industry¹

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Executive Summary

A telephone survey was conducted during May-July of 2007 to document prevailing wages, benefits, and employment policies and practices in the Florida landscape services industry. A total of 208 interviews were completed, with firms providing landscape services for design/build, installation, maintenance, and other activities. Respondents reported total employment of 2,608 employees, and total annual sales of \$364 million. Some 5 percent of respondent firms had annual sales of \$10 million or more, and 2 percent had 100 or more employees. Compensation and benefits data were collected for 16 specific position titles, including production and management personnel. Laborers accounted for 52 percent of all employees reported. The overall average hourly wage reported for laborers was \$10.07, or an annual equivalent salary of \$20,148, while the average for entry-level workers was \$17,046 and the average for experienced workers was \$25,381. For other positions, average annual equivalent salaries were \$29,644 for horticultural/irrigation technician; \$27,180 for equipment operator; \$28,321 for mechanic; \$32,018 for foreman/supervisor; \$37,635 for estimator; \$31,655 for purchasing agent; \$42,867 for landscape

designer; \$50,143 for landscape architect; \$37,143 for salesperson; \$37,077 for sales manager; \$49,142 for project manager; \$32,393 for office manager; \$48,390 for president/CEO/owner; and \$52,189 for vice-president/COO/CFO. Maximum salaries in excess of \$100,000 were reported for many of these positions. Regarding employee benefits, for the position of horticultural/irrigation technician, the most common benefit provided was paid leave, received by 92 percent of employees, followed by uniforms (88%), bonuses (85%), education/training (72%), personal vehicle or phone (65%), health insurance (58%), life/disability insurance (18%), and retirement (16%). Twelve percent of firms reported providing none of these benefits. The average share of health insurance premiums paid by employers was 32 percent. In relation to workforce education and training, 8 percent of employees had a college education, 6 percent of employees were licensed pesticide applicators, and 4 percent of employees held FNGLA professional certification. Regarding employment policies or practices, 61 percent of firms reported having an employee safety program, 40 percent have an established procedure for employee performance review, 36 percent have an employee policy manual, and 34 percent have written job descriptions, while 32 percent of firms did not follow

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any of these policies/practices. Overall, 42 percent of the workforce was reported to be non-native born U.S. citizens, while for very large firms it was 71 percent.

Acknowledgments

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Introduction

The landscape services industry in the United States has rapidly grown over the last 30 years due to expansion in residential housing and commercial development, greater investment in re-landscaping of existing properties, and increasing use of professional lawn and garden maintenance services. Growth in the industry has been particularly strong in Florida, where sales grew from \$3.2 billion in 1997 to \$5.3 billion in 2005, in inflation-adjusted terms, representing average annual compound growth of 6.5 percent (Hodges and Haydu 2006).

Currently, however, the landscape industry is facing a variety of challenging issues. The dramatic downturn in housing construction since mid-2007 has reduced demand for landscape services. Because of the labor-intensive nature of landscaping, employee compensation and benefits represent the dominant cost of business. Many industry employees are currently not covered by private health insurance. Increasingly, stringent worker protection standards regarding safety equipment and pesticide handling are a concern for employers. In some areas, it is becoming increasingly difficult to find qualified employees. Anecdotal reports suggest that a large share of employees in the industry is illegal or undocumented immigrants. Proposals to reform the immigration and border control system in the United States may have profound impacts on the nursery and landscape industries.

According to official data for Florida in 2006, there were nearly 92,000 jobs in specific landscape service occupations, with average hourly wages ranging from \$10.52 to over \$14, while entry-level employee wage rates were about \$8 to \$10 and hourly

earnings for experienced employees were nearly \$12 to over \$16 (Table 1).

Several previous studies of compensation and benefits in the landscape industry have been conducted. In a 2004 survey by FNGLA of 48 Florida companies, mainly landscape contractors, the average entry-level wage for laborers was \$7.13 per hour, and the highest average wage for experienced laborer employees was \$10.21. Benefits such as health insurance were provided by 53 percent of employers, along with paid holidays (88%), disability insurance (3%), retirement plans (40%), and education (40%). In a 2003 study sponsored by *John Deere Landscapes*, average hourly wages were reported as \$7.93 for entry-level laborers, \$8.01 for mower-operators, \$8.52 for irrigation technicians, \$9.38 for spray technicians, \$13.30 for crew foremen, \$13.30 for salespersons, \$14.57 for mechanics, \$18.58 for landscape designers, and \$22.36 for landscape architects (Wage and Compensation Report 2003). Benefits of paid vacation were provided by 46 percent of employers, along with paid holidays (45%), use of cell phones (45%), year-end bonuses (41%), and health insurance (32%). A survey by *Lawn and Landscape Magazine* of 742 readers in 2004 found an average hourly rate of \$8.00 for entry-level mower-operators, \$9.40 for lawn-care technicians, and \$8.80 for landscape construction workers (State of the Industry Report 2004). A recent nationwide study reported in *American Nurseryman* also provided information on landscape industry compensation and benefits (2007). A common problem with these studies was a small number of survey respondents, making the results statistically unreliable.

This present study was undertaken to document current compensation, benefits, and employment practices in the landscape industry in Florida, through a representative survey sample.

Methods

A survey of landscape services firms in Florida was conducted by telephone, during the period of May-July of 2007. Telephone interviews were carried out under subcontract by the University of Florida, Bureau of Economic and Business Research Survey

Research Center, using a computer-assisted system for automatic control of the sequence of questions and recording responses. The content of the survey questionnaire for this study was developed based upon previous survey instruments used by FNGLA, and revised in consultation with the FNGLA Landscape Division Leaders.

Information was collected on total employment, annual sales volume (specified, or selected range), share of business from major types of landscape services (design/build, installation, maintenance, other), educational attainment and professional certifications held by employees, and various employee policies and practices. Compensation and benefit information was requested for 16 specific positions common in the landscape industry: laborer, horticultural/irrigation technician, equipment operator, mechanic, foreman/supervisor, estimator, purchasing agent, accountant/clerk, landscape designer, landscape architect, salesperson, sales manager, project manager, office manager, president/chief executive officer (CEO)/Owner, vice president/chief financial officer (CFO)/chief operating officer (COO), and other employee(s). For each position reported, respondents were asked to indicate the average hourly wage or annual salary, and compensation for entry-level and experienced employees. The data for hourly wages were converted to annual full-time equivalent salaries (2,000 hours per year). The variability of compensation was assessed by computing the standard error (standard deviation divided by square root of sample number), and 95 percent confidence intervals about the estimated means. For each position, information was also collected on the following benefits provided: health insurance (medical, dental, or drug coverage), life/disability insurance, bonuses, paid leave (sick, vacation, family, or federal holidays), retirement pension, education/training/certification, uniforms, and personal vehicle/telephone. In addition, other specified benefits were noted in an open-ended question.

Results

Survey interviews were completed, with a total of 208 firms, including a majority (51%) whose

principal activity was maintenance, followed by 23 percent doing landscape installation, 18 doing other or unspecified services, and 8 percent doing design/build activities. Survey respondents reported total annual sales of \$364 million, representing about 7 percent of total sales estimated for the landscape services sector in Florida in 2005. Nearly 90 percent of sales were reported for landscape build/installation or maintenance service firms. About 5 percent of respondent firms had annual sales of \$10 million or more (very large), 5 percent were in the range of \$2 to \$9.9 million (large), 14 percent were in the range of \$500 thousand to \$1.9 million (medium), 71 percent were less than \$500 thousand (small), and 5 percent did not report sales.

Surveyed firms reported total employment of 2,608 persons, of which 81 percent were full-time employees, 8 percent were part-time, and 11 percent were temporary or seasonal. About 26 percent of firms had 10 or more employees, and 2 percent had 100 or more employees. As shown in Table 2, laborers represented over 51 percent of all employees, followed by equipment operator (10%) foreman/supervisor (8%), horticultural/irrigation technician (7%), president/CEO/owner (5%), other unspecified employees (4%), estimator (3%), and accountant/clerk (3%). Other specialized positions were reported in substantial numbers, but represented less than two percent of the workforce, including office manager (1.2%), mechanic (1.3%), landscape designer (1.2%), project manager (1.1%), purchasing agent (1.2%), vice-president/CFO/COO (1.0%), sales manager (0.5%), and landscape architect (0.2%).

Employee Compensation

The average annual equivalent salaries were \$20,148 for laborer; \$29,644 for horticultural/irrigation technician; \$27,180 for equipment operator; \$28,321 for mechanic; \$32,018 for foreman/supervisor; \$37,635 for estimator; \$31,655 for purchasing agent; \$25,517 for accountant/clerk; \$42,867 for landscape designer; \$50,143 for landscape architect; \$37,743 for salesperson; \$37,077 for sales manager; \$49,142 for project manager; \$32,393 for office manager; \$48,390 for president/CEO/owner; \$52,189 for

vice-president/CFO/COO; and \$34,625 for other unspecified employees (Figure 1). The overall average wage reported for hourly workers was \$9.90 for laborers, while the rate for experienced workers was \$12.60. This average hourly wage for laborers was very close to the median wage of \$9.82 for landscaping and groundskeepers reported by the Florida Department of Labor (Table 1). For other positions that were predominantly reported as hourly employees, wages averaged \$14.60 for horticultural/irrigation technician; \$13.10 for equipment operator; \$14.30 for mechanic; and \$14.80 for foreman/supervisor.

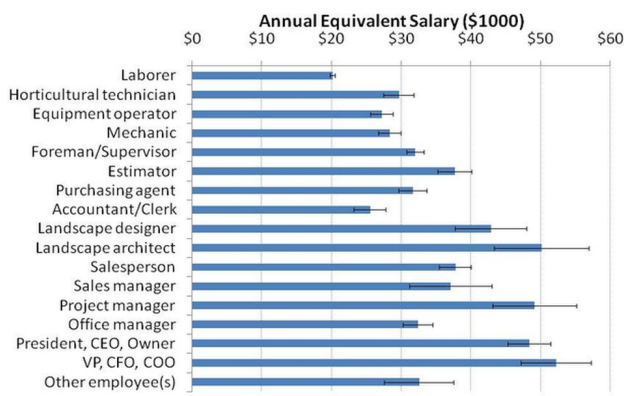


Figure 1. Average annual equivalent salaries reported by Florida landscape industry firms surveyed, by position (bar extensions indicate standard error of means).

Earnings were consistently higher for experienced employees than for entry-level employees (Figure 2). The average annual equivalent salary for entry-level laborers was \$17,046, and the average for experienced workers was \$25,381. A maximum annual salary of \$100,000 or higher was reported for equipment operator, estimator, landscape designer, landscape architect, sales manager, president/CEO/owner, vice-president/CFO/COO, and other unspecified employees.

The reliability of the reported wages and salaries is indicated by the relative standard error (RSE), which expresses the magnitude of the standard error in relation to the estimated mean. In general, a smaller RSE indicates more reliable estimates. The RSE of the annual equivalent salaries ranged from less than 2 percent for laborers and other common positions to over 15 percent for some other senior technical or managerial positions.

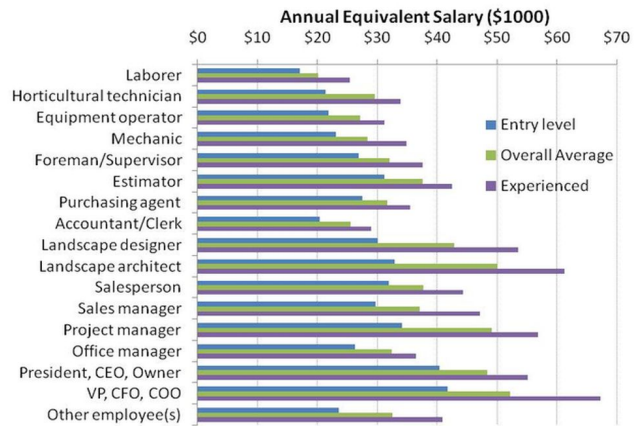


Figure 2. Average annual equivalent salaries reported for entry-level and experienced employees, by position, in the Florida landscape industry.

Employee Benefits

The lowest levels of benefits were provided for the typically unskilled position of laborer, with health insurance received by 22 percent of employees, life/disability insurance by 19 percent, bonuses by 49 percent, paid leave by 81 percent, retirement by 17 percent, education or training by 28 percent, uniforms by 80 percent, personal vehicle or phone by 32 percent, and miscellaneous other unspecified benefits by 12 percent (Figure 3). Some 19 percent of employers provided none of these benefits to laborers; however, only 3 percent of employees received none of these benefits, reflecting the weighted importance of larger companies. For the position of horticultural technician, typically occupied by individuals with some training or higher skilled level, most benefits were provided more frequently.

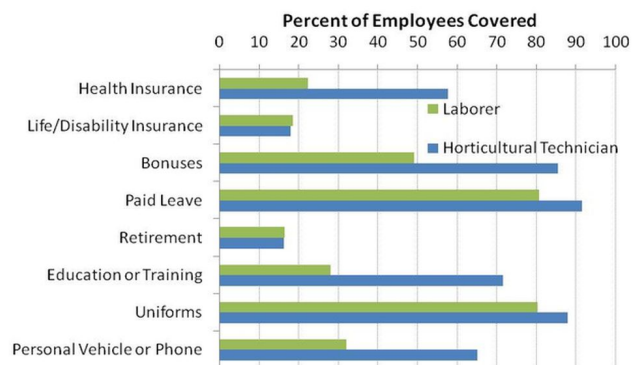


Figure 3. Incidence of benefits provided for laborers and horticultural technicians in the Florida landscape industry.

Health insurance was provided by 14 to 40 percent of employers surveyed, depending upon position, while the share of employees covered by this benefit ranged from 22 to 58 percent, excluding “other” employees (Figure 4). Over half of employees in the positions of estimator and horticultural technician received this benefit. The average share of health insurance premiums paid by employers was 32 percent, and this was similar across firm size groups, but was somewhat higher (46%) for design/build firms (Figure 5).

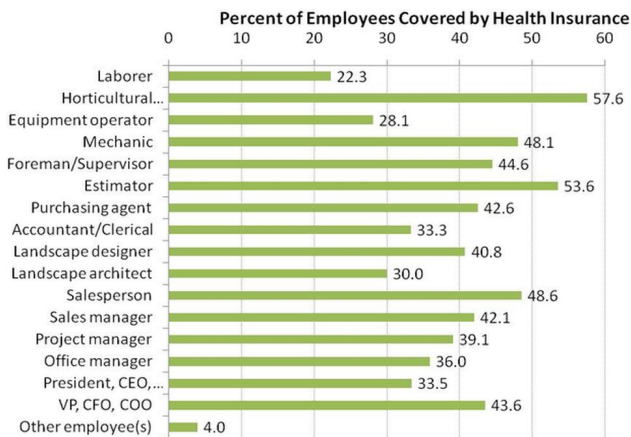


Figure 4. Incidence of health insurance benefits provided, by position, in the Florida landscape industry.

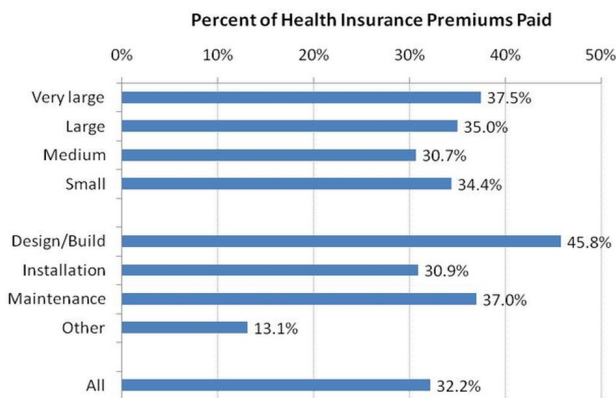


Figure 5. Health insurance premium coverage by employers, by firm size and type, in the Florida landscape industry.

Life/disability insurance was provided by 9 to 34 percent of employers depending upon position, and covered 10 to 39 percent of employees. Employee bonuses can be considered a primary form of incentive pay, and were a much more common benefit, provided by 27 to 63 percent of firms, and

received by 36 to 85 percent of employees, with over 70 percent of employees receiving this benefit in the positions of horticultural technician, equipment operator, and foreman/supervisor. Paid leave was provided by 31 to 66 percent of employers, and received by over 50 percent of employees in all positions, and to over 80 percent of laborers, horticultural technicians, and foreman/supervisors.

Employee Qualifications

The skills held by employees are critical to their productivity, and affect the appropriate level of compensation and benefits. An average of 8.4 percent of all industry employees were reported to have college degrees, although this ranged as high as 13 percent for large firms and for landscape installation companies to as low as 3.8 percent for landscape maintenance firms (Figure 6).

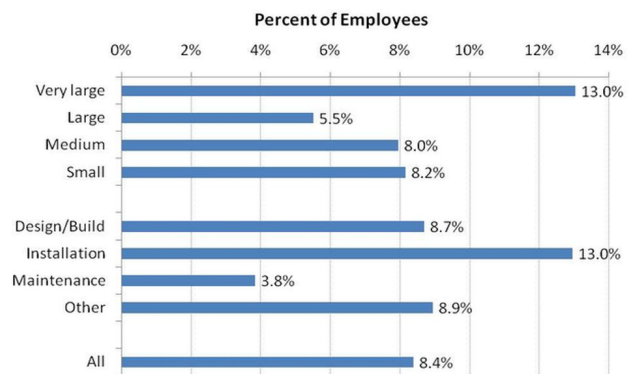


Figure 6. Incidence of college education, by firm size and type, in the Florida landscape industry.

Professional certifications held by Florida landscape employees in companies surveyed and their percentage of the overall workforce are shown in Table 3. The most commonly held certification was licensed pesticide applicator (165), followed by FNGLA Professional (95). Certifications from other professional organizations held by smaller numbers of employees included the Irrigation Association (50), International Society of Arborists (41), Landscape Maintenance Association (30), and Professional Landcare Network (15). A very small number of design employees were registered Landscape Architects (11) or certified by the Association of Professional Landscape Designers (11).

Another question asked in this survey was “what percentage of your workforce are not native-born U.S. citizens?” Although respondents may not be able to answer this question completely and reliably, the results indicate that overall about 42 percent of employees in the Florida landscape industry may be foreign-born (Figure 7). The share of foreign-born employees was much higher for very large firms (71%) and marginally higher for large firms (53%) and firms doing landscape installation (57%).

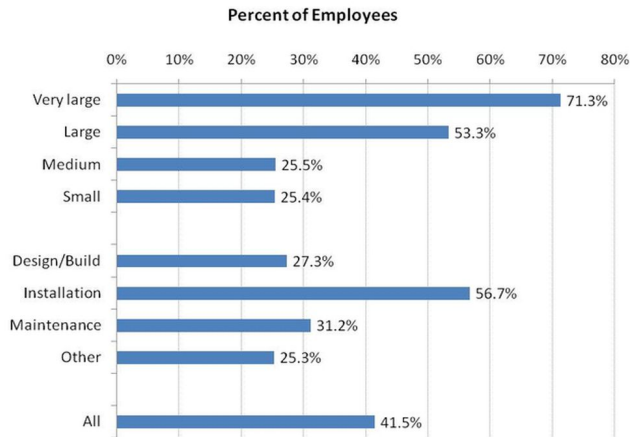


Figure 7. Share of workforce not native-born U.S. citizens, by firm size and type, in the Florida landscape industry.

Employee Policies and Procedures

Employee-related policies and procedures are important for managing the workforce. Overall, 34 percent of firms had written job descriptions, 40 percent had a formal process for employee review, 36 percent had an employee policy manual, and 61 percent had an established safety program, while 32 percent did not have any of these policies/procedures (Figure 8). In general, these employee policies and procedures were more common for medium to very large firms, and for design/build or installation firms.

Discussion and Conclusions

The results of this study showed that compensation paid to employees in the Florida landscape industry is generally higher than previously reported in Florida and nationally. Wages paid for experienced horticultural technicians in Florida compared favorably with the average reported for the Southeast region in 2004 by *Lawn and Landscape Magazine* (\$16.30 vs. \$12.20). Average hourly wages

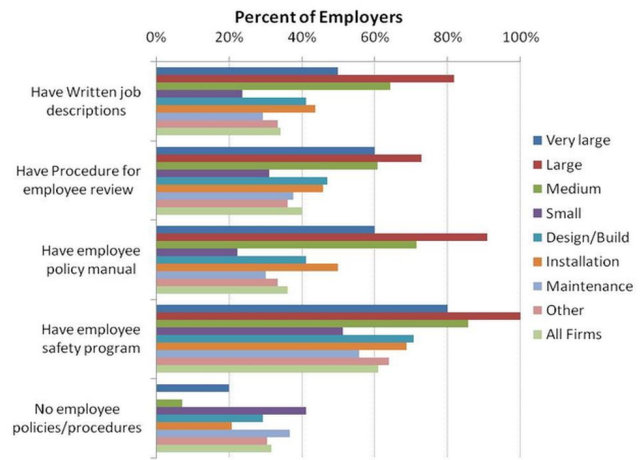


Figure 8. Incidence of established employee policies and procedures, by firm size and type, in the Florida landscape industry.

for laborers in this study (\$9.90) were about 39 percent higher than in the previous study by FNGLA in 2004 (\$7.13), or 28 percent higher in inflation-adjusted terms (GDP Implicit Price Deflator). Thus it appears that growth in employee wages has exceeded the rate of inflation. The landscape industry is generally not affected by the recent increase in Florida's minimum wage to \$6.67 per hour, since virtually all employees were well above this level. Wages for experienced laborer employees were also significantly higher than reported in 2004 (\$12.60 vs. \$10.21), as were other hourly positions such as horticultural/irrigation technician (\$14.60 vs. \$11.51) and equipment operator (\$13.10 vs. \$10.92). For positions that are generally salaried, annual compensation was also higher in this survey for project manager (\$53,625 vs. \$44,280) and landscape designer (\$40,717 vs. \$37,100). Comparisons between years for other positions in this study were not possible due to differences in definition and small sample sizes.

Compensation differed dramatically across occupations (positions), reflecting difference in skills and experience. However, the difference in annual compensation between the lowest and highest paid employees was only a factor of 2 to 3, in contrast to many other industries where the difference may be 10-fold or more.

Among employee benefits, this study suggests that some benefits have been adopted nearly universally in the industry, such as paid leave,

bonuses, and uniforms, while other benefits are available to a majority of experienced employees, including health insurance, education/training, and personal vehicle or phone. The benefits of life/disability insurance and retirement are offered to relatively few employees. A small percentage of firms (12%) provided no benefits.

American Nurseryman, January 15, 2007.

In regard to employee policies, a chief concern was for safety, with a majority (61%) of firms surveyed having an established employee safety program. On the other hand, less than one-half of the companies had established procedures for employee performance review (40%), had an employee policy manual (36%), or had written job descriptions (34%). Of concern is the substantial share of firms (32%) that followed none of these standard policies or practices. The share of firms that had written job descriptions is about the same as in the previous FNGLA study in 2004 (34% vs. 38%), while the share that have an employee manual appears to have declined (down from 66%).

A surprisingly low share of employees (8%) held college degrees, which would suggest there may be a need to promote higher education to achieve greater professional expertise.

This study confirmed that a substantial share of the workforce in the Florida landscape industry (42%) is non-native born U.S. citizens, although this is less than some have suggested anecdotally. Many survey respondents stated that it is difficult to find workers in this industry, qualified or otherwise, who are willing to accept the demanding physical labor.

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Table 1. Florida employment and wages for selected landscape service occupations, 2006-07.

Code	Title	Total Employment	Hourly Wage (dollars per hour)			
			Mean	Median	Entry-Level*	Experienced**
37-3011	Landscaping and Groundskeeping Workers	86,550	10.52	9.82	7.97	11.79
37-3012	Pesticide Handlers, Sprayers, Applicators, and Vegetation	3,120	12.59	12.11	9.23	14.27
37-3013	Tree Trimmers and Pruners	1,570	14.14	13.66	9.87	16.26
37-3019	All Other Grounds Maintenance Workers	740	12.97	10.52	8.33	15.29

Source: Florida Department of Labor, Quarterly Census of Employment and Wages, available online at <http://www.labormarketinfo.com/library/qcew.htm>.

* Entry-level wage is average earned by the lowest one-third of all workers in a given occupation.

** Experienced wage is average earned by the upper two-thirds of all workers in a given occupation.

Table 2. Employment reported by surveyed firms in the Florida landscape industry, by type of employee and position.

Type Employee / Position	Number of Employees	Percent of Employees*
All Employees	2,608	
Full-time Employees	2,258	81.0%
Part-time Employees	225	8.1%
Temporary or Seasonal Employees	306	11.0%
Laborer	2,059	51.4%
Horticultural/Irrigation Technician	295	7.4%
Equipment Operator	398	9.9%
Mechanic	52	1.3%
Foreman/Supervisor	303	7.6%
Estimator	112	2.8%
Purchasing Agent	47	1.2%
Accountant/Clerk	102	2.5%
Landscape Designer	49	1.2%
Landscape Architect	10	0.2%
Salesperson	72	1.8%
Sales Manager	19	0.5%
Project Manager	46	1.1%
Office Manager	50	1.2%
President, CEO, Owner	203	5.1%
Vice President, CFO, COO	39	1.0%
Other Employee(s)	151	3.7%

* Percentages may not sum to 100% due to rounding. Number of employees by type or position may not sum to total due to discrepancies in reporting.

Table 3. Employee professional certifications held in the Florida landscape industry.

Professional Certification	Number of Employees Reported	Percentage of All Employees
FNGLA Professional Certification	95	3.6%
International Society of Arborists	41	1.6%
Professional Landcare Network (PLANET)	15	0.6%
Irrigation Association	50	1.9%
Registered Landscape Architect	11	0.4%
Association of Professional Landscape Designers	4	0.2%
Landscape Inspectors Association of Florida	4	0.2%
Licensed Pesticide Applicator	164	6.3%
Landscape Maintenance Association	30	1.2%