



LANDSCAPING INDUSTRY REPORT

2023 Landscaping Industry Statistics
and Trends to Watch



Landscaping Industry Trends 2023

Industry Grows Despite Key Challenges

SUMMARY

- ▶ According to data collected by LMN, ninety-six (96%) percent of landscaping businesses reported a yearly increase in revenue in 2022, indicative of growth throughout the industry.
- ▶ Fifty-one (51%) percent of landscaping businesses were unable to find or hire enough staff to fill vacant positions in 2022, a substantial decrease from ninety-two (92%) percent the previous year.
- ▶ Employee retention for seasonal industries is a key challenge, with nearly a third of the industry reporting significant challenges retaining staff members.
- ▶ Lack of formal training is a major liability and risk for landscaping business owners in 2023, with fifty-eight (58%) percent reporting that they allow new hires to work without training.
- ▶ Crew wages are on the rise, forcing owners to dig into their profits to keep up. Seventy-six (76%) percent of landscape businesses now offer raises to all employees, with forty-one (41%) percent offering bonuses unrelated to performance.



Introduction

Despite a litany of challenges in 2022, the landscaping industry is expected to grow in 2023. To help you benchmark against the competition, we spoke with 450 landscaping professionals across North America regarding performance, key challenges, potential growth opportunities, and the proactive steps that they're taking to prepare for the year ahead.

In this report, we dig into our survey data to uncover key insights and help you create a more efficient, profitable business in 2023.



The State of the Landscape Industry 2023

According to a survey conducted by LMN, ninety-six (96%) percent of landscapers polled grew revenue in 2022, with nearly a quarter of respondents reporting that they grew revenue by twenty to fifty percent.

Despite the growth in revenue, eighty-four (84%) percent of landscaping businesses report a struggle to find and keep qualified labor. Other challenges include rising costs, managing cash flow, finding and maintaining equipment and stiff competition from competitors.

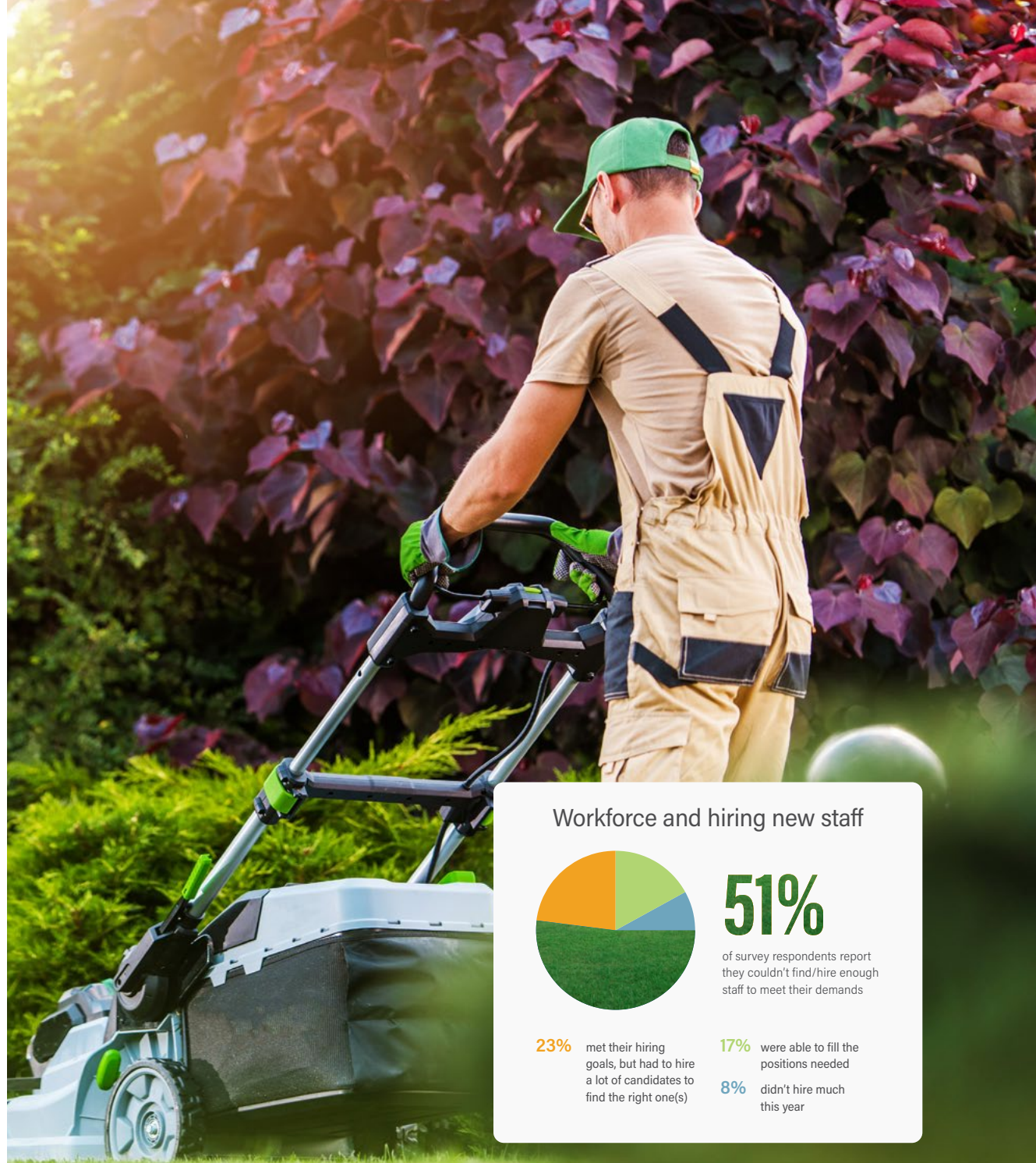


The Landscape Industry Faces a Labor Shortage

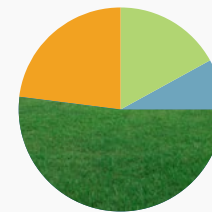
The labor shortage continues to challenge landscapers in 2023, with over half (51%) of survey respondents reporting that they are unable to find or hire enough staff to fill vacant positions. While that's a staggering number, it's a substantial decrease from last year's survey where 92% of respondents said they were struggling to find reliable employees.

Employee retention is also a major concern throughout the seasonal industry, as thirty-two (32%) of respondents report losing a significant number of staff in 2022.

To boost retention and make seasonal roles more appealing to potential employees, respondents to our survey say that they now utilize a bonus system and prioritize career development.



Workforce and hiring new staff



51%

of survey respondents report they couldn't find/hire enough staff to meet their demands

23% met their hiring goals, but had to hire a lot of candidates to find the right one(s)

17% were able to fill the positions needed

8% didn't hire much this year



Landscaping Crew Wages Are on the Rise

As wage increases creep up across the continent, landscape business owners are digging deep into their budget to retain their staff. To stop the mass exodus of trade workers, landscape business owners are offering increasingly competitive wages and bonuses.

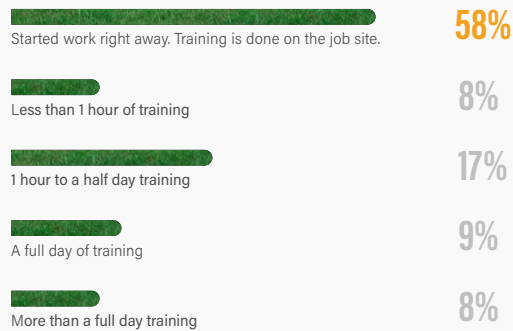
According to our survey, seventy-six (76%) of respondents have had to offer raises just to keep their employees on board, **while a staggering eighty (80%) percent have had to implement a bonus program.**

Interestingly, forty-one (41%) of respondents say they now offer bonuses uncoupled from performance metrics. In other words, nearly half of landscape business owners are paying out bonuses to their employees regardless of their performance.

This is unusual, as bonuses are traditionally tied to a performance metric or business milestones, like hitting a sales goal, increased profit margins, and revenue goals. Though beneficial to crew members, landscaping business owners should be cautious, as too many bonus payouts can easily wreak havoc on your finances.

To adapt to rising labor costs in 2023, it's necessary to take the time to set and analyze your budget, evaluate job costs, estimate for profitable work, train your crew members, and monitor efficiency metrics.

What training must happen before a new hire steps on a job site?



Untrained Landscapers Pose Risk to Revenue

Labor statistics show that excessive training programs can deter prospective employees from joining your crew. Unfortunately, landscapers who don't focus on training risk digging into their profits, as poor training can lead to rework, accidents, and insurance liabilities.

Despite the risks, fifty-eight (58%) of survey respondents report allowing new hires to work without any formal training.

Of the respondents who maintain a training program, only eight (8%) spend more than a full day training new employees. These alarming numbers are set to increase in 2023, as business owners continue to struggle with the labor shortage and lack the time to properly train new hires.



The best way to minimize risk and improve the performance of crew members in 2023 is to implement a formal training program for all new employees. By doing so, you not only set expectations, but also decrease the chance of work interruptions and minimize the need for senior crew members to supervise new hires.

Profits Come to Those Who Plan for It

Landscape businesses are especially vulnerable to economic fluctuations, supply chain disruptions and labor shortages. Fortunately, our survey shows that eighty-five (85%) percent of landscapers create an annual budget to boost profitability and cut costs.

To increase profitability in 2023, landscapers need to revisit and revise their budget on a regular basis so they can adjust to rapidly changing conditions. Though budgeting doesn't guarantee success, your business is far less likely to fail if it has an annual budget in place.

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How Landscape Professionals Spend Their Time At Work

We asked landscaping professionals about how they spend their time at work, the different tasks that they tackle, and how much time they spend on administrative work. How does your business measure up against the industry averages?



Estimating and Quoting

Forty-four (44%) percent of survey respondents spend more than five hours per week working on estimates, with fifty (50%) percent reporting that they spend more than ten hours per week. Despite the time and effort, only nine (9%) of respondents say they maintain a dedicated estimating staff.

Invoicing and Bookkeeping

Twenty-four (24%) percent of survey respondents report spending more than five hours per week on invoicing related tasks. Yet, only twenty-eight (28%) of respondents said that they maintain administrative staff.

Timesheets and Scheduling

Twenty-four (24%) percent of survey respondents report spending more than five hours per week on invoicing related tasks. While twenty-five (25%) report spending more than five hours per week on scheduling, timesheets and assigning crew members to jobs.

Sales and Business Development

Forty-three (43%) of survey respondents say that they spend more than five hours per week on sales and business development related tasks, with more than half reporting that they spend more than ten hours per week working on sales.

In the Field

Twenty-three (23%) percent of survey respondents said they spend more than ten hours per week in the field alongside administrative tasks, like invoicing and estimating. That percentage is surprisingly low, considering how many "in the field" tasks generate revenue for the company.

Landscapers Report Need for Timesaving Software

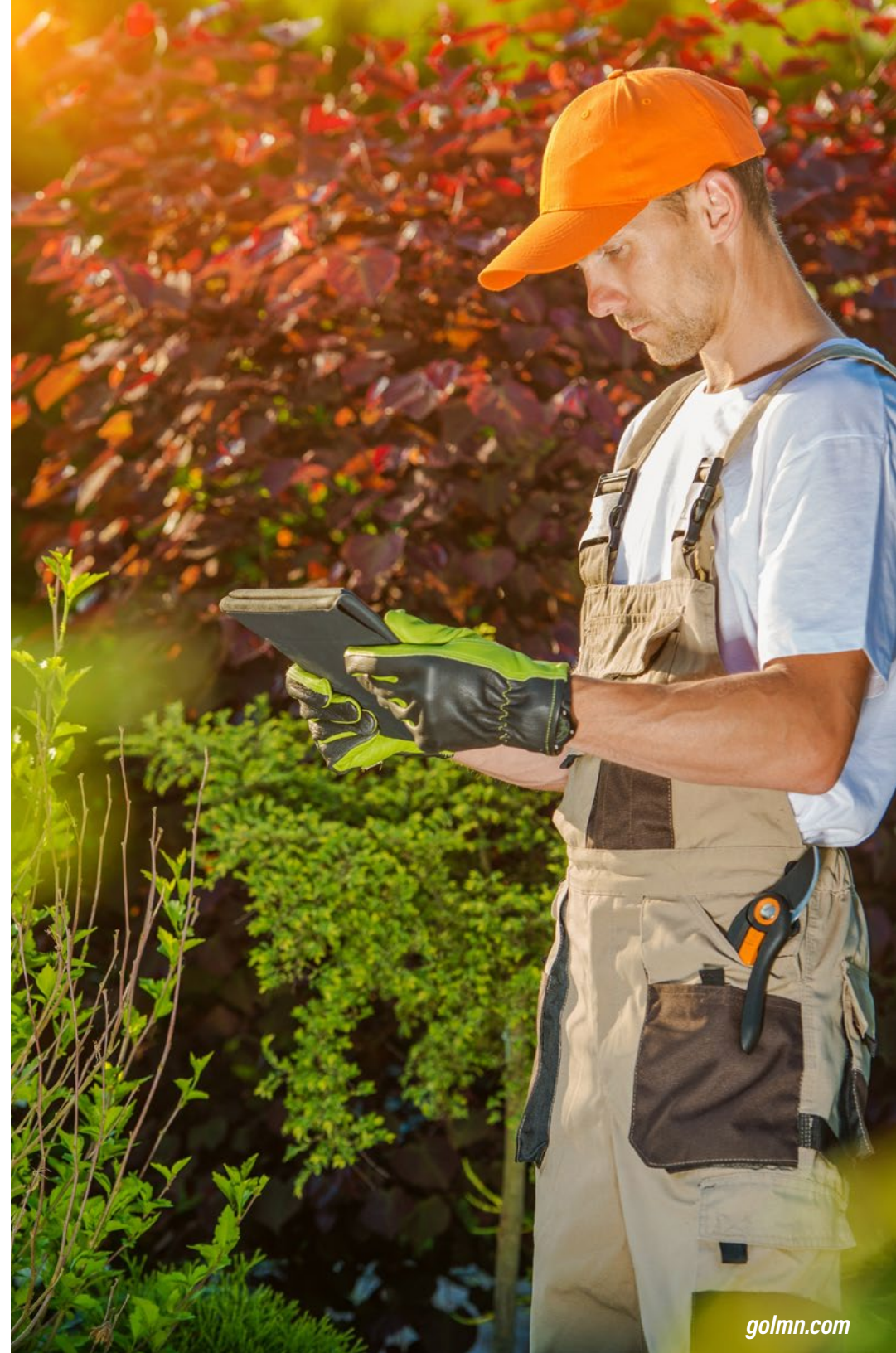
Most landscapers don't know how many hours they spend on office work until they tally it up at the end of the week. The time spent on tedious administrative tasks can be astronomical, especially as it relates to bookkeeping, invoicing, estimating, and a litany of other related tasks.

These administrative tasks are not only time consuming. They also keep your best and brightest minds out of the field. Fortunately, there are a number of digital platforms and software designed to carry the weight of business administration.

How to Implement Business Management Software

Think of business management software as one of the many tools you need to keep a job running smoothly. The trick is to identify the type of business management software you need to enable your team to do their best work.

The more time you save through automation, the more time you can dedicate to in the field tasks or even clearing up more time to spend with your loved ones.



How to Identify the Right Business Management Software

1. Identify the most time-consuming administrative tasks.
2. Ask local landscapers if they use business management software and, if yes, inquire as to which/what type of software they utilize.
3. Prioritize specialized landscaping software over generalized software.
4. Book a demo with your software finalists.

To ensure the greatest chance of success with your software finalists, be sure to schedule a walkthrough of the platforms. Keep an eye out for the specific ways in which each solution provides value to your business, as well as the functionality that your team finds most useful.

Don't forget to inquire about the implementation process, i.e., how long it takes to properly install the software, integrate with other platforms and properly train your staff in its use. Be sure to consider seasonality, and how many of your staff will be/should be present for implementation.

Lastly, consider the kind of support you may need and if your software finalists are able to provide it. Will they be able to support your team when the busy season hits? Do they have acumen to adequately answer your questions in a timely manner? If the answer to any of these questions is "no," that may be a sign to look for a new solution.





Don't Wait. Implement a Solution Today

Economic challenges, labor shortages and supply chain issues are likely to continue well into 2023. To succeed under these conditions, you need to establish your budget and implement your business strategy as soon as possible.

The longer you wait to implement a solution, the less time you will have to generate revenue and scale your business for growth. Now is the time to evaluate your business as a whole and look for areas of improvement before the busy season hits.

[Learn more](#) today about how landscape management software can help you increase profit.



Founded in 2009, LMN helped customers create over \$51 billion worth of estimates, capture 78 million individual clock-ins, and have managed more than 245,000 employees daily through the software.

[Learn More](#)