Landscaping Company
Job Costing & Performance System
Implementation Checklist

A step-by-step framework for implementing job costing, profitability tracking, and pay-for-performance systems using platforms such as LMN, Aspire, or similar software.

WHAT'S INSIDE

PHASE 1

Leadership Alignment & Goal Setting

Executive Team Alignment

- ☐ Define company profitability goals
- ☐ Establish target net profit percentage
- ☐ Define target gross margin by service line
- ☐ Identify desired annual revenue growth
- ☐ Identify desired labor efficiency targets
- ☐ Determine compensation philosophy
- ☐ Establish timeline for implementation

Key Questions

- ☐ Which services do we want more of?
- ☐ Which services should we potentially eliminate?
- ☐ Which customer types fit our ideal future company?
- ☐ What level of management reporting is needed monthly?

PHASE 2

Build Accurate Job Costing Foundation

Labor Cost Structure

- ☐ **Determine fully burdened labor rates**

Include:

  - ☐ Hourly wage
  - ☐ Payroll taxes
  - ☐ Workers' compensation
  - ☐ Benefits
  - ☐ PTO
  - ☐ Training
  - ☐ Vehicle allocations
  - ☐ Uniforms
  - ☐ Small tools

DELIVERABLE **Fully burdened labor rate by position**

Examples: *Crew Member · Crew Leader · Foreman · Irrigation Technician · Enhancement Crew · Installation Crew*

Equipment Cost Structure

- ☐ **Calculate hourly ownership cost of equipment**

Include:

- ☐ Payments
- ☐ Depreciation
- ☐ Repairs
- ☐ Fuel
- ☐ Maintenance
- ☐ Insurance
- ☐ Transportation

DELIVERABLE **Hourly cost list for all major equipment**

Examples: *Skid Steers · Mini Excavators · Dump Trucks · Mowers · Specialty Equipment*

Overhead Analysis

- ☐ **Identify annual overhead expenses**

  Examples: *Office salaries · Rent · Software · Marketing · Administrative costs · Insurance · Utilities*

- ☐ **Allocate overhead by division**

DELIVERABLE **Overhead recovery percentage**

PHASE 3

Service Line Profitability Setup

Establish Divisions

- ☐ Maintenance
- ☐ Design/Build
- ☐ Irrigation
- ☐ Snow
- ☐ Lighting
- ☐ Fertilization
- ☐ Other

Profitability Tracking

For each division:

- ☐ Revenue
- ☐ Direct labor
- ☐ Materials
- ☐ Equipment
- ☐ Subcontractors
- ☐ Gross profit dollars
- ☐ Gross margin %
- ☐ Net contribution

DELIVERABLE **Monthly divisional scorecard**

PHASE 4

Customer Profitability Analysis

Segment Customers

- ☐ Residential
- ☐ Commercial
- ☐ HOA
- ☐ Municipal
- ☐ Estate Properties

Evaluate Customers

For top 100 customers:

- ☐ Annual revenue
- ☐ Gross profit
- ☐ Collections history
- ☐ Management burden
- ☐ Service complexity
- ☐ Travel time
- ☐ Opportunity for expansion

Classification

A Customers	Grow aggressively

B Customers	Maintain
C Customers	Improve pricing
D Customers	Replace or exit

DELIVERABLE **Quarterly customer profitability report**

PHASE 5

Establish Job Minimums

Determine Minimum Revenue Thresholds

Calculate:

- ☐ Mobilization cost
- ☐ Administrative cost
- ☐ Travel cost
- ☐ Billing cost
- ☐ Crew deployment cost
- ☐ Desired profit margin

Examples:

- ☐ Maintenance minimum
- ☐ Enhancement minimum
- ☐ Irrigation service minimum
- ☐ Design consultation minimum

DELIVERABLE **Published pricing and minimum revenue policy**

PHASE 6

Estimate vs. Actual Tracking

Create Tracking Dashboard

Track:

- ☐ Estimated labor hours
- ☐ Actual labor hours
- ☐ Estimated materials
- ☐ Actual materials

- ☐ Estimated gross profit
- ☐ Actual gross profit
- ☐ Change orders
- ☐ Customer extras

DELIVERABLE **Weekly production review meeting**

PHASE 7

Implement Production Performance Scorecards

Crew Leaders

Track:

- ☐ Labor efficiency %
- ☐ Gross margin %
- ☐ Safety score
- ☐ Quality score
- ☐ Callback rate
- ☐ Overtime management
- ☐ Attendance

Production Managers

Track:

- ☐ Gross profit by division
- ☐ Labor utilization
- ☐ Crew utilization
- ☐ Equipment utilization
- ☐ Rework percentage
- ☐ Safety incidents
- ☐ Revenue per employee

DELIVERABLE **Monthly production dashboard**

PHASE 8

Implement Sales Performance Scorecards

Sales Team Metrics

Move beyond revenue-only measurement.

Track:

- ☐ Revenue sold
- ☐ Gross profit dollars sold
- ☐ Gross margin percentage
- ☐ Average contract value
- ☐ New customer acquisition
- ☐ Contract renewal rate
- ☐ Cross-selling success
- ☐ Design-build profitability
- ☐ Maintenance contract growth

Sales Bonus Components

Weight Examples:

Component	Weight
Revenue Growth	20%
Gross Profit Dollars	40%
Contract Quality	20%
Retention & Renewals	10%
Strategic Initiatives	10%

DELIVERABLE **Compensation plan aligned to profitable growth**

PHASE 9

Technology Implementation (LMN / Aspire)

Core Setup

- ☐ Chart of accounts aligned
- ☐ Divisions established
- ☐ Labor rates entered

- ☐ Equipment rates entered
- ☐ Production workflows configured
- ☐ Estimating templates built
- ☐ Reporting dashboards created

Field Adoption

- ☐ Mobile time tracking
- ☐ Daily labor coding
- ☐ Job phase tracking
- ☐ Real-time job updates
- ☐ Production reporting
- ☐ Supervisor accountability

Reporting Package

Automated dashboards for:

- ☐ Job profitability
- ☐ Customer profitability
- ☐ Service line profitability
- ☐ Crew productivity
- ☐ Sales performance
- ☐ Labor utilization
- ☐ Revenue per employee
- ☐ Net profit forecast

PHASE 10

Build Accountability Culture

Weekly Meetings

- ☐ Sales Scorecard Review
- ☐ Production Scorecard Review
- ☐ Job Costing Review
- ☐ Labor Review
- ☐ Cash Flow Review

Monthly Executive Review

Review:

- ☐ Division profitability
- ☐ Customer profitability
- ☐ Sales pipeline
- ☐ Labor efficiency
- ☐ Equipment utilization
- ☐ Compensation payouts
- ☐ Forecast versus budget

SUCCESS METRICS

For a $2M–$10M Landscape Company

By the time this system is mature, leadership should be able to answer these questions within minutes:

- ☐ Which service line is most profitable?
- ☐ Which customer generates the highest profit?
- ☐ Which crews are most efficient?
- ☐ Which estimators sell the most gross profit?
- ☐ Which jobs consistently miss estimates?
- ☐ What is our minimum acceptable job size?
- ☐ What services should we expand?
- ☐ What services should we exit?
- ☐ What customers no longer fit our ideal profile?
- ☐ What employee incentives create the highest ROI?

> ***If you can answer those questions confidently, you have moved from a landscaping company that tracks revenue to one that manages profitability — and that is typically the difference between a $2 million company and a highly scalable $10 million company.***