

Why Cleaning Businesses Shouldn't Use A Price Per Sq. Ft. Method to Bid Janitorial Jobs

Could a simple price per square foot approach work when bidding on office-cleaning jobs?

Maybe.

Yeah, maybe if all cleaning companies were the same, it might work.

But they're not.

And, maybe if all customers wanted the same thing, it might work.

But, they don't.

And there's the rub.

See, broad, one-size-fits-all approaches to bidding office-cleaning like price per square foot, might work, if all cleaning companies were all the same size, cleaned the same, had the same costs, and expected the same profit.

But they don't.

The really big ones may come close.

Really large cleaning companies, some of whom, may have 500, 1000, or more employees... may come close.

At that level, the "players" (competing cleaning contractors) may begin to look similar; similar management structure, similar approaches to cleaning, similar quality control methods, and maybe most importantly... similar expense ratios and profit requirements.

And at that level of play, per square foot based pricing may work adequately.

But, the reality is the vast majority of cleaning businesses don't look anything like that.

No, the truth is most cleaning companies vary greatly in:

How they CLEAN – one person, area, or "team" cleaning

How LARGE they are – from one person to a hundred or more.

What KIND of cleaning they offer – from straight janitorial, office-cleaning to residential, ...to any number of other types, such as carpet or industrial cleaning.

What their OVERHEAD, or PROFIT requirements are.

And those differences... make a difference!

That's right, for most cleaning companies...

Figuring out what price to charge for office-cleaning should start with figuring out... the TIME.

And what TIME is that?

Well, it's the estimate for how long it should take, on average, to clean the building.

The reason we say, on average, is, we all know, things come up that may take a little longer to do than usual some nights, or may save a little time on others.

But, that's not the point.

The point is when you start with a good estimate, or average, of how long a building will take to clean... you've got a lot!

And when you start with THAT, you're miles ahead of the guy who decides on his monthly price by either dividing the total sq. ft. by some arbitrary production rate, or by multiplying it by some just as arbitrary price per sq. ft. figure.

Over-simplified measures give over-simplified answers.

And over-simplified answers in a business, like cleaning, can quickly turn around to bite you in the form of under-priced jobs which leads to lower profits. To avoid this, we recommend you:

Workload each office-cleaning job you're bidding on!

For our purposes, workloading is the process of using specific information about a building such as floor measurements (i.e. room dimensions), floor types (i.e. carpet, tile) and fixture counts (sinks, toilets) along with a schedule of job specifications where each cleaning task has an associated production rate per sq. ft. or by item count, to calculate an average cleaning time.

Yes, there's a lot to it. But, fortunately, there's help available to make it easy, a whole lot easier, ...more about that later.

For now, it's important to realize how critical it is to start with calculating a cleaning time for office cleaning, and then set the price... not the other way around!

It really all comes down to calculating an estimated cleaning time for the building you're bidding on. And when you have a calculated cleaning time, you can move forward confidently to pricing the job.

Cleaning business owners can multiply a monthly hours estimate times a properly 'loaded' hourly rate to determine a monthly price to charge.

When you start with calculating a cleaning time you're miles ahead of the guy who is simply guesstimating a price using one of many over-simplified methods.

Fortunately, there are useful janitorial bidding software programs available to help you "workload" the janitorial jobs you're bidding on.

There are many convenient janitorial bidding software programs available today, ranging from simple downloadable, Excel-based programs to full feature, online bidding programs, some of which generate proposals as well.

While these programs can vary in cost and ease of use, they all are designed to help the cleaning business owner bid janitorial, commercial cleaning jobs more effectively and professionally.

Sign up online at www.CleanBid.net to receive the FREE e-newsletter "Flip My Cleaning Business from 'Painful' to 'Profitable!'" Need help bidding? Check out the CleanBid® Program – The Quick and Easy Way to Bid Any Cleaning Job... Guaranteed! <http://www.CleanBid.net> Modules for Janitorial, Construction Cleaning, Move In/Out Cleaning and Tile Maintenance

About the Author

DAN LIEBRECHT is Co-Founder of Clean Guru LLC and the CleanBid Online Program. After graduating from the University of Toledo, Dan worked in HR and Operations Management in Colorado. Returning to Ohio, he, along with his business partner Tony Dietsch, built a successful janitorial cleaning company. He has authored numerous articles about the cleaning business, including an in-depth look at janitorial bidding software published in a leading industry periodical. Dan, and his wife Jennifer, live in Sylvania, Ohio. They have three children. The CleanBid® Online Program Finally, A Quick & Easy Way To Bid Any Cleaning Job - Giving You Instant Monthly Prices And Ready-To-Deliver Proposals!
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