One Price Does Not Fit All Accounts

Over the years, I have led numerous staffing, workloading and benchmarking seminars for building service contractors. No matter where I am presenting, someone asks, “What is the average cleaning cost per square foot?” I liken this inquiry to the “Search for the Holy Grail” because finding the one mystical number is nearly impossible. Actually, finding a number is easy. Finding the correct number is an altogether different matter. The reality is that there is no universal cost average or standard cost per square foot because so many variables go into calculating it.

Industry-specific associations publish average cleaning costs. However, once you consider the variables related to cleaning and square footage, the exceptions swallow up the rules, making the average numbers difficult to rely on.

Let’s take a closer look at the cost-per-square-foot calculation that is often used in our industry. The numerator, or the number on the top of the fraction, is cost; the number of square feet is on the bottom (the denominator).

Starting at the top, let’s consider the cost variables. Cost includes the provision of basic cleaning services and that raises a host of questions: What cleaning tasks make up the scope of work, and how often are these tasks being performed? If either the task or the frequency of the task changes, the time it takes to do the work will also change.

Cost also includes extra services such as window washing or carpet cleaning. Plus, the productivity and labor rates vary widely depending on how fast people work, the tools and products used, the labor market, and the customer’s needs. Ultimately, cost depends on a multitude of variables that are as unique as each facility.

Now, consider square footage. Although there are industry-specific definitions, too few cleaning professionals are familiar with them. This number varies because everyone measures it differently. Some calculate gross square footage while others focus on net, or cleanable square feet. Commercial offices often identify only “rentable” square footage. The bottom line is that the calculation of square footage varies widely.

The result of this cost-divided-by-square-foot formula is a prescription for numbers that are at best a starting point and more often than not misleading.

While there is no magic, there is an answer. The best way to calculate your costs is to base them on your operation and the facilities that you service. Determine the actual amount of space being cleaned and the number of labor hours based on your own measurements. Apply production rates either from average cleaning times or from your own time studies.

Once you accurately determine your cost per square foot, own these numbers and make sure that if you use them for other areas that you are comparing apples to apples. Knowing these numbers is the BSC’s key to the Holy Grail.