To Outsource or Not to Outsource: That is the Question

At a recent trade show in Chicago, one presenter raised a few eyebrows when he mentioned that he had worked with several school districts and virtually all of them said they have no idea how many square feet their custodial workers clean each night. They also did not know whether or not their cleaning personnel were required to clean a certain amount of square footage per hour/shift. As a result, many school districts don’t know if they need more custodial workers, fewer custodial workers, or no custodial workers at all.

The idea of eliminating custodial workers comes up frequently during tough economic times or when budgets are under scrutiny. Of course, this does not mean that cleaning and maintenance will be discontinued. Rather, it means eliminating direct-hired, in-house custodial workers and outsourcing cleaning work to a contract cleaning company.

School districts are not the only facilities that grapple with this issue. Medical facilities; city, state, and federal government entities; and even commercial facilities such as office buildings often weigh the value of outsourcing their cleaning needs.

This can be a tough decision, but it typically comes down to the issue of control vs. savings. For some facilities and managers, having direct control of their cleaning staff – for safety, security, special needs, or quality control reasons, etc. - is a priority. For others, turning maintenance responsibilities over to an outside vendor is both a cost savings and one less responsibility with which to contend.
The Pros and Cons of In-House Cleaning

School districts have chosen to handle this issue in a variety of different ways. Some no longer have their own custodial workers; some outsource the work; and some use a combination of in-house and contract workers.

Other industries, including health care (especially hospitals) and government entities have tended to stay with in-house cleaning staffs. For medical facilities, this is often because they need to maintain careful control over their cleaning operations. These kinds of facilities may also require special training for custodial workers, and are also concerned with health-related issues. Improper cleaning can put patients, staff members, and visitors at risk. Both medical and government entities may also have security reasons for hiring their own cleaning workers.

Of course, there are downsides to hiring in-house, including:

- The added costs of employment taxes, insurance, workers’ compensation, and other employee-related costs.
- The difficulty of filling custodial positions (even during periods of high unemployment) and dealing with high turnover rates.
- The time and financial cost of training custodial workers.
- The demands placed on human resource departments to manage these workers, which add to employee-related costs.
- The cost of cleaning tools, chemicals, and equipment.

Why Outsource?

One of the biggest pros of outsourcing cleaning and maintenance is eliminating the management responsibilities connected to these employees, including hiring, staffing, supervising, etc. Additionally, outsourcing can create a significant cost savings. The employees of a well-run contract cleaning company will have been trained on the most efficient, effective, and cost-effective cleaning methods. Further, typically contract cleaning companies provide their own tools, chemicals, and equipment, another cost savings to the client.
The Bottom Line

Choosing a cleaning company that can meet a facility’s unique cleaning needs at a fair price can be a challenge. Managers often find that bids for cleaning contracts can vary widely. And unfortunately, when it comes to hiring a service provider, paying more money does not always mean getting better service.

Before signing a contract, managers need to review the proposal with the contractor and ask how the bid estimate was determined. The proposal should be detailed and should include such items as how long the company has been in business; worker certification (through training programs such as CIMS); how many workers will be handling the job; worker productivity rates; and expenditures such as wages and chemical and equipment costs.

Additionally, all proper bids will include a list of references. Managers reviewing bids should do more than call these references; instead, they should actually visit these facilities in order to take a look at the company’s work first-hand.

The decision of whether or not to outsource cleaning responsibilities is a complex one. Some school districts tackle the issue by transferring some locations to one type of system to see how well it works out. Others, such as medical locations, sometimes hire an outside contractor to handle large common areas but still retain in-house workers to clean patient rooms, operating and procedure areas, etc.

The bottom line for many managers comes back to control vs. savings. While outsourcing cleaning duties can often result in a cost savings, having direct control of the cleaning work may be more important to some managers. Facility managers must weigh these factors carefully before making this important decision.