

# Cost In Use: The Key To Reducing Cleaning Spend

Your guide from Arrow County Supplies

The measure of success of your cleaning operations is based on two things: the tangible results of your cleaning efforts and the costs involved.

Like any business, there are constant and increasing pressures to deliver more for less, reducing costs wherever possible.

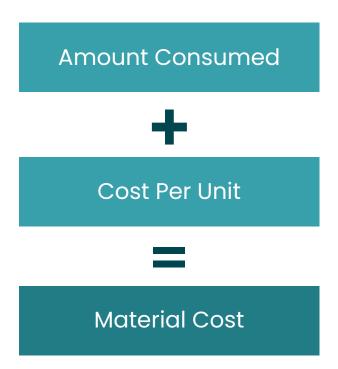
However, it is important to understand the concept of "cost in use"; or the reason why opting for what may appear as the cheaper option can in fact result in costing the business significantly more in time and money.

#### **Part 1: Material Cost**

To understand the concept of "cost in use" you must first understand material costs. This is made up of two parts: amount consumed and cost per unit - how much of a product is being consumed and the cost to purchase the product.

Often when we are presented with two options, we will generally opt for the more affordable solution as this appears to immediately save us money. However, it serves only as a short-term solution as the efficacy of cut-rate products may be compromised resulting in an increase in consumption and therefore repurchasing rates.

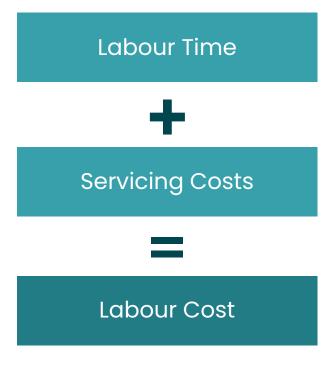
Take this simple example: the cost of your chosen floor cleaning solution, which although affordable to purchase, is proving to be ineffective at achieving the desired results so you find you are using three times more than the recommended dosage. This results in a higher amount consumed and a higher cost in replenishing. Put simply, this is not a cost effective approach to your cleaning operations.



#### **Part 2: Labour Costs**

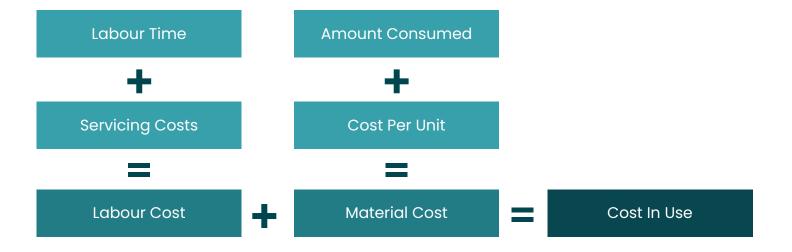
Labour costs, like material costs, is made up of two components: the time taken to complete a cleaning task and the time taken to service. A product that is performing well will mean that the task will be achieved in less time therefore reducing labour costs.

Drawing upon our previous example of floor cleaning, due to your product's average performance, staff are also spending more labour time to complete the task. This isn't an efficient way to maximise your staff's time and the cost required to employ them. Improving labour efficiency is one of the most effective methods of saving your facility money, as is choosing high-quality products that will achieve results. In addition, if we consider products such as toilet paper and paper hand towels in public bathrooms, higher quality options with effective dispensing units will not only mean less wastage but less labour costs involved in staff reservicing these units. Labour efficiency is an integral part to reducing costs and saving you money



### Conclusion

Material and labour costs combined make up your "cost in use". This is a more realistic reflection of what your cleaning operations are costing you in the long run. You should consider this model when analysing the cost of your current operations and implementing strategies to reduce spend. Remember, solutions that are seemingly cost effective in the first instance may not always serve you well over a long period of time.



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- **J** 01743 283 600
- askarrow@arrowcounty.com
- arrowcounty.com

#### **Contact Us**

Arrow County Supplies, Arrow House, Longden Road, Shrewsbury, SY3 9AE



01743 283 600



response@arrowcounty.com



arrowcounty.com

