

# CASE STUDY: CORPORATE REAL ESTATE

PREMIUM CLEANING AND SOFT SERVICES COST SAVINGS OF 20% FOR LEADING FINANCIAL FIRM

## BACKGROUND

As the corporate world begins to return to the Office after a year characterised by 'working from home', Procurement teams have a significant opportunity to find cost savings in their cleaning and soft services bills.

Here founder and CEO of ScanQuo Keith Ryan describes how a major London-based accountancy and investment house took advantage of ScanQuo's approach to contract cleaning benchmarking resulting in a combined overspend of 20%.

"The organisation's Head of Procurement was a contact of ours and when we outlined what our algorithms could do he was keen to learn more," says Keith.

## PROBLEM

Manual cleaning surveys are time and resource hungry. Without an automated process it can take a contractor a couple of weeks and it is an expensive task for a Business Development Manager to price a job," explains Keith.

It is an even slower process to capture all the cleanable assets within the space too, so in general these are not accurately accounted for. As a result it is not uncommon for contract pricing to get set at the higher end and then tolerated year-on-year.

"Without accurate detail it's very difficult to determine how savings can be made," Keith says. "While our client was very happy with their cleaning service, they were still curious about how it would compare to the benchmark."

"Typically, Procurement teams are aiming for a 3-5 % cost saving year-on-year. In this case they were very curious how the granularity of detailed, building-specific DNA in ScanQuo could drive their commercial decision-making process"

KEITH RYAN, CEO, SCANQUO



## AT A GLANCE

### CHALLENGES:

- ✓ Manual cleaning surveys are time and resource hungry
- ✓ Difficult to capture all the cleanable assets
- ✓ With no detail, it's hard determine how savings can be made

### BENEFITS:

- ✓ Identified a 20% Overspend
- ✓ £150K saving identified  
Indirect Cost: £750,000
- ✓ 30% overspend on consumables

## SOLUTION

ScanQuo's approach enables Procurement teams to identify cost savings accurately and efficiently without compromising quality.

"Our client brought us in to carry out a full like-for-like price bench-marking exercise across cleaning, consumables, pest control, washrooms and matt rental," Keith explains.

## SOLUTION CONTINUED

“We are the first technology of our kind to factor globally recognised productivity ratings and like-for-like wage costs into an automatically generated benchmark.”

To save scanning all 13 of their client’s sites across the UK and Ireland, ScanQuo then applied this benchmark to each space as a representative average with tolerances of 10-15 % accuracy.

## BID & TENDER PROCESS

“The team found this granularity of detail very impressive and invited us to join the assessment panel for the bid and tender process,” says Keith.

This included issuing digital Requests for Quotation, with questions based on industry insights, cleaning expertise and any bespoke requirements that needed to be addressed.

“Providing a 3D map of the premises in each RFQ made the pricing process a lot more transparent,” Keith says. Dynamic cleaning specifications.

The benchmark results reveal floor-by-floor cleaning minutes, tasks, units and frequencies which can be manipulated interactively and dynamically relayed back to the budget.

Tangible cleaning specifications by room, number of units, time per unit and weekly frequency can then be distributed to the cleaning operatives.

“This empowers the cleaning teams, and improves the quality of work,” Keith comments.

## RESULTS

- ✓ The benchmarking exercise showed that the financial company had a 20% overspend on its Premium cleaning and soft services contracts
- ✓ The analysis was detailed enough to also show a 30% overspend on consumables, pest control, washrooms and matt rental
- ✓ Across the rest of the company’s estate (13 sites) ScanQuo identified a saving of £150k per annum, representing 20% less cost, based on the calculated close averages
- ✓ Clients can be confident that the accuracy and detail of the quote will drive greater sustainability and consistently high quality



