

# Auld school values

**Opening two new UK offices last month, Scotland's largest independent contract cleaning firm has come along way since Roger Green started Spotless Commercial Cleaning to fund his degree. With 130 HMV stores already in the bag, Spotless now seeks to grow its national portfolio. Brendan Coyne reports**

Roger Green started Spotless Commercial Cleaning to earn extra cash while at Edinburgh University in the late 80s. While his peers partied, Green cleaned up. By the start of his final year, Spotless employed 20 people. So he chose the only two course modules that

would allow him the time to keep running the business: It's now Scotland's largest independent contract cleaning company thanks in no part, he says, to Swedish and Metaphysics.

Today Spotless has five UK offices (adding London and Aberdeen last month). With increased national coverage, Green believes Spotless could become a £100m company in his lifetime. He laughs when asked if he expects to live a long and healthy life.

With over 600 clients, current national accounts include 130 HMV stores. Green says Spotless can easily manage contracts up to £1m – and is happy to work with FM firms to win them.

"We're looking to speak to those who purchase nationally, particularly finance companies. And with the right regional and national structure in place, we can manage those contracts. We don't want to be an FM company, we're happy to work with them – it's an industry trend we like to see."

The company is growing 20 per cent a year, and has had a 95 per cent client retention rate for the last decade. Green puts this down to a simple approach.

"I'm a believer in the traditional principle of understanding what people want, doing it correctly and fulfilling it. Nothing beats hard work and checking that it's done properly. The human element and creating a good positive dynamic is what I love and I feel people sometimes hide behind technology instead of going out there and doing the job as best they can. Technology is great, but only if you can really get it to work for you. Some does, some doesn't. But really what matters is straightforward management, a happy team and a strong dynamic. That's what gets the job done"

Internally, the company has high retention rates throughout the workforce. Managers are shareholders and workers are treated "as if they are really important – because they are."

Looking nationally, he says the only real regional difference in the UK labour market is a premium in Edinburgh of about 20p an hour. Otherwise cleaning operatives generally receive £5.50 per hour regardless of age. "Whether they're 16, 18 or 75 – so the age discrimination laws won't make much difference to us. We're already at pains not to discriminate. And I'm happy that the minimum wage continues to rise. In the past, cleaners could become caught in a poverty trap because they lose benefits if they work too many hours. Any opportunity to earn as much as they can from the hours that they do is a positive. We have very little aggravation from clients on that: they're happy to pay."

The expanding EU has ensured a labour supply with "an excellent work ethic" and Spotless employs around 250 Eastern European workers, who have integrated well with the workforce. "They're hard working and have a great sense of customer care, so they're an asset to the company and a benefit to the industry. The more the merrier – Bulgarians and Romanians as well, although we understand John Reid's reasons for restrictions."

While clients may be reasonable about rate increases, Green says margins are wafer thin, with as much as possible being put back into the business. "When you're growing at the rate we are, you can't just pocket the profits. On the whole if clients know they're getting a decent job they are happy to pay a reasonable amount for it. While we help clients reduce their costs, we are equally strong on cost management and making sure we don't go overboard on our own costs. There are many ways to spend money – more sales people, technology etc – but you have to be careful not to reach a stage where you're over costing for the income you have. I'd like to see Spotless grow to a £100m company with 5% margins in the course of my lifetime. But 5% margins in the cleaning business is a tall order, so it definitely won't be easy."

A statement equipment manufacturers would agree with. Commenting on industry trends, Green says he is much keener on rental and maintenance packages for larger equipment than outright purchase, and thinks more manufacturers and suppliers could benefit from this approach in light of falling margins.

Green also thinks the 'campaign for daytime cleaning' from some industry stakeholders is misplaced. "Our experience is that people want an invisible service. Early morning work is invisible. We're in and out before the client and the place is clean, looking good and smelling fresh. That's what our clients really like. We do have quite a lot of day time contracts but I wouldn't say it is growing in proportion to early morning work. You can see it makes sense from a security perspective for sectors such as the finance and public institutions: there are clearly benefits. But overall, we find the client wants us to be invisible."

Other than that, he says keeping up with health and safety legislation and employment law is perhaps the biggest challenge the industry faces.

Spotless now seeks more contracts all over the UK and Ireland. Green says it won't need any further offices, using mobile regional managers for the present, as the company consolidates before pushing on.

When Spotless reaches the £100m mark, it is possible Green may retire to Sweden and ponder the ultimate nature of reality.



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