

Ian Beach never set out to become a model for environmentally-friendly business. But that's what happened, thanks to a particularly precise offer for tender.

Cleaning Up

It was the decision by Maidstone Borough Council some years ago to hire a "green guru" from Canada to advise them on environmental issues that had the unexpected consequence of turbo-charging Ian Beach's company Ridge Crest Cleaning. As a consequence of the advice they received, the council put an environmental clause into their tender invitations, the first one to do so in the whole of the UK. This meant, as far as the council's new cleaning contract was concerned, a very precise definition of what cleaning materials could or could not be used. Beach was anxious to win the contract. He hadn't been in business on his own account for long and knew that a big contract like this could really boost his revenues.

"I started Ridge Crest with £50k I'd earned from shares in the previous company I'd worked for," he says. "I'd been with the giant facilities company Mitie before that, so I understood the contract cleaning business inside out. But when you start out on your own, you not only need all the help you can get but you need to work hard at getting it. I really wanted this council job."

So Ian completely reconfigured his business model to fit the spec. Out went all the various chemical products his teams had been using up to now and in came a small handful of green-friendly, bio-degradable cleaning agents. He was sceptical at first.

"We would have to use just 4 products, compared with about 16 before. I wasn't sure it would work, but if that's what they wanted, that's what they were going to get!"

And it worked. Ian won the contract and created a team to service the contract. To his astonishment, the restricted number of products he was obliged to use were far from a problem – instead they

actually boosted productivity, as his cleaning teams had far fewer choices to make.

"Before, there'd be a myriad of different cleaners and polishes for them to use. Now it was much simpler."

If a spot of environmental virtue could do wonders for productivity on one contract, why would it not work on all the others? In a trice, Ridge Crest was transformed into a model of environmental friendliness.

"It became a great marketing tool," Ian says. "It generates enormous interest at presentations and as a result my conversion rate has gone up from the norm of 16-20% to 50%."

Equally upwardly mobile are his profits. From £5,000, on a turnover of £100,000 when he started in 2004, to nearly £186,000 today, on a turnover of £2.5m. Beach says his success is down to a very strict business model that dictates the kind of business he should pitch for. The key is to be extremely selective and only go for contracts that are big enough to stand on their own as a business unit.

"I rarely have to hire staff for a new contract because in every case, staff are already in place, either working directly for the employer or for another contractor. In either case, I am obliged under the TUPE legislation to hire the existing staff."

What if they are useless? A fair point given that the employer must have had a reason to hire a new cleaning contractor in the first place...

"The first thing I do is hire a supervisor locally, whose job it is to implement my very exact operations system. Assuming I get the right supervisor, the system takes care of the rest and the

same employees will deliver so much more productivity, so everyone benefits."

Ian currently has 18 such contracts, most in the South East but with one in Manchester, the Belle Vue greyhound stadium. He got that contract on the back of working for Wimbledon greyhound stadium, owned by the same company.

"The Wimbledon stadium contract is interesting because it demonstrates how I operate," Ian says. "I got the contract for their cleaning in 2006, as well as for providing some security staff. Along the way I noticed they were spending a fortune on waste management, so I made some enquiries and found the right company to recycle the massive amount of rubbish they collect on race nights. They saved 50% of their costs with the added benefit that the amount they sent to landfill was cut by half too. There wasn't anything in it for my company, but through offering a bit of extra service our relationship deepened to the point where we now look after three other stadia run by the Greyhound Racing Association, in Manchester, Birmingham and Oxford."

As well as large business contracts, such as cleaning ASDA's huge distribution depots in Erith and Dartford, Ridge Crest also works for schools such as Chatham House and Skinners in Kent. That in turn has led to him sponsoring their rugby teams.

"I am a passionate rugby supporter, and I thought helping them with their kit was one way to give something back to my clients. I also sponsor the Ashford Ladies rugby team! I used to sponsor the men, but they didn't have the same focus on the game as the ladies. They were more interested in beer..."

And it is rugby that, oddly enough, is key to the future of this business. Ian is a fervent supporter of Welsh rugby and sponsors the Welsh Rugby Players Association. Through that he met Ryan Jones, the captain of the Welsh rugby team.

"Ryan has been badly injured several times and knows how fragile one's future can be. He is very keen to establish a business interest outside of rugby, so we have teamed up to replicate in Wales what Ridge Crest does here in the south east, with Ryan at the helm. He may have no direct business experience but he is very astute, very thorough, exactly the kind of guy you want to work with."

The concept of replicating the business model, rather than expanding the existing one, will be the foundation of the company's future.

"One of the biggest reasons companies look for new cleaning contractors is that they never get to see the management. I visit my clients at least once a month but I couldn't do that if the business got too big. I am going to grow

it to about £4.5m - £5m and then stop. Those who will run the businesses in other parts of the country, like Ryan, will be given a big stake in them and will be expected to follow my procedures to the letter. That way we can deliver great service and build an excellent business."

Source: Ridge Crest Cleaning Ltd.
www.ridgecrestcleaning.com

