



Education

**The True Price of Outsourcing
Custodial Services in K-12 Schools**

The True Price of Outsourcing Custodial Services in K-12 Schools

Where the Critics of Custodial Outsourcing Are Right

Budget pressures continue to force school districts to safeguard funding for educational priorities. But K-12 leaders are right to worry about custodial outsourcing plans that deliver on overall price, while missing the mark on community concerns.

Schools in the market for budget relief shouldn't have to settle for contracts that leave them facing the hidden (and not-so-hidden) costs of the lowest bid. This paper presents questions about three key qualities of service partners that educational leaders can use to help decide whether the savings promised are responsibly addressing the needs of a learning environment:

1. Performance Assurance
2. Transition and Training Plans
3. Employee Engagement

Step outside the outsource-or-not dynamic and seek a partner aligned with both your goals and values.

Table of Contents

Executive Summary	2
Performance Assurance: Compare the Cost of Cuts with the Effectiveness of Efficiency	3
Transition and Training Plans: Smooth Operations	4
Employee Engagement: People Make the Difference	5
Conclusion	6

1 Performance Assurance:

Compare the Cost of Cuts with the Effectiveness of Efficiency

Cutting custodial supervision or work hours could just give your principals a different kind of resource management problem, and every hour lost by principals to logistics is an hour lost again and again by every student they are responsible for.

A price is only right if there's an honest assessment of cost.

A custodial services provider should free principals from day-to-day operations while empowering them to ensure quality.

Focus on a custodial service provider's responsibility for results by asking:

- How do you assure adequate on-site supervision?
- Which metrics do your supervisors use to test quality?
- What reporting do you provide to principals and superintendents to ensure standards are met or exceeded?
- How do you secure open, streamlined, and responsive communications?
- How inclusive is the provider's scope of work, especially considering the school's event calendar?

Some service providers will contractually agree to sacrifice a portion of their management fee if they fall below a mutually agreed upon standard. By asking for a performance payback like this, schools can ensure that proposed efficiencies drive quality and cost-savings together, not just one at the expense of the other.

Principals spend 15% of their time on internal school management and maintenance.¹

Source

1 <https://infogr.am/how-are-principals-spending-their-time>

2 Transition and Training Plans: Smooth Operations

Service providers with experience implementing transition plans for K-12 schools should be able to deliver positive change without burdening district leaders with growing pains and unforeseen headaches.

Service providers should be able to help districts retain key employees, institutional knowledge, and cultural continuity.


Communities are rightly concerned with how changes effect long-term employees and the school environment. The NEA reports that K-12 support personnel are remarkably loyal, staying an average of 12.7 years.²

Here are questions to consider asking:


- Do they have dedicated resources for transitions?
- Are their transition plans specifically tailored for K-12 schools?
- Do they have training and retraining programs unique to learning environments?
- Will they commit to retaining staff the district wants to keep?

In fact, districts facing budget restrictions that could force cuts to their custodial departments can ask service providers to propose plans that reduce costs while empowering them to retain people.

From coast to coast, some schools struggle to keep custodians on staff for 2017-2018.



An Alaskan district was forced to cut \$500,000 from their custodial department, where days were already cut to four or two hours for some of their schools.⁴



One New Jersey district's proposed \$6.6 million cut includes 10 teachers and 5 custodians.³

Experienced service providers can help districts retain staff while finding cost savings that free up budget for other needs.

Sources

2 <http://www.nea.org/home/18264.htm>

3 http://www.shorenwstoday.com/egg_harbor_township/news/ehs-school-budget-proposal-would-cut-teachers-assistant-principals-aides/article_54f307f8-710c-5453-9e5e-065b6d0d43b2.html

4 <http://peninsulaclarion.com/news/local/2017-02-09/school-budget-cuts-could-affect-custodians-others>

3 Employee Engagement: People Make the Difference

Outsourcing custodial services can incur unexpected costs if a provider's bid undercuts their capacity to deliver adequate service. The traditional values of outsourcing are easy to list:

- Lower Administrative Overhead
- Group Benefits and Insurance Management
- Advanced Training and Retraining

But savings in those areas can be offset (or worse) if school custodians aren't committed to serving students and staff.

Retaining key, trusted staff and vetting employees is important, but custodians need to know they are invested in, to invest themselves in your school. Vet your custodian's future employers by asking:

- Will they commit to providing full time jobs in your community?
- Is their custodial training program specialized for K-12 sensitivities and issues?
- Are their continuing programs focused on safety?
- Do they provide management and leadership training?
- Do they provide cross-functional training?
- Do they provide custodians a positive career path?
- Do they empower employees to volunteer in their community?
- Do the company culture and values promote employee engagement?

80% of workers say they are more engaged when their work matches their organization's values.⁵

Source

5 <https://www-01.ibm.com/common/ssi/cgi-bin/ssialias?subtype=WH&infotype=SA&htmlfid=LOW14335USEN>

How You Save Money Is as Important as Saving It

Schools truly benefit when a custodial services partner shares their focus and brings the power of their efficiency and innovation to help districts avoid hidden costs and provide real and lasting value for facilities, students, and their communities.

Talk to a qualified service provider who can help determine if outsourcing is right for your district.

About ABM

ABM (NYSE: ABM) is a leading provider of facility solutions with revenues of approximately \$5.1 billion and over 100,000 employees in 300+ offices deployed throughout the United States and various international locations. ABM's comprehensive capabilities include electrical & lighting, energy solutions, facilities engineering, HVAC & mechanical, janitorial, landscape & turf, mission critical solutions and parking, provided through stand-alone or integrated solutions. ABM provides custom facility solutions in urban, suburban and rural areas to properties of all sizes — from schools and commercial buildings to hospitals, data centers manufacturing plants and airports. ABM Industries Incorporated, which operates through its subsidiaries, was founded in 1909. For more information, visit ABM.com.



ABM.com/K-12