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**Executive Summary**

[Happy Cleaning Partners] is a reliable provider of quality cleaning services in Fargo, North Dakota since [1998]. It caters to [5,000] households and [3,500] commercial offices in Fargo. The company continues to improve efficiency in rendering its cleaning services to maintain or increase customer satisfaction. And as part of its social responsibility, the company joins the industry in making sure that the environment is protected during the delivery of its services.

**Company Overview**

[Happy Cleaning Partners] offers affordable yet premium quality residential and commercial cleaning services in Fargo, North Dakota. This company has assets valued at [3.5] million USD as of January [1, 2019]. It plans to reach a wider market by [2020] and open another branch outside Fargo by [2023].

**Mission Statement**

[Happy Cleaning Partners] delivers quality cleaning services to both residential and commercial establishments in Fargo, North Dakota.

**Core Values/Philosophy**

[Happy Cleaning Partners] provides clients with reliable and cost-efficient cleaning services. The company does its business with integrity and professionalism and in the most responsible and innovative way.

**Vision**

[Happy Cleaning Partners] envisions itself as the top provider of affordable yet quality cleaning services to residences and commercial establishments.

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| **Company SWOT Analysis** |
| **Internal Factors** | **External Factors** |
| **Strengths** | **Opportunities** |
| * Professional and inexpensive cleaning services
* Experienced and skilled cleaners
 | * The increasing number of residential communities and commercial establishments within and outside Fargo due to being listed as the best small city to begin a business or a career
 |
| **Weaknesses** | **Threats** |
| * Lack of CSR activities
* Considered as a small player in the market as compared to larger cleaning service businesses
 | * Other companies that offer services at a similar price range with a sense of social responsibility and environmental awareness
 |

**Business Concept**

**Product/Service Offered**

[Happy Cleaning Partners] offers the following services:

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| **CLEANING SERVICES** |
| **RESIDENTIAL CLEANING** | **COMMERCIAL CLEANING** |
| * Thorough cleaning of bathroom, living room, dining room, bedrooms, kitchen, and laundry area

 * Move-out cleaning services
 | * Thorough cleaning of desk spaces, work cubicles, floors, entryways, and meeting rooms
* Cleaning and sanitizing of break rooms, restrooms, and trash bins
 |

**Benefits to Clients/Customers**

[Happy Cleaning Partners] provides residential and commercial cleaning services with consideration to the issues and concerns of the client. The company prioritizes addressing client’s prevailing problems first before doing all other cleaning services.

**Target Customers**

[Happy Cleaning Partners] seeks to automatically become the go-to provider of cleaning services to residential and commercial establishments. The company aims to gain more clients from commercial establishments and offices and to increase its client base by about [50%]. In the next [4 to 5 years], it targets to reach a much wider market outside Fargo, North Dakota.

**Market Analysis**

**Trends**

There is a continuous increase in demand for residential cleaning services, particularly from middle to upper-class households.

There has always been a tight competition among players in the cleaning business industry, and it has become tighter when the ease of doing business in the city has improved. More clients vie for cleaning service companies who provide work efficiency at affordable prices even if the entity is not part of those large and popular businesses.

Furthermore, the move for a more socially responsible and more environment-friendly process of cleaning is currently becoming a requirement among clients. This trend entails the need for a cleaning service company to be socially responsible and embrace cleaning procedures that do not harm the environment.

**Market Size and Revenue Potential**

Happy Cleaning Services strives to become the top cleaning service provider in Fargo, North Dakota. Fargo currently has an estimated total of [52,751] households and [11,347] commercial offices as of [2017]. This year, the business wants to focus more on increasing revenue from commercial offices, securing more clients and gaining patrons in the process from both markets. Aside from that, the company has started to *“go green”* and has been more socially responsible in delivering its services.

**[Happy Cleaning Partners] Growth Forecast for [2019]**

|  |  |  |
| --- | --- | --- |
|  | **FY 2018** | **FY 2019** |
| Customers | 8,500 | 10,000 |
| Number of Bookings | 350 | 500 |
| Revenue | USD 2.7M | USD 2.85M |

**Competition**

[Happy Cleaning Partners] considers So Good Cleaning Services and Fargo Cleaning Service Company as its top two competitors.

**Competitive Analysis**

|  |  |  |
| --- | --- | --- |
| **Company Name** | **Cleaning Service Efficiency** | **Social Responsibility** |
| [Happy Cleaning Partners] | Consistently follows and achieves the average cleaning time of 1 hr per 1,000 sq.ft.  | Still starting to incorporate a more socially responsible approach to its processes |
| So Good Cleaning Services | Attains the average cleaning time on small to medium spaces but exceeds at least 30 minutes on large ones  | Has been using recycled paper products and decreasing water usage in its cleaning procedures |
| Fargo Cleaning Service Company | Exceeds about an hour or two to complete the service  | Recently started having environment-friendly procedures in its cleaning process |

**Strategic Key Performance Areas (KPAs), Goals, and Objectives**

**Legend:**

**Definition of Priority Levels**

**Priority Name Definition**

High Low Cost, High Impact
Normal Average Cost and Impact
Low High Cost, Low Impact

**Definition of Status**

Ongoing - The activity is on track/on schedule.

At Risk - There are issues facing the activity, but can still be resolved.

On Hold - A serious issue needs to be resolved before the activity can continue.

**KPA: Financial**

Goal: [Happy Cleaning Partners] aims to increase commercial cleaning clients by [10%] during the first quarter.

Objective: To gain [5,000] more clients from commercial establishments and offices.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Responsibility** | **Target Date** | **Status** | **Priority** |
| Visit or contact prospective clients to avail of its services | Marketing Associate, Business Owner | March 10, 2019 | Ongoing | High |

**KPA: Customer Satisfaction**

Goal: [Happy Cleaning Partners] aims to minimize the number of customer complaints during the year.

Objective: To achieve cleaning time that is [10] minutes lesser than the average which is [1 hour per 1,000 sq. ft.]

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| --- | --- | --- | --- | --- |
| **Action Items** | **Owner** | **Target Date** | **Status** | **Priority** |
| Change the order of the cleaning process to make the cleaning time quicker yet still efficient | Cleaning Team, Business Owner | March 12, 2019 | At Risk | Normal |

**KPA: Responsiveness**

Goal: [Happy Cleaning Partners] aims to improve customer service and, in turn, boost the sales of the business.

Objective: To add [1 or 2] telephone lines to receive more calls for service.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Owner** | **Target Date** | **Status** | **Priority** |
| Secure telephone lines and assign a person to receive and to input the clients’ service information on the system | Business Owner, Sales Staff | March 9, 2019 | Ongoing | High |

**KPA: Cleaning Team**

Goal: [Happy Cleaning Partners] aims to improve work efficiency and acquire sufficient employees to keep up with the increasing demand

Objective: To hire [30] more qualified candidates to be a part of the cleaning team.

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| --- | --- | --- | --- | --- |
| **Action Items** | **Owner** | **Target Date** | **Status** | **Priority** |
| Spread job postings on various yellow pages and online job sites  | Business Owner | March 20, 2019 | Ongoing | Normal |

**Management Team**

[Happy Cleaning Partners] has a simple management team. Its business owner handles and oversees the overall operation and supervises the [25] employees. In terms of the sales and marketing activities, the business owner is assisted by a marketing associate and a few sales staff.

**Financial Details**

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| --- |
| **[Happy Cleaning Partners]** |
| **Balance Sheet** |
| [USD $] |
|  | **2018** | **2019** |
| **Assets** |  |  |
| Current Assets: |  |  |
| Cash | 1,100,000 | 1,900,000 |
| Accounts Receivable | 500,000 | 575,000 |
| Prepaid Expenses | 375,000 | 400,000 |
| Inventory | 475,000 | 475,000 |
| Total Current Assets | 2,450,000 | 3,350,000 |
|  |  |  |
| Property & Equipment | 850,000 | 850,000 |
| Goodwill | 200,000 | 225,000 |
| **Total Assets** | **3,500,000** | **4,425,000** |
|  |  |  |
| **Liabilities** |  |  |
| Current Liabilities: |  |  |
| Accounts Payable | 475,000 | 575,000 |
| Accrued Expenses | 375,000 | 475,000 |
| Unearned Revenue | 500,000 | 625,000 |
| Total Current Liabilities | 1,350,000 | 1,675,000 |
|  |  |  |
| Long-Term Debt | 400,000 | 500,000 |
| Other Long-Term Liabilities | 325,000 | 425,000 |
| **Total Liabilities** | 2,075,000 | 2,600,000 |
|  |  |  |
| **Shareholders' Equity** |  |  |
| Equity Capital | 850,000 | 850,000 |
| Retained Earnings | 575,000 | 975,000 |
| **Shareholders' Equity** | **1,425,000** | **1,825,000** |
| **Total Liabilities & Shareholders' Equity** | **3,500,000** | **4,425,000** |

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| --- |
| [Happy Cleaning Partners] |
| **Cash Flow in [USD $]** |
|  | For the Year Ending | 12-31-2018 | 12-31-2019 |
|  | Cash at Beginning of Year | 250,000 | 750,000 |
|  | Cash at End of Year | 1,100,000 | 1,900,000 |
|  |  |  |  |
| **Operations** |  | **2018** | **2019** |
| Cash receipts from |  |  |
|  | Customers | 1,500,000 | 1,700,000 |
|  | Other operations | 1,200,000 | 1,150,000 |
| Cash paid for |  |  |  |
|  | Inventory Purchases | -200,000 | -175,000 |
|  | General operating and administrative expenses | -150,000 | -125,000 |
|  | Wage expenses | -1,500,000 | -1,500,000 |
|  | Interest | -100,000 | -125,000 |
|  | Income taxes | -500,000 | -500,000 |
| Net Cash Flow from Operations | 250,000 | 425,000 |
|  |  |  |  |
| **Investing Activities** |  |  |
| Cash receipts from |  |  |
|  | Sale of property and equipment | 500,000 |  |
|  | Collection of principal on loans | 450,000 | 500,000 |
|  | Sale of investment securities | 250,000 | 400,000 |
| Cash paid for |  |  |  |
|  | Purchase of property and equipment | -275,000 | -200,000 |
|  | Making loans to other entities | -500,000 | -300,000 |
|  | Purchase of investment securities | -50,000 | -25,000 |
| Net Cash Flow from Investing Activities | 375,000 | 375,000 |
|  |  |  |  |
| **Financing Activities** |  |  |
| Cash receipts from |  |  |
|  | Issuance of stock | 850,000 | 850,000 |
|  | Borrowing | 300,000 | 250,000 |
| Cash paid for |  |  |
|  | Repurchase of stock (treasury stock) |  |  |
|  | Repayment of loans | -450,000 | -450,000 |
|  | Dividends | -475,000 | -300,000 |
| Net Cash Flow from Financing Activities | 225,000 | 350,000 |
|  |  |  |  |
| Net Increase in Cash | **850,000** | **1,150,000** |
|  |  |  |  |
|  | **Cash at End of Year** | **1,100,000** | **1,900,000** |