

BOOK TITLE

Style Five

(Educational Book Style)

Learn How Starting a **Residential Cleaning Service** Can Change Your Life and Lead to **Financial Freedom**

Author's Name

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Dedication

I dedicate this book to everyone who has already started their own cleaning service, also to those who will take on the challenge to become independent.

I have written this book to help you to make few steps closer to your goals.

It is my dream, that this book will help at least 100 people become independent. I dedicate this book to those people.

This book contains enough information to start and run a successful business.

Please let me know if it helped you.

This book is to your success!

Supplementary Resources

I would just to say thank you for buying my book and would like to give you two PDF`s 100% FREE!

Download the PDF's: '*Magnetic Marketing 2*' - FREE!

'Magnetic Marketing 2' is also a great read for those starting out in the commercial cleaning industry.

To download go to: <https://teresagarvin.com/bonus-pdf/>

As a bonus: You will have access to my website where you can visit anytime when in doubt. You will be able to ask any questions related to the residential cleaning services industry that will be answered promptly.

Get this access with additional instructions in **Chapter 21** - "Useful Information"

Book Overview

1. I am going to walk you through the best way to understand how to create a residential cleaning company with efficiency and speed.
2. You will learn how important it is to choose the right entity and business model for your business. You will learn the need to protect yourself and create your own financial independence.
3. You will also learn from several big mistakes that people make when getting into a business and how you can avoid them to get ahead.
4. You will learn about my costly trial and error process and take important points from my 37 years of experience. I will help you identify the steps to create your niche market.
5. You will learn the importance of creating innovative selling points and differentiating yourself from the competition.
6. You will also learn how to focus on branding for your business.
7. You will learn the deal-breaking difference between you and your competition and understand that what you have to offer so you are always be in the mind of your target market.
8. You will receive a sample of a *Simple Proposal* for your cleaning services, including a very important, specific mention of non-compete agreement that you can sign with your client. This alone is worth owning this book.
9. You will receive a sample of non-compete agreement that is great to sign with your employee or subcontractor and is a must have if you hire any workers.

10. You will find many pricing solutions that are relevant to residential cleaning services.

11. In this book I will show you, how to be in business forever. Once they have dealt with your business, your clients will never want to go anywhere else.

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Foreword

I would like to take you by the hand and lead you through the steps required to build a business. I will guide you from the inception of your idea of creating a business through to constructing a solid business structure that will provide you with a sustainable, profitable business. With this book you can grow a business, which you can work in, run, manage and create an Empire out of and if you wish, at some point, sell it for a healthy profit.

My book is for the beginners in residential cleaning services. In it you will find many similarities to commercial cleaning services, but my intention was not to mix information regarding commercial cleaning service and residential cleaning service procedures together and therefore not to complicate and overwhelm the process for those who are just starting in cleaning industry. My intention is to show you the steps to take how you can gain a complete understanding of this business and create your own financial freedom.

Let me take you back 37 years; I was new to the U.S.A., poor and hardly knew any English. I had an education in a totally unrelated field to the cleaning industry. At this point in time my education did not matter to me. What really mattered was that I could make enough money to pay my bills, put food on the table and create my own financial freedom.

I was looking for a business that would be safe from a recession, easily duplicated, repeatable (*so that for one successful transaction, you can have many repeated results with the one client*), and a business that was not depending only on my physical skills.

With this concept I started *Residential Cleaning Services*. I knew that if I needed more money, all I had to do is to get more clients. At first, I did this in my own available time and later, I progressed I hired another person to work for me.

The world has changed dramatically since I started my first cleaning service in 1981.

Life is more complicated now, more stressful and demanding - and so the need to become financially independent has become even more desirable.

I believe that in the near future robots and automation will replace many workers across many different industries, but I whole-heartedly believe that cleaning services will remain a business with a necessity for human touch and will remain free of major automation.

Because of the uncertainty in our world, so many people today are gripped with sense of fear and have insecurities about their future. They are afraid of losing their jobs. A logical response to this problem is to create your own business and with it you can create your own independence. In this book I offer some suggestions on developing the required skills that are easily obtained with your present abilities.

How you will apply this knowledge will vary greatly and will be determined by your unique strengths, talents and creativity. Ultimately, success in any endeavor derives from taking action combined with your determination from which you develop a burning desire to succeed.

With the rate of change in technology, there is an unprecedented increase in competition driven by globalization markets nationwide. Make no mistake - franchise companies are doing business in your neighborhood. As a result, we must not only be

educated, we must re-educate ourselves on an ongoing basis. To avoid becoming obsolete, we must invest in and develop our core competencies. It is best to be backed by experience, not necessarily your own.

'Smart is that person who learn on their mistakes, but very smart is the one who learns off the mistakes of others'

- John Assaraf

Just remember that creating your own cleaning service is only your vehicle to financial freedom. It is important you use your business as a vehicle to develop your hobbies and have time for your family and the social life that you deserve.

We all strive to do our absolute best in our lives and our businesses. We try to hire the best people, create the best product or service and make the right decisions.

This book will help you to make the right decisions and minimize the risk in your life.

My intention is to lead you through an easy to apply process that will deliver you fast results.

For those of you who already have experience in cleaning other peoples' homes this book will show you how to start thinking like a business owner and an entrepreneur. We will guide you to take your first steps to creating a real business.

For those of you who never cleaned before, this book will give you a very good idea of whether this form of business is for you. You will learn a strong foundation to start any business, you will start thinking like a marketer and most importantly you will understand how to become successful in anything that you put your mind to.

No matter where you are coming from; your background, education, nationality or race, if you need to become financially free, this book will give you the ideas and direction of where to start your journey.

You may think, *'but this business is not for me, I am a collage graduate how can I stoop so low to become a cleaner?'*

The good news is that you don't have to become a cleaner or a janitor. Instead, decide to become a business owner, a leader, a manager and a force for good.

I know a few owners of janitorial companies that are lawyers and others who have graduated from financial colleges. As for me, I started my first residential cleaning company in the second year of emigrating to the U.S.A. from Poland. At that time, I did not even speak proper English. I had to prepare myself for each conversation based on my anticipated understanding what my prospective client may ask or say.

I prepared every possible question and every possible answer that would apply to what I was doing. We had no computers or Internet to help me in my communication skills. I had to use the telephone, pager or engage in a good old fashion face-to-face conversation.

Since then, I have sold my residential cleaning company and created commercial cleaning services, which I retained for several years. Eventually, I sold that for a profit and started another business *Clean Impressions Corp.* in the state of Illinois. This time I decided to keep my business for as long as I am living, and it remains profitable. I am well down the path in this journey and this year we are celebrating 20 years in business with this very company.

My story was published in a book, *'Business Inspirations of Polish Woman of the World'* with multiple authors. In this book there were 20 women from different parts of the world and in different fields of business. We all shared success in common. We also wanted to help and inspire others to create their destiny, no matter what their circumstances are and no matter what barriers and difficulties they face.

This storytelling brought us together. We wanted to share our stories in the form of business inspiration. Our stories were written using our very real experiences and were based on our dreams, challenges, failures and struggles, as we were able to overcome the odds and turn our efforts into rich reward.

I know that there are other books available on how to create residential cleaning services so why should you like to reach out for my advice? **I know this industry and I know how to show you the easy steps to create your own residential cleaning service, backed by 36 years of experience.**

In my life, small business owners and those that desired to build their own businesses - from the ground up, have approached me regularly. I have been asked to become their mentor, to lead them through the startup process. In fact, I was asked so many times that I cannot possibly afford this much time to help them all.

I have helped several people through the years and for couple of years now I have kept saying that I will write a book using my knowledge, based entirely on my considerable experiences. Finally, now is the time has come and I can share with you my knowledge and experiences on how to start and run a successful residential cleaning company through the lessons I will teach you in this book.

Use it!

It is especially for you!

AVOID THESE MISTAKES

Learn the 5 biggest mistakes that people make that slow or paralyze their actions on the road to success.

I fully believe that if you can drop these 5 mistakes from your life, you will be on your way to success:

1) A lack of self-esteem and confidence

I am talking about the self-esteem issues that many people face that are already working in this profession. Quite simply, they don't believe that they can start a business.

The mindset of a lot of people in this industry is that they think that they don't know enough, or don't have enough resources, or that they don't have the credentials to create a business. This is such a wrong and disempowering belief. No one was born with all the skills and knowledge to run a business – these are all learnable skills.

When I started 37 years ago I did not have what it takes – I had very minimal language skills, no savings of any kind, no idea how to run a business and no special credentials. It would have been very easy for me to give up and believe that I wasn't good enough.

At this point in time, many people would have given me no chance to grow financially. I had no option to return to my native country of Poland.

Perhaps this saying is true, '*when it hurts enough you will find a way*'.

2) Procrastination

Procrastinating is the action of delaying or postponing something. It is never helpful in business.

3) Surrounding yourself with people that will drag you down

And they will! Every time that you talk to them about your business idea, or something that will progress you forward, they will throw their negative opinions at you. I learned early on in my business career, that when you play with people who are in a worse position than you are, you are never going to improve yourself.

A friend can kill your ideas. You don't need a lot of poison to kill someone, only a little bit. Just a little bit of poison from the wrong person at the wrong time can destroy months of work. In the end, you can get so disappointed and feel let down so many times that you have a hard time being able to get excited about anything anymore.

And the worst thing that can happen is that you don't believe in you anymore. People close to you will tell you *be realistic*. This is nothing but a fancy word for describing negativity.

People always will find something to criticize. Shut them out of your mind and if you need to, out of your life. Ask yourself, what do I want to become? Find those achieving what you want at a high level. Surround yourself with those who you want to become.

Find a mentor, someone that already did what you want to accomplish and ask questions. There is nothing more effective

than learning from the experiences of someone that you would like to emulate. Spend time with them and get them in your life!

Who you spend time with, that is who you become.

4) Doing business with the sole focus on Money

We all want to have financial results. We are all looking for a good, solid and sustainable source of income – and cleaning services are a fantastic source of income.

I would like to point this out now, before you start your business, that money is only a symbol. You need to focus on your value and solving problems of others. The side effect of all that hard work is the money.

If you focus on the money, you will miss the boat. Ultimately, business is about what you can contribute to other peoples' lives.

5) Thinking negatively

Negative thinking is the worst thing that can happen to you in business. In my experience it is a power to destroy. But what being negative really means is that you are fearful. See life as it is - at face value and never worse than it is. Don't think of things that have been and gone. Focus on the things that are right in your life.

Can you live your life for 7 days without thinking negatively? When you face challenges, look at them in a way that you focus on the solution and not the problem.

I call this the 7-day mental challenge! See how you get on.

It is important to spend most of your time being positive or if that isn't possible, being negative in a positive way. Yet, just being positive is not enough. To be a success in business you also

require action. You must be doing something to get you there, to make your dream happen. Armed with the information in this book by making even the smallest steps forward, you will get to your destination.

I am a big believer that the solution to a very uncertain future in the job market, is to own your own business. Think of it this way, you can't be fired or laid off because you own the business. An Oxford University study shows that 47% jobs in US are at risk of being replaced automated or eliminated in the next 20 years. Other studies say that computers will replace 80% of jobs within in two decades.

Thankfully, you need not to worry about this in the cleaning industry and you can start making money in residential cleaning. With the end goal in mind you will be able to afford new business ventures and pursue any hobbies that you desire.

As Napoleon Hill said,

'I am not perfect, but I am good. When I screw-up I make it better'

ABOUT THE RESIDENTIAL CLEANING INDUSTRY

Learn the different forms of services that you can provide for your clients. After reading this chapter you will be able to decide which model of residential cleaning service is right for you.

Starting solo

One of the options of becoming a residential cleaner is to start solo. At this point in time you are becoming the cleaner and providing all the cleaning services yourself.

If somebody told you that this is an easy business to build, don't believe it.

This is as easy as starting any other business. It depends entirely on your skill set that you possess and the amount of knowledge that you already have and the amount of knowledge that you will learn - to make sure that those steps do become easy.

This business is physically demanding, especially if you start as a solo worker. However, starting in this fashion does have its benefits:

- Low cost at start-up, which can be a big help in starting a successful business.
- Your profit margins will be quite high, and you will generate cash flow daily. The biggest expense in this

business is the cost of labor. It is important that as you begin to grow, that you keep a portion of your profits for future expansion.

- You can build the reputation of your company by your example.
- Doing the cleaning yourself will give you a very good idea how much time it takes to complete specific jobs.
- You will learn from experience how to price new jobs in the future and what to look for when you are visiting your customers' homes. You will become an expert in determining their cleaning needs.

Obtaining a business license as a solo worker

Business licenses are issued when you register your business entity with your state or county. A solo housecleaning business can register with the county clerk as a sole proprietor, known as "*doing business as*" - (*DBA*). For example, I could be DBA as *Your Name Cleaning Services*.

The DBA gives you the authority to advertise and operate as the business name but follows your personal tax identification number for all tax purposes.

In some instances, you need to apply for a business license and renew your business license each year in the city hall of the town that you conduct your business in (depending on the state and county). This applies no matter what business structure you are operating under.

Get licensed

It is important that you review the legal and administration requirements for your city, county and state to see what licenses

you may need to start a cleaning company. Everywhere is different. Some places do require a cleaning business to obtain an occupational license to register the business, whilst others simply require you to file a DBA form if you are operating the business under a name other than your own name.

While administration and setting up your business can be tedious, it is beneficial to think about the end goal. Picture the freedom from your 9-5 job, the very attractive hourly wage of \$20-\$45 per hour and being paid each working day that you perform your service.

As a side note, if you are operating out of Texas - if you form a company that does housekeeping services, you may need to charge a **sales tax** in some cases.

However, if you are considered self-employed and your work is limited to normal housekeeping without doing extra work like repairs, you may not need to charge sales tax.

Group cleaning services

This is where cleaning staff operates together as a crew. Each member of the crew specializes in one aspect of the cleaning process. This form of employment ensures that your employees work quickly with the highest degree of experience and quality.

The result of an organized group cleaning service is a team of professional cleaners, trained, uniformed, fully insured and bonded. It is important to create a team that knows the boundaries. A team that is trained well will not eat, drink, smoke, or operate any appliances while inside a client's property.

In this setup, you provide all the cleaning equipment and products. Except on the occasions where your client may have a

specific product that they would like to use of their own. In this situation, you need to be informed in advance about the specific supply and method of using their product and give specific instructions to the manager of the crew. Clear communication should ensure that the manager of the crew recognizes the instances that they need to call the office manager. This will all depend on familiarity of the product and the procedures in place on how to use the product.

Cleaning supplies

You will also need several cleaning supplies. The most common cleaning supplies include:

- Glass cleaner
- Natural cleaners
- Bowl cleaner
- Vinegar
- Degreaser
- Gloves
- Trash bags
- Garbage can liners
- Spray bottles
- Buckets
- Mops
- Feather dusters
- Toilet brushes

- Paper towels
- Rags
- Squeegees

It might take time to decide the exact quantity of cleaning supplies that you need. As you gain more experience, you will have a better idea of how much to keep on hand.

Equipment

Some larger equipment is needed to start your business:

- An upright vacuum cleaner
- A backpack for details; or
- A detail hand vacuum cleaner, as residences will often require detail cleaning on request.

Individual household cleaning services

Individual household cleaning services occur when you schedule one person to clean each residence, with a minimum of 6 hours of service. In this instance, the client provides the supplies and equipment. These are the clients that prefer not to use anybody else's vacuum cleaners. They don't want to be exposed to other people's dust, germs and bacteria. They choose what cleaning solutions they want to be used in their homes and gladly rely on professionals, such as you, to give them recommendations on what to buy. It is the type of arrangement that when they are low on supplies, you would leave a note for them to purchase them in advance.

In this sort of cleaning arrangement, the cleaning services will be slightly lower in price, to reflect using the client's solutions and equipment.

This was my model of business when I first started my residential cleaning company. By the time that I sold my company I had 45 girls working for me. It is important to note that not every client likes to have a crew of people coming to clean their house.

To accommodate this situation and the needs of my clients, I developed a service named *Individual Cleaning System*. I had a van picking up my employees from one or two meeting spots in the city of Chicago and delivering them to my client's residences outside of the city in approximately the same geographical area. They all worked for 6 hours in each house. After the 6 hours of work, we picked our employees up and brought them back to the meeting place where they were picked up in the morning.

We had set price and a set amount of time for all the houses that we cleaned in our daily routes. If the house was larger and needed to be clean 2 times per week, the work schedule was adjusted accordingly.

Here is a working example for you:

Take a 5,000 + square foot house. It was cleaned on Mondays and Fridays. If there were no other instructions from the client on the day of services, then we followed the schedule that was set in initial agreement and in accordance to the client's specifications and needs. (Note: In this industry the client's requests should always supersede the regular schedule)

After 5 years in business I had three 15-passenger vans delivering employees to different areas of Chicago.

Non-Compete Agreements

At this point in time it is vital to raise a very important point. In order to save some frustrations in the future, I recommend that you sign a non-compete agreement with your client. This is to protect you from losing a client to your employee. **It is vital to keep it very short and simple. I provide a working example in the chapter 'Helpful Forms'.**

This is to protect you from losing your client to your employee.

Another important agreement to protect your clients is a Non-Disclosure Agreement – (NDA) signed by your employee, regarding your specific client's name and location. I am sure that your clients will appreciate this form of optional protection.

Combining both models - Individual and crew cleaning services

This is very good model because you can accommodate all the needs of your clients. When you grow your business to the point that you can afford to invest in purchasing one or more mini-vans, you can set it up in such way that one mini-van is servicing clients that prefer crew cleaning, while the other can manage individual service requests.

Once you have a crew setup then you can also accommodate 'on request' cleaning jobs, which included:

- Move-in / move-out cleaning,
- One-time cleaning of apartments or homes,
- Once a month repeated service; or
- After construction cleaning.

In my experience, many times we had to refuse cleaning services for not having the specific ability to assemble a crew, since all our employees worked on a regular, schedule basis.

If our clients were leaving for vacation or cancelled some days before their scheduled appointment for any reason - we had agreement that they will provide a replacement house (friends or family members home to be cleaned) or pay 50% of the fee if they wanted to ensure that the same person will come back to clean their home after they return. Of course, they didn't have to do that if they did not care about the change in person cleaning their home.

Franchise cleaning services

At this stage, is important to add in some additional facts to help improve awareness about franchises. Franchises require an initial investment but have the advantage of a recognized name, a workable formula for offering services and marketing techniques that are proven to work.

By starting out on your own, you save a lot of money in terms of initial expenses, but you must work out all the details for yourself - how to market your business, what to charge and how to get that really tough stain out of the carpet you are trying to clean.

To purchase a Franchise company for your location, you could be paying anywhere from \$35,000 to about \$150,000 and continue to pay 7%-10% monthly from your gross sales to the franchisor. The fees that you pay are for ongoing support and the marketing for the (usually nationwide) company.

They will teach you how to clean. For most franchises you need to follow a cleaning system that is the same across the entire company, in the form of tutorials and hands-on instructions.

Franchises expect you to follow their guidance right down to the tiniest detail. While this ensures a consistent image and service for the franchise, it eliminates any chance for your creativity and putting forward your own ideas for growth. There are restrictions and requirements on what kind of vehicle you must own to operate business and you get directives on how to equip your vehicle to be ready to perform services.

Some franchise companies have restrictions regarding your office location for your business, including how to set-up your office. Franchise ownership does not necessarily guarantee large profits. If another franchise within your parent company experiences customer problems, negative reviews or legal issues, this may affect your business as well, due to the name association.

If this form of business model is for you, please research extensively and do your due diligence. Then consider the pros and cons of owning a franchise-based business before deciding.

Now that you know which model of the services you will provide, you are ready to take the next step forward.

Case Study

While writing this book I was asked a question: 'How can I replace myself from working alone and take it to the next level - a managerial position, if I have only one account per day?'

This question came from a single mother that started a business and could not afford to add another client to her daily schedule because she needed to pick up her daughter from kindergarten every day.

This is how I see this situation:

Let's say for example, you have 6 days a week cleaning arrangement. A good starting point would be to talk to two clients out of that six and say that you need time out for a while and you will search for the right person to replace you. Inform both clients that you will train your replacement and that you will check if they are happy with her and that you will check regularly on this girl's performance.

If for some reason they don't like her or how she cleans for them, you will make sure you will find someone else. At the same time, you will explain to them that you value them as your client and you want to retain them.

Explain to your clients that you will bring them an agreement indicating how often this service will be performed, including some cancellation rules, the price of service and a copy of your insurance so they feel secure that they will be covered just in case anything happens.

Usually the girls don't carry any insurance, it will be up to you should you decide to give them this protection, typically it will be because you like to create long-term relationship. Generally, the insurance that you provide is liability insurance, workmen compensation and bonding.

Secondly, find a qualified person to hire, bring her with you to the two different clients homes. Train her to meet your client's needs and expectations. Once they approve that they like the girl that you hired, ask them to give you referrals so the girl that is now working for them will become busy every day and have enough work to fill an entire week. This will also ensure that she will gladly stay working for you.

Before you introduce your new hire to the client, you need to sign with your employee a contract or subcontract agreement (if the

*law in your state permits), that states what account you are providing and name and address of the client. In the subcontract agreement make sure to include a provision about the non-compete status with your company. **You will find a sample of the non-compete agreement in the Useful Forms chapter.***

Now, when you replace yourself for those two days you can concentrate on getting new clients (for your new hire first) so she has more reason to stay and work for you.

Repeat this process.

It is important that you reschedule those 2 working days to be free of work. At this point in time, provide new clients with an agreement including your non-compete and proof of insurance. Ensure your new hire also signs her agreements.

You should now be free to go to the new client's home and train the girl there. Show her how to satisfy her obligations and responsibilities in the agreement with your client. This will insure that your new client will be happy with the performance.

A few things will happen as a result: One - is that you are making sure that the client will get everything that you promised. Two - is that you will get to know the new account very well. Three - is that you are building a bond with a new client, and like your new hire, you will know exactly what to do on this account.

All agreements should be very simple and quite short in their provisions. The most important parts of the agreement are that both parties know what is expected of them, how much it will cost, the remedies if one side is not very happy and proof of insurance for both parties' protection.

BUSINESS STRUCTURE: YOUR TYPE OF ENTITY

*In this Chapter you will learn about the **three steps** to get you started with your residential cleaning services. After reading this chapter you will be ready to choose your business structure, your business name and be able to make it all legal.*

Step One - Choose the business structure.

- How to differentiate structures of your business, so that one of them will become the most suited for you. This includes the need for personal protection from possible future misfortunes and business liabilities.

Step Two - Choose your business name.

- What are the most important things that you must consider, when choosing the name of your future business.

Step Three - Make it legal.

- How simple it can be to make your business legal? It is a very easy process that you can do yourself or by hiring a law firm.

We have already covered the type or business model that will suit your business. You already know which model of business is appealing to you and you have thought about the future

scaling of your business. You should already know whether you will work solo, build a company to grow, keep it for future generations, or sell it for a profit? There is nothing hard about this process.

"Nothing is particularly hard if you divide it into small jobs"

- Henry Ford

Step One - Choose the Business Structure.

It is important that you take time to learn, understand and choose the entity of your future business before you file for your business license.

When you are starting a business without any employees, you can operate a very simple structure as a sole proprietor. However, when you intend to hire other people to work for you, then you need to consider a different business structure like S-corporations or LLC.

Here's a quick look at the differences between the most common forms of business entities: sole proprietor, partnership corporation and limited liability company (LLC). The type of business entity you decide on will depend on three primary factors: liability, taxation and record keeping.

1) A sole proprietor - This is the most common form of business. It's easy to form and offers complete managerial control to the owner. However, the owner is also personally liable for all financial obligations of the business.

When you choose to start as a sole proprietor as your legal structure and the name of your company, (E.g. *Your Name Cleaning Services*) you will not be doing business as someone else and no additional registration is necessary.

When you choose other name for your business than your own, (E.g. ABC Cleaning Services), you will be doing business as (DBA) under an assumed name and you need to file a fictitious name statement in your county.

Depending on the state and which county you are registering your business, the requirements may vary. Usually the law requires that a sole proprietor register other than the real name of the persona, in the county clerk's office. The purpose of the law is to place on public record the name of the person who is conducting or transacting a business under an assumed name. There is a small fee to file and this includes the cost of advertising in a local newspaper for a few weeks. You will get specific instructions on how to word this message to the public, informing them that you will be doing business under an assumed name.

There is no fee to start as a sole proprietor and no renewal fee each year – that applies to other forms of entities.

2) A corporation – A corporation becomes an entity, separate from those who have founded it. A person handles the responsibilities of the organization. Like a person, the corporation can be taxed and can be held legally liable for its actions. The corporation can also make a profit. **The key benefit of corporate status is to avoid personal liability.** The primary disadvantage is the cost to form a corporation, yearly renewal charge, and the extensive record keeping that is required.

The S Corporation - The S Corporation is more attractive to small-business owners than a standard corporation. That is because an S Corporation has some appealing tax benefits and still provides business owners with the liability protection of a corporation. With an S Corporation, income and losses are

passed on to shareholder(s) and included on their individual tax returns. As a result, there is just one level of federal tax to pay.

3) A partnership- This organizational structure involves two or more people who agree to share in the profits or losses of a business. A primary advantage is that the partnership does not bear the tax burden of profits or the benefit of losses. Instead, profits or losses are ‘passed through’ to partners to report on their individual income tax returns. A primary disadvantage of this structure is the liability - each partner is personally liable for the financial obligations of the business.

4) Limited Liability Company - A hybrid form of partnership, the limited liability company (LLC), is gaining in popularity because it allows owners to take advantage of both the partnership and the corporation. The advantage of this business format is that profits and losses can be passed through to the owners without the need to tax the business itself, while the owners are shielded from personal liability.

Ultimately, the decision you make on your type of legal structure, is one that you don’t want to make alone. Get advice from a specialist about the ideal organizational structure to take. Small Business Administration in your state will have all this information available for you. Then you can talk to your CPA or accountant. It can make a huge difference later. In business, as in life, one size rarely fits all. This decision has an impact on how much you pay in taxes and it will affect the amount of paperwork your business is required to do and the personal liability you face.

Choosing to start an S-Corporation, sole ownership, or C-Corporation will separate your business from your personal assets and reduces your personal liability. If someone sues your

company, your business assets and personal assets are not considered interchangeable.

You can register for a limited liability company or corporation through the secretary of state. Fees vary but are more expensive for LLC or corporate registration versus a DBA.

Step Two - Choose your business name.

The most important things to remember when choosing a name is how memorable the name is, your target market, and your plans for the future vision of the company. Then you need to take the personal approach, *"Your Name Cleaning Service"*, or the more impersonal, *"ABC Cleaning Services"*.

Before settling on your chosen name, check that you can get a matching domain for your website and e-mail address. It will appear odd if your company name, the address of your website and your email are completely different.

If you find that someone else is using the same name, it is time to do some research. Find out how long they have been using that name. If they have been in business for a long time, you might want to change your assumed name so there is no confusion for the public. Filing your business name does not create substantive rights to the use of that name.

Regardless of which business registration you choose, you will need to search the secretary of state's database to confirm your business name doesn't conflict with other businesses.

Remember that the name you choose will become a key element of your overall marketing plan. Use some creativity when coming up with your business name. While choosing a name, do not forget that at some point in your business ownership, you may decide that you would like to sell your business. If you name

your business with your initials, first, or last name, then someone who will purchase your business will keep that name. It will not add to the value of your business if you have a personal name.

Start brainstorming ideas based on common perceptions or requirements that clients have when it comes to hiring a cleaning company. The main task is to focus on the business of securing clients. It is important to make sure your potential and existing clients can recall your cleaning business name quickly. A catchy name that rhymes is one option to consider.

Using a short descriptive phrase of about two or three words is also helpful. Try to include the word *clean*, *cleaning services*, *service* or a synonym in the company name. For example, “*For the Love of Cleaning*” and “*Royal Cleaning Services*” are catchy names that describe a cleaning business and are easy to recall.

Another idea is to narrow down your specific focus of the cleaning business by adding residential to the name. For instance, “*Izia’s Residential Cleaning Company*” indicates that this is a company that specializes in residences and apartments.

When a potential customer searches through the Internet for house cleaning services, seeing the word residential in your name may set your cleaning company apart from the others.

According to the *House Cleaning Tips* website, using your own name, such as “*Teresa’s Cleaning Service*”, is not usually a good idea, as it will not make much of an impression on potential customers. Once again **don't forget to check to make sure the name you choose hasn't already been taken.**

Step Three - Make it legal

When you finally choose your business entity and the name, now is the time to make sure you are operating legally.

Licensing for House cleaning:

Being licensed refers to registering the business entity with the state, which allows you to legally do business in the state.

Do you need a business license?

There is no specific license required to be a house cleaner. For most house cleaning services, you won't need any other special licensing or permits to conduct day-to-day operations. This form of business does not utilize harsh cleaning agents that are regulated by the Environmental Protection Agency. However, if you are unsure about the products and quantities you use, contact your local EPA office or city council about your permit requirements.

Before you create your business as a legal entity, it is important to note that you don't need any certifications to open a residential or commercial cleaning company.

In the future as you become an expert in an area such as I did with my business, you may want to obtain specific certifications to become an authority in any specific fields. This will be when you decide that specializing in something is going to give you a competitive advantage.

To learn more - go to your local IRS/ business site to gain more information about this and helpful business topics, including filing for employer ID numbers.

Each State will have an option of checking if your assumed name is available. **Do this before you start your business registration.** To check if the business name is taken or not, go

to the secretary of state website and insert your business name to check for its availability.

If you decide to be incorporated, file an assumed name with the state that your business is residing in—the same applies to your Articles of Incorporation.

If you need the name to be filed quickly, you may file using the electronic filing system in your State. There you will find the instructions and application for filing electronically. When you apply online you will get your EIN number immediately. If you prefer to complete form SS-4 and fax it to the service center of your state, then they will usually respond with a return fax in about one week.

There is a fee to incorporate and set up a LLC Company and with that comes a renewal fee for each successive year. The fees vary depending on the state that you are in.

Once you obtain your EIN number you can set-up a business checking account at your local bank. It is important to note that the bank should not be advising corporations to file at the county. From my experience the bank has ability to check and verify this information right away.