Made to Clean (Pvt) Ltd.



madetoclean.co.zw





Profiling Businesses in the Care Economy

The care economy consists of paid and unpaid labor and services that support caregiving in all its forms. In Africa, Asia and Latin America, women spend between three to five times as many hours on unpaid care and domestic work as men. This represents 80 percent of a household's total hours devoted to unpaid care work.

Care economy businesses can help recognize, redistribute, reduce and reward – also known as the 4 Rs – unpaid and paid care and domestic work in the following ways:



Recognize: Initiatives that increase visibility and recognition of paid and unpaid care and domestic activity as "productive" work that creates real value and contributes to economies and societies.



Redistribute: Services and initiatives that redistribute care work from individuals to public and private sector entities, and redistribute care and domestic work within the household.



Reduce: Products and initiatives that reduce the time spent on and burden of unpaid care and domestic work.



Reward: Products, services and initiatives that ensure that care and domestic workers are paid fairly and have professional growth potential. This provides them with financial reward and security.

The Care Economy Knowledge Hub aims to address the knowledge gap around care businesses by showcasing various business models and creating a resource base for relevant stakeholders. It also aims to raise awareness and increase knowledge of the state of impact-driven care economy business models and attract a broad range of funders to invest in care economy solutions by showcasing opportunities. These business profiles are intended to showcase said potential investment opportunities. They have been created from information and data provided by the business itself.

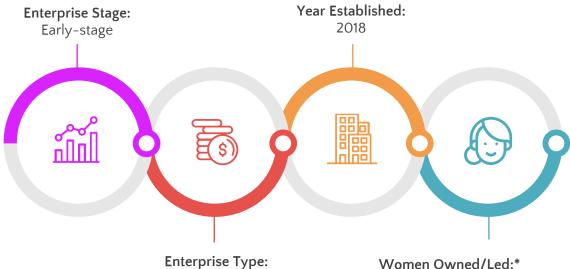
This project is supported by Canada's International Development Research Center, in partnership with the Soros Economic Development Fund at the Open Society Foundations. Building on their track record and commitment to transforming the care economy and mobilizing finance for gender equality, they have jointly launched this action research program to help transform the care economy through impact business and investment.



Executive Summary



Made To Clean (M2C) is a for-profit enterprise that works to improve skills, income and working conditions for women domestic workers in Zimbabwe. M2C provides households with cleaning and domestic services, such as cooking and childcare, and provides cleaning services to commercial establishments. M2C trains domestic workers, provides them employment, and negotiates on their behalf with employers for better working conditions, fair wages and paid leave. The company currently serves 38 customers in Harare, the capital city, on a monthly basis. In 2021, M2C's revenue was US\$ 7,750. M2C has eight full-time and 15 part-time employees.



Company Contact

Vimbai Faith Mahlanze vimbaifaith@madetoclean.co.zw Linkedin Profile

- Founded by at least one woman
- At least 51% owned by women
- At least 30% women in senior leadership (executive level / Csuite positions)

For-profit

^{*}According to 2X "women entrepreneurship" and "women leadership" criteria; 2X Challenge Criteria



1. About The Enterprise

1.1 Problem

There is regular demand for housekeeping, childcare, and cleaning services in Zimbabwe. Across Africa, this segment is largely served by female domestic workers. In 2013, 74% of 5.2 million domestic workers in Africa were women.¹ In 2004, there were 120,500 domestic workers in Zimbabwe, 83% of which were women.² Female domestic workers often come from low-income households and lack alternative opportunities, education and vocational skills.

The domestic work sector in Zimbabwe is marked by extreme exploitation. The minimum wage for a domestic worker in Zimbabwe is 500 Zimbabwe dollars per day, equivalent to US\$ 1. This wage is much below the cost of living and does not get revised when inflation increases. Often employers pay workers with food to subsidize the cash payment they are owed.

Additionally, domestic workers work very long hours, seven days a week, without paid holidays. Workers continue to work and live in these conditions for several reasons, including limited alternatives, limited awareness of their rights, and limited bargaining power.³ Inadequate professional training makes it difficult for domestic workers to get into betterpaying jobs, such as those in commercial settings.

1.2 Solution

M2C offers a range of services in Harare, through a team of female domestic workers from marginalized communities, including:

• Commercial services, including housekeeping and childcare: M2C offers households housekeeping services that involve cleaning and cooking, as well as trained childcare. Commercial establishments, such as small and medium enterprises, can also hire office services such as cleaning and cooking. Other commercial establishments, such as construction sites or warehouses, can also hire M2C's cleaning services.

¹ ILO (2016). Social protection for domestic workers: Key policy trends and statistics. https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---soc_sec/documents/publication/wcms_458933.pdf.

² ILO. (2013). Domestic workers across the world: Global and regional statistics and the extent of legal protection. https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/@publ/documents/publication/wcms. 173363.pdf

³ WIEGO (2018). "Making C189 Real": The Domestic Workers Project https://www.wiego.org/making-c189-real-domestic-workers-project

- Training and certification: M2C offers housekeeping and childcare training in two formats. On-the-job training provides domestic workers with housekeeping and culinary training at their workplace. This is at the demand of employers who want to improve their domestic worker's skills. Off-the-job training is a two-week long theoretical and practical course. It is provided in a group setting where domestic workers improve their cleaning, childcare, and cooking skills. M2C provides graduates with certificates.
- Job placements: M2C links trained workers to the job market in two ways. Firstly, M2C itself hires part-time or full-time trainees to provide cleaning, cooking, and childcare services. Since these workers are M2C employees, they receive wages from M2C. In the second placement type, M2C matches trained workers with customers (households and commercial establishments), seeking trained workers.
- Employment work conditions and disputes: On behalf of domestic workers, M2C drafts contracts, negotiates for fair wages and working conditions, and follows-up on salary payments. In the event of a dispute between domestic workers and employers, M2C meets directly with the employer to resolve issues.

1.3 Customer Segment

Customer Segment	Product / Service Provided	Paid / Unpaid
Domestic workers	Training, certification, and placement: Female domestic workers are provided with training, certification, and placement services. Trained workers are hired by M2C or are placed at other employers. M2C also drafts workers' contracts and resolves disputes between employees and employers.	 M2C bears all training costs. Domestic workers are not charged for this service as they come from low-income households

Customer Segment	Product / Service Provided	Paid / Unpaid
Households where M2C provides direct domestic services	Housekeeping (cleaning, cooking) and childcare services: Households hire M2C to provide cleaning, childcare and cooking services. M2C identifies the client and provides the trained domestic worker. Households directly contact M2C to sign contracts, raise issues, etc. M2C arranges for a replacement in the event the domestic worker cannot attend.	Paid Households pay M2C a monthly service fee based on the service. .
Households where M2C places a worker and/or provides on- job training	 Trained worker placement: Households contact M2C to enquire about a trained worker. On the job training: Households can opt to train their domestic workers in certain skills, such as cooking or childcare. 	 Paid Households pay M2C a placement fee, equivalent to the domestic worker's first month's salary. Paid Households pay M2C a service fee for the training.
Commercial establishments	Cleaning and general office assistant services: M2C provides cleaning services by job or by month. Job-based services are provided to larger commercial establishments, such as construction sites or warehouses. In these cases, M2C provides cleaning services for usually one to two weeks. Offices can also subscribe to monthly cleaning services. M2C also provides trained workers who work as general office assistants.	 Paid Commercial establishments pay M2C a service fee that ranges from US\$ 10-25 depending on the nature of the job.



1.4 Team And Governance Structure

M2C has eight full-time employees (including the founders), and 15 part-time employees. The full-time employees are involved in administration, accounting, business development, social media management, marketing, supervising employees, and business strategy. The 15 part-time workers provide services to M2C customers. M2C is founded and fully owned by two women who also make up M2C's management board. There is an advisory board composed of a lawyer and a chartered accountant.

1.5 Enterprise Policies

Policy*	Yes / No	
Overall HR Policy	Yes	
Equal pay for equivalent work policy	Yes	
Non-discrimination / Equal employment opportunity / Diversity and inclusion policy (gender, LGBTQ, PWD, etc.)	No	
Anti bullying and sexual harassment policy / Respectful workplaces	No	
Whistleblower policy / Employee grievance mechanism		
Maternity / Paternity leave policy		
Safeguarding policies for vulnerable groups (children, elderly, PWDs)		
Safeguarding policies for the environment or to reduce detrimental impact on the environment (covers reducing carbon footprint, reduced water consumption etc.)		

^{*}The policies are implemented but not yet documented.



2. Impact

2.1 Mission Statement

M2C's mission is to empower marginalized women in Zimbabwe through training and finding them employment. M2C primarily works with women from low-income communities from rural and urban areas.

2.2 Intended Impact

M2C's intended impact is directed towards two of the four Rs:

 M2C aims to enhance reward of domestic workers by providing training certificates and working with employers to provide fair wages, decent work conditions, and paid holidays. M2C arbitrates on behalf of domestic workers if there is a disagreement or conflict between the worker and the employer, leading to better incomes and working conditions.

2.3 Monitoring And Measurement

M2C monitors the following indicators:

- Number of customers served
- Level of customer satisfaction
- · Number of domestic workers trained
- Number of trained domestic workers placed in jobs post-training
- Remuneration amount of trained and placed workers

M2C monitors business data by monitoring sales and customer feedback. The company uses financial and invoice data to track monthly sales and revenue. M2C collects service feedback from commercial clients after each job order is completed. For new customers, M2C sets up feedback calls with the client's procurement team. M2C conducts annual surveys to collect customer feedback, including households.

The training data is collected every time a training cohort completes its program. M2C also conducts yearly evaluations using the UN Impact Assessment Model⁴ as a guide, for which M2C collects qualitative and quantitative variables, such as changes in working conditions and differences in the domestic worker's salary before and after M2C negotiations.

⁴ SDG Impact Assessment Tool. (2021). UNDP. https://resources.unsdsn.org/sdg-impact-assessment-tool



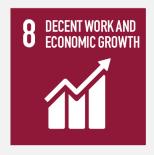
2.4 Results To Date

- 53 domestic workers have been employed (15 by M2C on a part-time basis and 38 have been placed in households and commercial establishments)
- 40 domestic workers have been trained in six training sessions held in 2018 and 2019.
- Regular cleaning services are provided to 38 households and commercial establishments.
- Domestic workers who received M2C training and negotiated with their employers earn 40% more than the market rate.

M2C's work is aligned with the following Sustainable Development Goals (SDGs):











3. Financials

3.1 Financial Status

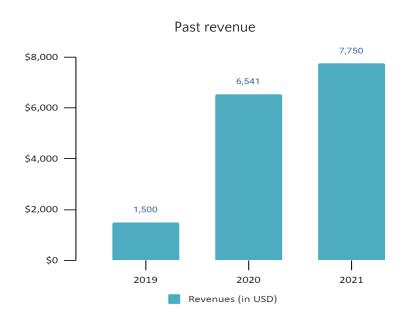
Made To Clean is currently financially profitable.

(Amounts in US\$)	FY 2019	FY 2020	FY 2021
Total Revenue	1,500	6,541	7,750
Total Expenses	950	8,075	6,485
EBITDA OR Profit/ Loss	550	-1,536	1,265
EBITDA Margin	36.6%	-23.50%	16.33%

TRM of US\$ 1:ZWL 344.02 as of July 20, 2022

3.1.1 Revenue Streams

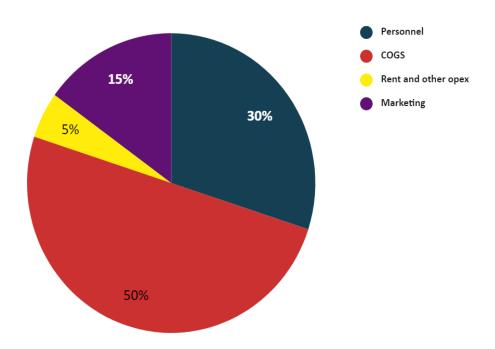
100% of M2C revenue comes from service fees. It has not received grants. Since 2022, the majority of revenue has come from cleaning services in commercial establishments. Before the pandemic, household cleaning services were the most significant source of revenue.





3.1.2 Expenses

The following chart displays M2C's expenditure estimates for 2021.



3.2 External Funding Sources (Past and Current)

Funding sources include capital invested by the founders, who have invested US\$ 8,000-10,000 of their own capital in the enterprise. To date, the organization has not received any external capital or grants.

3.3 Challenges Faced In Accessing Capital

- **Limited grant funds:** M2C has applied for grant funds in the past to support its training program, without success.
- Expensive loans: The cost of debt in Zimbabwe is extremely high (over 200%). A start-up, M2C cannot afford the high cost of debt. Additionally, since M2C's cash flow is irregular, it would face challenges to service the loans.
- Insufficient angel investor and venture capital providers in Zimbabwe: M2C has tried to raise money from angel investors without success. The venture capital and equity investment market in Zimbabwe isn't developed enough yet to fund enterprises like M2C, that work largely with informal economy workers.



4. Path To Scalability

4.1 Potential Avenues For Growth

Made To Clean intends to acquire new household and commercial customers and expand to other rural and urban provinces in Zimbabwe. It has identified the following pathways to scale:

- An app-based booking platform: There are currently no application-based platforms that link employers and domestic or care workers in Zimbabwe. M2C intends to be the first company to develop this. The app will make M2C services more accessible to customers and will likely accelerate customer acquisition. The platform will also enable domestic or care workers to identify multiple jobs.
- A micro-learning platform for domestic workers: M2C seeks to develop a micro-learning platform that can be used by current and prospective domestic workers. This platform will be accessible via smartphones and SMS and will consist of professional courses in housekeeping, childcare and cooking, and other skills such as home safety and hygiene, communication, and basic reading and writing. M2C plans to train 120 domestic workers each year. Those who complete and pass the exams will be provided with a certificate. M2C intends to receive accreditation from the Ministry of Higher and Tertiary Education for its training course. A government-certified training program would likely increase course demand. M2C is also seeking to partner with other accredited learning institutions to certify its trained workers and has already shared such proposals.
- Domestic services consultancy and training services for other organizations: M2C intends
 to start a B2B housekeeping and childcare training and consultancy support for
 corporations and other training institutes in Zimbabwe. Sometimes corporate employees
 cannot miss work, but do not have access to reliable caregivers for their children. M2C
 intends to start an on-demand service for such employees to meet their urgent needs.
 M2C also plans to provide training for domestic workers from other housekeeping and
 cleaning companies.

4.2 Risks And Challenges

- Financial Challenges:
 - o M2C has very limited external financing sources (such as equity and grants). In the past, M2C has tried to raise funds but has not been successful.



The women who come for training are from low-income households and do not have enough money to pay for the training courses. The company, therefore, funds the training program from its own earnings. Currently, the program is proving expensive as the enterprise is not able to generate enough revenue to sustain it, therefore fewer training programs are being organized, resulting in fewer women available for placement.

• Operational Challenges:

- o Currently, the company organizes client booking offline using telephones. Manual coordination is time-consuming and inefficient.
- M2C's marketing strategy through social media promotions has not yielded enough sales

4.3 COVID-19 Impact On The Enterprise

COVID-19 reduced the demand for household cleaning services. Due to mobility restrictions and risk of infection, households stopped hiring M2C services and worker training was suspended. The economic shutdown also resulted in reduced household income which translated into fewer requests for cleaning and other services. The organization has since started to advertise again to increase its training programs enrollment and reinvigorate the business.

4.4 Support Received To Date

The organization has not received any external support.

4.5 Inputs Required For Growth

- **Financial:** As the company plans to build its micro learning and booking platform and scale up its operations to multiple provinces in Zimbabwe, it is in need of the following capital:
 - US\$ 27,000 for the initial development of the micro learning and booking platform.
 The funds will be used to develop the curriculum, create and pilot the micro learning platform,
 - US\$ 63,000 to scale up operations, training and other activities (administrative, variable and project costs). Administrative costs comprise office rentals, utility bills and marketing costs. Variable costs include labor costs, equipment purchases and maintenance costs, transportation costs etc. Project costs include training costs.



- US\$ 55,000 (2023) and US\$ 55,000 (2024). In year 2 and 3 (FY 2023 & 2024), the company is planning to use internal capital as well as external capital for project working capital requirements, general and administrative costs, as well as variable costs.
- o The company is open to equity investments.
- Non-Financial: M2C requires people trained in HR, operations and general administration.