

Security Management

by Eric D. Echols, CFI

In my last article, “How to Incorporate a Security Company in Your Loss Prevention Department,” I stated that contract security companies are used to assist in efforts to “control shrink, prevent liability, and protect assets, including the most valued business asset, the employees.” However, dealing with the security companies can be a whole different issue.

Most retailers who use contract security companies are in areas with a high crime rate. This decision can be made by obtaining the CAP Index Score surrounding the location to see crime in high in the area. Other decision factors to add contract security may include prior incidents at the location, incidents that occurred within neighboring retailers, or emergency situations (natural or man-made).

Keeping these various reasons in mind, the use of contract security also can be region specific, which ultimately means the use of more than one security company. In my experience, dealing with multiple security companies can be tiresome, irritating and very distracting.

Whether your role in your loss prevention department is to be responsible for shrink, safety, training, risk management, corporate initiatives, investigations or even vendor services, you should be focusing on your responsibilities to make the biggest positive impact to your company’s goals and objectives.

Contract security companies should not hinder or prevent you from focusing on these responsibilities, even if your role is vendor services. You can accomplish this by contracting a security company that can be a service provider: one that knows loss prevention and your environment, and can respond to your needs immediately.

For example, for our national clients, we provide professional security guard services in our local area. We maintain a 24-hour contact line that is answered by a live person to enable us to respond to issues immediately. We have business relationships with other security companies throughout the nation to service our clients anywhere. We manage the other security companies to ensure that they follow the post orders and utilize security officers who are competent, knowledgeable and exude security. We conduct our own weekly phone audits with store managers in the locations where those security companies are posted, in order to get performance updates. We also have those security companies send their supervisors to conduct store visits and fax us the results. Based on our phone audits, or on issues called in from the client, we send members of our management team to those areas and conduct security walkthroughs.

During our walkthroughs, which are unannounced to our vendor supplier (guard company), we are able to see real-life issues and take action accordingly. This is the same philosophy as a loss prevention executive walking Class 5 stores in a metro market. Class 5 indicates an urban metro market location where you are to have every physical security measure and electronic security device. Our hands-on approach allows us to be fully on top of all the issues and exercise strategies to prevent problems from occurring. This approach also allows us to quickly react to issues before they affect our standard of professional service for our clients.

Why Use One Contract Security Company to Manage All Your Security Needs?

If you were to talk with the physical security coordinator who has to keep up with all of the security companies providing your company service, you may see a person who is in need of a long vacation! This person has to deal with the many calls inquiring about payment checks that were not received, hours that were not included in the check, and hours that were not billed on the invoice. They would also have to validate the timesheets to the invoice to determine if actual work hours are being billed rather than being billed on contract hours. Validating hours alone can be a hair-pulling experience for someone who has other job responsibilities. Then there are the different contact agreements such as net 15 versus net 30, varied post orders, and—most importantly—having multiple contacts and not being able to reach someone when an issue needs their immediate attention.

Your solution? Use one contract security company to manage all your security needs. This eliminates the numerous calls from multiple vendors inquiring about paperwork and payment checks. It also eliminates the tedious and monotonous job of ensuring that only actual hours worked are being invoiced, and it reduces the number of checks being mailed out for services. This relief alone will add more productive work hours to your organization's workforce. Accounts payable and the physical security coordinator who monitor the accruals will only have to process one invoice and one payment check. Most importantly, you will have a single direct contact for all coverage, enabling you, as the client, to get the immediate attention you deserve.

All this is accomplished by hiring one security company to manage all your security needs. For example, for our national clients we are foremost a part of their team. Our goal is not only to get them the best service price but to ensure that they are using the best security officers. We take on the responsibility of identifying a good security company, ensuring that the bill rate fits the client's budget, and making sure the security officers follow the post orders. At the end of every week, we get all the timesheets and check that actual hours are correct. We take into consideration the incidents that could make a person late or not show up to work. In some cases, if we notice a lunch break was not deducted, we deduct it. If the hours are not totaled correctly, we make the adjustment. If the timesheet is not signed by a store representative, we do not bill the hours until validation has been made. Finally, if there are any disagreements with the invoice, we fight that battle on behalf of the client. When we send the invoice to the client, it is only for actual hours worked, not the estimate total hours given by the client. These processes save thousands of dollars for our clients, as most security companies invoice clients on the contracted hours.

Using a Trained Security Officer

In Georgia, the agency that oversees the security industry is the Georgia Board of Private Detectives and Security Agencies (GA Board). The GA Board is governed by the Georgia Office of the Secretary of State. The GA Board has mandated that all security officers in Georgia must have 24 hours of training and 16 hours of additional firearm training if the security officer will be carrying a firearm.

One of the toughest issues that security companies face is ensuring that security officers are trained before they get assigned to a location. Most security companies' conduct on-the-job training for the site they are assigned. However, there are basic training requirements that extend beyond the training on the site and the post orders for that site.

The training includes the following, just to name a few:

- Crime Awareness and Prevention
- Ethics and Professionalism
- Legal Aspects, Liability
- Patrol and Observation
- Note Taking and Report Writing
- Responding to Emergencies
- Arrest and Proper Use of Force
- Fire Control and Prevention
- Bomb Threats and Terrorism

The security company that you hire to manage your security should ensure that the security officers it uses are trained to protect your assets and prevent liability. We at The LPS Group have developed an online training program that covers the topics mandated by the GA Board. This online training keeps security officers current and on the cutting edge, while ensuring that they can stay on the job without having to take time off for classroom training. (To learn more about the online training program, visit www.LPSGTrainingAcademy.net) The managing security company should also ensure that the security companies are licensed by the state and maintain the proper insurance and bonding. It is also important to make sure that the training of the security officers is valid under each state's rules and regulations to prevent liability. The overall goal of the managing security company is to be a part of your company, working together with you to reach the same objectives.

Eric D. Echols, CFI, is President/CEO of The LPS Group, Inc., a loss prevention, investigations, training, and security corporation. He has twenty-seven years of experience in loss prevention in the areas of retail, hotel, and food industry, and in investigations and security. He is a licensed Private Investigator and Classroom Instructor and Firearms Trainer for the State of Georgia. He can be reached at 770.579.0188 or via email at eric@lpsgroup.net. Visit the LPS Group Web site at www.lpsgroup.net.