

Disturbing Trends in Retail Security

As if you didn't have enough to worry about...

Security Resources recently commissioned a study on some of the alarming trends in retail security. Here are some of the results:

- *Inventory shrink rates* continue to rise while loss prevention budgets decline.
- *Organized retail crime* now exceeds auto theft, burglary, and larceny.
- *Workplace violence* continues to plague retailers with the number of homicides occurring at retail establishments exceeding those that occurred at food-and-beverage locations and gas stations combined.
- *Planned projects and project roll-outs* are presenting an alarming number of high, make-or-break security risks.
- *Large security providers have not met the modern needs of the average retailer* as evidenced by the lack of training of security guard personnel.

Lack of Training of Security Guard Personnel by Large Providers

Recent studies have shown that average training for security personnel is exceedingly sub-par, and huge turnover rates for this group is adding to their low quality. The large security providers have helped commoditize security guard services by participating in reverse auctions and low-bid contests in their quest to maintain market share. Would you hire a surgeon this way?

Now realistically, security guards should not be compared to surgeons, but do you really want the lowest paid person that can legally be hired guarding your premises?

You Get What You Pay For

After 9/11, New York City understandably underwent a colossal movement towards improving their security standards. However, the Public Advocate for the City of New York conducted a survey of a cross-sample of security guards from the five largest providers and the results of this survey are shocking:

- 12% of security officers surveyed reported having no training at all.
- 17% had less than New York State's required 8 hours of pre-hire training.

- Security officers reported having an average of 19 hours of training while having been in their jobs for 2.3 years.
- According to New York State law, a security officer in their second year of employment should have 40 hours of training. Only 6% of officers surveyed reported having 40 hours of training or more.



U.S. Bank Tower; Los Angeles, CA

In New York State other licensed professionals are required to be trained far more than security guards. For instance, a cosmetologist is required to have 1,000 hours of training in their first year whereas a security officer requires only 24 hours. That's more than 40 times the amount of training required for security guards! This really doesn't give you a very "secure" feeling, does it?

One quarter of New York City security officers surveyed have less than a year of experience at the building where they work. On average, New York City buildings replace nearly all of their security staff every one to two years, and one quarter of those positions are replaced four times per year. Nationally, the turnover rate in the security guard industry is as high as 300 percent.

A National Problem

The problem is not confined to the East Coast. A similar study was done recently in Los Angeles by the L.A. Alliance for a New Economy that also reported very little improvement in training standards and the overall condition of security personnel since 9/11 and Hurricane Katrina.

- 46% of California security officers surveyed said that they received no training from their employer prior to starting their job.
- 52% said they received no training in emergency response.
- Turnover rates for security personnel in Los Angeles range from 93% to 243%.
- Three-quarters of the buildings surveyed have unfilled security positions or positions filled by “rovers.”

In February 2006, President Bush revealed more details of the 2002 Al Qaeda plot to target the U.S. Bank Tower (formerly the Library Tower) in downtown Los Angeles in a September 11th-style attack. This building is the tallest office tower west of the Mississippi River and remains one of the prime terrorist targets in Los Angeles.

Recent interviews with security officers working in the building show that the annual turnover rate is 60 percent. This high rate of turnover means that most officers leave before they are able to gain the experience and familiarity with the building and its tenants that are necessary to protect against threats and respond to emergencies.

So, What Can a Retailer Do?

Large security providers are not set up to handle the average needs of retailers. Extensive and rigid contracts make it impossible for retailers to switch providers if personnel are ineffectual, dishonest, or have a high absentee rate. They are not set up to supply personnel at a moment's notice in case of an emergency, or to be nimble enough to coordinate regional and national planned projects.

Security Resources Inc. specializes in providing emergency, temporary, and permanent security solutions throughout the U.S., Canada, and Puerto Rico. Our trademarked *XpressGuard*® service guarantees a trained, licensed, and insured security officer on location in four hours or less.

On-demand services allow our clients to manage risk while maintaining budgetary considerations. Just as manufacturers and retailers have adopted just-in-time delivery practices to minimize standing inventory costs, *XpressGuard*® provides the same mechanism for security managers.

Through our proprietary “All Star” network consisting of over 700 vetted security providers, we provide our clients a reach and flexibility that no other company can claim, all through a single point of contact. Most of our security providers are smaller

companies with owners directly involved in the day-to-day operations, which positively affects the level and quality of the training and services they provide.

Like any other all-star team, either they perform or they will no longer make the team. Unlike other providers, they know that Security Resources' clients have the right to change security providers at any time and for any reason—so client satisfaction is always first and foremost.

On average, our network providers have been working with us for 4.6 years. Based upon our survey conducted in May 2007, they provide 58.9 hours of training for their security officers in their first year alone, including CPR, emergency procedures, evacuation procedures, and police and firefighter coordination.

Single Point of Contact

Whether you need coverage at 1,300 locations for a single night or rolling coverage for renovations sixty stores at a time scattered across the country, *One Call* to Security Resources really *Does it All*—all through a single point of contact.

With years of experience managing multiple projects for many clients, we offer loss prevention specialists a tremendous range of flexibility to meet their unique needs. We have a long history of providing permanent, temporary, and emergency security guards services for many of the largest and most respected companies in the world. To assure our clients' satisfaction, each client is assigned to a client services team that is responsible for every aspect of their service and satisfaction, including procedures, training, communications, billing, reporting, and all aspects of operations.

Our client services teams get to know our clients very well. They learn everything about our clients' unique requirements and procedures, and seamlessly implement them throughout all their locations. Client services teams are available around-the-clock, so there is always someone available who is thoroughly familiar with your business. Our clients depend upon their client services teams, yet know that they will always have access to all levels of management at anytime and for any reason.

To learn more about Security Resources and how we can help your organization, visit us on-line at www.securityresources.biz or call us at 877-477-9638. ■

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lowest paid person that
can legally be hired
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