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### WHERE TO LOCATE

- Clients as a rule do not come to your headquartes.
- When your are having trouble recruiting, sometimes it is better to relocate or open a small branch in the area where your recruiting base lives.
- Usually cheaper rent near where guards live.



## MARKET RECOGNITION LADDER

- There are six rungs on the market recognition ladder.
- Most people can only associate a maximum of 6 companies with a particular product or service.

#### SOFT DRINKS

Coke Pepsi

?? ??



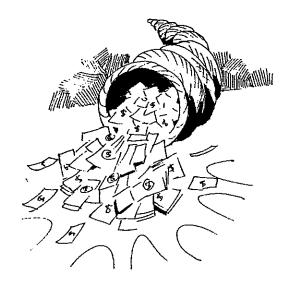
Wells Fargo Pinkerton Burns Wackenhut Globe ???

Always strive to get and keep your company on the recognition ladder



### YOUR BOTTOM LINE

- Everything must make money
  - Dispatchers
  - Supervisors
  - Executives
  - Owners



### YELLOW PAGES

- Waste of money after established
- All it brings is short term stuff
  - one-night parties
  - escort service, etc.
- High dollar expense every month, you never get your ROI



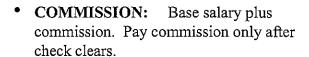
#### **TELEMARKET**

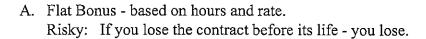
- Use people who can work out of their home, such as a housewife or handicapped person - handicapped is targeted jobs tax credit.
- Must have a good telephone manner.
  - They set up meetings
  - Management makes the presentation
- Pay low hourly wage with bonus
  - \$25.00 for every appointment they set up.
  - \$200.00 for every contract you sign



#### **SALES**

- A referral is still the best salesmen
- Clients don't purchase our services. They purchase our promises to produce a more favorable future for them on time and in a manner that meets their expectations.
- Bill Stump
   Gives an excellent lecture on how to sell
   guard service. Was with Burns. Vice
   President of Sales.





- B. Two Percent of all contracts brought in for the first year. Paid in weekly or monthly commission.
- C. Fifty percent of the first week's billing spread out over 52 weeks.

NOTE: Salesman resigns or you terminate him, all commissions stop. An understanding of this should be written in your employee non-compete agreement with the salesman.



### **QUALITY NETWORK**

• A group of companies that are not in competition with each other, but do service the same clients.



EXAMPLE: The Residential & Commercial Buildings market.

- Roofing Companies
- Pool Maintenance Companies
- Elevator Companies
- Alarm Card Access Companies
- Landscape Companies
- Washing & Vending Machine Companies
- Plumbing Companies
- Electrical Companies
- Painting Contractors
- Building Maintenance Companies

NOTE: More than likely, each one of those companies are on a first name basis with some of their customers. Given that, they can walk you right in and then tout your company. You in turn would do the same.

## HOW TO CREATE YOUR OWN PROMOTIONAL VHS

- VHS promotional tape
- We have put on an additional 5 million within the last two years with this method.
- If you hire a professional company, the cost is about \$2,000 per finished minute. A tem minute tape would be \$20,000.



#### Narration

- Put on a VHS with a plain background
- Use lapel-type mike not comcorder microphone
- Have narrator do it three times
- Always shoot scenes three time and make them long (2 to 3 minutes)
- Shoot from different angles
- Make a cassette tape copy
  - Listen to the tape several times
  - Picture what you want to film
  - Stop tape and write that scene
  - Use ready made slides

## USING YOUR VHS AS A MARKETING TOOL

 Always try to have potential customer look at film before you talk - answers many questions up front.

### GETTING AROUND COLD CALLS

- VHS one time cost about \$1,500 \$2,000 not \$20,000.
- VHS copy \$5 to \$8 (use over and over).



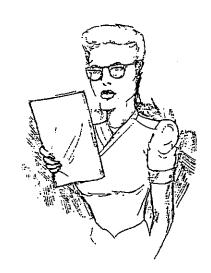
# HOW TO MAKE A QUICK BID

		- ( LEE )
• Weekly billing hours =	10,000	
• Bid hours per week =	168	000
• New total billing hours =	10,168	
• $10,168 \times 53 \text{ weeks} =$	538,904	
• 538,904 divided by 12 months = hours per month	44,908	
• Average G&A last 6 months =	\$60,000	
divided by monthly hours =	\$ 1.34	
Guard Base Rate per hour FICA, FUTA, etc. @ 18% = Uniform Maintenance = Guard Pay Rate	\$ 5.75 \$ 1.04 <u>.25</u> \$ 7.04	\$\frac{7.04}{\$\ 8.38}
Average overtime percentage @ 3%		<u>.21</u>
Radio - cost \$600.00 Annal bid hours (169 x 53) = 8,736 \$600 divided by 8,736 hours =		\$ 8.59 
Base Rate		\$ 9.26
Proposed Profit @ 8% Bid Rate		74 \$10.00



### SALES PROPOSALS

- Unless Government bid of specific rules are pre-set, get to the point first page.
- Don't drag it out until they find billing rate.
- Include everything, but let them select what they want to look at.



### **CREDIT CHECKS**

- Use D&B or TRW
- Always do a credit check on new clients.
- D&B will alert you if client is getting into trouble
- Collection aid: Advise dead beats you will send a
  - This will require them to claim your bill as additional income and will up their tax base. If they are attempting to go into Chapter 11, your bill will increase their assets and may interfere with up their bottom line, stopping the Chapter 11 process.



#### **CONTRACTS**

#### **NEW CONTRACT BONUS**

• Put word out to all employees

\$100 - 56 hours \$500 - 168 hours

• When Off duty they will drum up business.



#### • SOME LEGAL ISSUES TO CONSIDER

- Customer can not alter number of hours
- Try to keep in 8 or 10 hour time blocks
- Use only your guards, if they hire your guard, \$1,000 penalty
- Only add new hours at the same rate. Hours must carry to the end of the contract.
- Short term hours at time and half minimum or time and quarter (cover overtime)
- Customer alone is responsible for choosing the number of hours you can supply as
- "If after 30 90 you are not satisfied, we will refund you the difference between our bid rate and your former rate."
- Snow storms cause excess overtime and create lost hours at the same time. Add to your contract a clause similar to the following:
- "In the event that weather is so severe it makes travel extremely difficult, the client will pay time and a half or may elect to forgo service."

### SHARE PATROL

- One guard patrols several locations
- 15 sites @ \$30 per hour
- Use barcode patrol to monitor



#### LIABILITY INSURANCE

- Occurrence made policy good until statute of limitations runs out or you use up the coverage.
- Never use all your coverage, even if you have to pay out of pocket.

### • JURY TRENDS

- "You say you're an innocent company? Prove it!"
- "If your company policy is unclear, the Security Officer must be right."
- "That Supervisor was obnoxious so the Security Officer must be right."
- "Who cares what the Security Officer did look how the company acted."
- "So what if the Security Officer was wrong? The company orders were worse."

### **CLIENT LIABILITY**

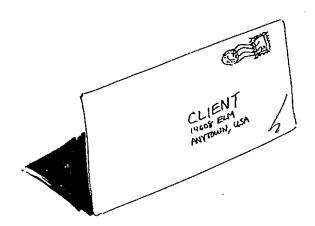
- Gather crime statistics over the surrounding 3-mile area. Buy police printouts.
- Reduces your exposure. May also bring you additional business.
- Subscribe to Security Newsletter publications. Send clips under your letterhead to clients.
- What to look for in a Software system:



• Some systems can get you and your clients reduced liability rotes from insurance companies.

## CLIENT UPGRADE LETTER

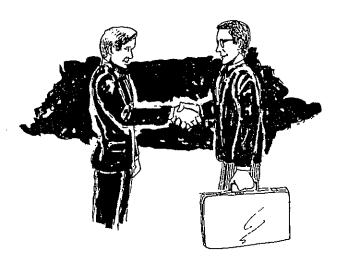
- Request in writing that the client assist you in up-grading training, ask to pay for just security officer.
- If they comply, wait six months and do it again.
- When they refuse, file that letter or information for future You tried, they refused.



### **CLIENT RELATIONS**

- Make monthly personal visits
- Every time you make contact, document it, try to get signatures
- Ask clients to write a letter whenever they compliment a particular Security Officer, so that you can put it in the Officers Personnel jacket.

Make copy and put in the client file for future defense should the need arise.



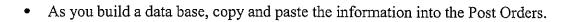
## MEETING WITH CLIENT AND THEIR TENANTS

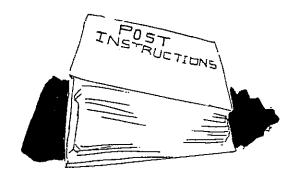
- Never wlk in empty handed, always bring something to the table. Have handouts that reference how to protect yourself, personally and in business.
- Gather brochures and pamphlets from police and trade shows. Revise them with your letterhead.



### **POST INSTRUCTIONS**

- Use a Security software package or a word processing software package.
- Use a numbering system to cross reference generic duties
- File Name:
  - Keys 100 through 150
  - Any generic duties that relate to keys are within this number span
  - Doors 151 through 250
  - Any duties that relate to the locking or unlocking of doors are within this number span





### **SPECIFIC INSTRUCTIONS**

- Purchase a Security software package or again you can use a word processor.
- All posts have specific duties such as, what time doors are to be locked, boiler room checks, etc.
- Insert in master post book, keep up dated and xerox as needed.



## TELEPHONE STICKERS

423-2830
EMERGENCY
911

- You supply stickers for clients to give out to tenants.
- Have letter in draft form, to send on their letterhead.
- Can create additional billing hours.

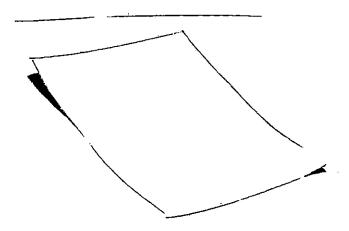
#### **EXAMPLE:**

• Tenant calls for service during off hours. Tenant then pressures client for more service.

Caution: Advise client that this could happen so that you don't create an adversary.

## SECURITY ALERT REPORT

- Good on-going training tool
- An excellent liability buffer



### **KEY CONTROL**

- Whenever a client issues you a key, duplicate it right away and lock and seal it
- Check to see if you have a Lost Key Insurance Rider on your policy.
- Put master keys in clear plastic lock seal boxes. Must be broken to open.
- Large ring with tab so they are less likely to take home
  - Key bob large and welded
  - Silver solder
  - Lose keys
  - Barcode



#### **POLICY MANUAL**

- Policy
- Give copy policy manual to potential clients
- Go over it with new employees
- Make it a condition of employment
- Don't give them out, except to executives and managers



• It is your property

At unemployment & worker's comp hearings, they must prove the case, not you, so don't

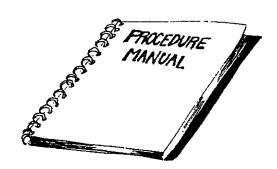
• help them

Some large bids require that you submit a copy of your policy manual. No manual, no

- bidding
- Policy Write Now

### PROCEDURE MANUAL

- Covers all situations regarding
  - Specific duties
  - •
  - Notification
  - Back up to company policies



#### MONTHLY COST REVIEW

#### **JANUARY**

#### **Customer Review**

#### Salary & Benefits

Officer Salaries
Employee Salaries
Employee Overtime
Employee Group Insurance
Personnel Training/Recruiting

#### **Bonuses**

#### Vehicles

New Purchase/Leases Vehicle Condition/Mileage Repair & Maintenance Depreciation

#### **MARCH**

#### **Customer Review**

#### Building Costs (except utilities)

Repairs & Maintenance
Insurance & Taxes
Janitorial Expenses
Lease or Amortization Costs

#### **MAY**

#### **Customer Review**

#### Office Supplies

Stationery & Envelopes
Printed Forms & Legal Documents
Routine Office Supplies
Data Processing Supplies

#### **FEBRUARY**

#### **Customer Review**

#### Furniture & Equipment

Planned Purchasses
Depreciation
Repair & Maintenance Contracts

#### **APRIL**

#### **Customer Review**

#### **Inventory**

Raw Materials Storage/Warehouse Costs Recycling Returns & Allowances Uniforms

#### **Bonuses**

#### June

#### **Customer Review**

#### Advertising & Marketing

Display Ads
Customer Newsletters
Ad Agency Fees
Direct Mail
Calendars, Pens
Software Leasing Program

#### JULY

#### **Customer Review**

#### Vechicles

New Purchases/Leases Vehicle Condition/Mileage Repair & Maintenance Depreciation

#### **Bonuses**

#### **SEPTEMBER**

#### **Customer Review**

#### **Professional Fees**

Legal Fees
Audit & Accounting
Director's Fees
Consulting Fees

#### **NOVEMBER**

#### **Customer Review**

#### **Annual Budget Preparation**

Overall Costs Reduction Targets Line Item Increases/ Decreases Approval & Implementation Supervision & Follow-up Interest Expenses/LOC

#### AUGUST

#### **Customer Review**

#### Communications/Shipping

Telephone & Fax Postage Expense UPS or Freight Shipments Packaging

#### Insurance

Worker's Compensation Liability Auto Property Client Property Damage

#### **OCTOBER**

#### **Customer Review**

#### **Business Development Expenses**

Travel & Entertainment Costs Publications & Subscriptions Dues & Memberships Conventions & Meetings Auto Fleet Costs

#### **Bonuses**

#### **DECEMBER**

#### **Customer Review**

#### **Data Processing**

Hardware & Software Repair & Maintenance Outside Service Fees

#### **Bonuses**

#### **NEWSLETTER**

#### IN-HOUSE VERSION

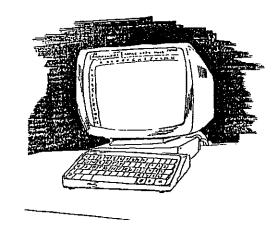
Publish a quarterly newsletter. Many companies newsletters are geared toward administration and supervisors and little toward the Security Officers. Reverse that. It should be 90% directed toward the Security Officers and 10% toward the administration.

With today's technology, it is easy to make newsletters in-house.

- Always keep it positive, never a negative message.
- Let customers place business ads free.
- Send copies to customers.

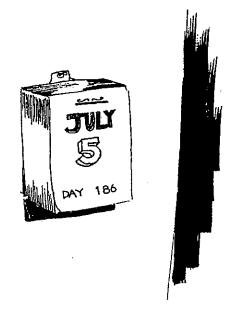
#### CUSTOMER NEWSLETTER

- Newsletter to send to your market. Do not make it obvious that it is from your company.
- A newsletter is not just for your existing customers. Target potential markets as well.
- Include:
  - Security recommendation
  - New technology
  - Place an ad in the newsletter from your company.
  - Write a column about your company
  - If good enough, consider charging an annual fee for non-customers.



## DOCUMENT RETENTION TIME TABLE

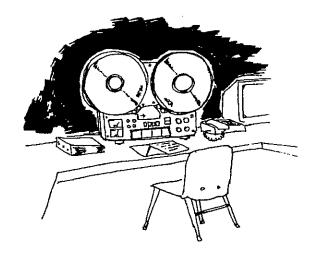
- A major problem in any business is the storage space for documents.
- Many companies store useless items.
   Retain only the required documents.



### **RECORDINGS**

#### **TELEPHONE & RADIO**

- Recording of radio or telephone conversation must have an obvious beep tone to be legal.
- Reduces liability issues, such as, "We were never notified guard was going to be late." or "We called and the guard never showed."
- Reduces client rage on the telephone too.
- It could also work against you.



### RECRUITING

- Your Security Officers are your Company.
   They, like your vehicles, give a first impression to the public and your clients.
  - Look sloppy . . . . sloppy image
  - Look sharp . . . . sharp image
- Don't slight recruiting



### RECRUITING

- Newspaper ad
  - Never "Need 100 guards"

Has a negative impact - Applicants come in with wrong attitude. They think they have you over a barrel.

• Big ads usually never have a R.O.I

SECURITY HOT LINE CALL 24 HOURS A DAY

COMPANY NAME (555-1234)

#### PAYROLL RECRUIT BONUS

• Used only unemployment goes down

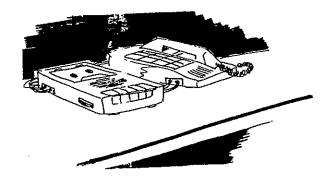
Pay Security Officers who recommend applicants \$50 to \$100 if the stay 90 days or 6 months.

# RECRUITING TELEPHONE RECORDER

- Works 24 Hours a day
  - Narrate requirements, benefits and location.
  - Lets them know the time window for interviews
  - As things change, you can up-date
  - If busy responses become a problem, add another rollover line and a second answering machine.
  - ans worms machine.

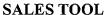
### For busy Personnel Managers:

- Use code names
  - Mr. jones for pending applicants.
  - Mr. Smith for rejects, "Not in, can I take a message?"
- T-Schedule
  - Hire schedule
  - Sometimes a mixture of posts.

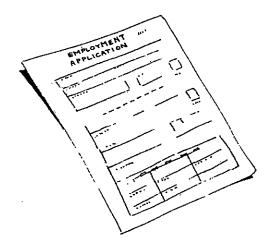


# EMPLOYMENT APPLICATION

- Never ask age, race or sex
- Have them show you their drivers license, DD214, social security card and green card. Xerox if they become a pending employee.
- Any lies on the application, no job.
- You can have a minimum age.
- Recruit target groups Good tax break, section 51 IRS code - Get an agency to come in and handle the interviews to qualify them. They save you more than they cost.
- Look for the obvious



- · Ask applicants where they worked before as a guard
  - The names of the managers
  - Telephone numbers
  - Send information to your sales department for sales leads
- Recruiting Vets/Tax benefits
- Background check mail out
  - Send postage guaranteed



# CRIMINAL BACKGROUND CHECK

- Don't accept a copy of criminal record.
- Many states allow you to log on via computer modems. If not, go to the court house. This is public information.
- Document names, criminal charges, negative drug screening and dates of all rejected applicants you would have hired.
- Sell service to clients as an added income.



### DRUG SCREENING

- DO IT IN-HOUSE
- How to set up: Get sample of the Parol System Drug Testing Guidelines (Dept. of Justice) from Government Printing Office, Monograph NCJ 129199
- Recommend the Roche Lab Screening System. It is safe and simple. They will train and certify your staff.
- Screen only those who have passed all your other requirements.



- Only takes 3 minutes to process
- Costs \$3 or less per slide
- If they screen positive, send specimen to lab for a full blown lab test. Require them to pay the \$30 fee guarantee that you will reimburse them if they pass.

#### ADDITIONAL INCOME

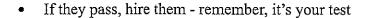
• You can make money doing screening for others. Charge \$20 to \$30 per slide to off set your in-house costs (everyone makes money).

NOTE: Join Patrol Command Association to get:

- Bulk rate as little as \$2.00 per slide
- Send Roche Lab a letter of intent do not guarantee

### **TRAINING**

- Three ways to train
  - 1. Require guard to attend outside training school before employment
  - 2. Training them after they are hired Expensive.
  - 3. Offer free training. As a condition of employment, all applicants must pass test before they can be hired. If tey fail, they must wit six months to be rested.



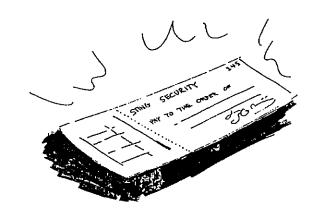
- Sting was founded in what year?
- A wand must be initialized how often?
- Those who you intend to hire. Issue a training schedule.
- Take specimen at that time for drug screening. Don't process until that training day. Some will never return so don't waste money.
- Advantages to training on the following week. If they show:
  - Indicates reliability
  - Screen only those specimens
  - Conduct only those background checks
  - If they fail drug screening or criminal background check, excuse from class.
- Before the actual training, have applicants sign a condition of employment. Have it notarized. Do not give Security Officer a copy.



# PAYROLL TRAINING RATE

- Pay lower wage (\$5.00) for all training including required OJT.
- Train at the end of the week so that the overtime is calculated with the standard rate and will blend into straight time.

NOTE: Don't forget to document this OJT as a training session in their Personnel file



### 1) 48-HOUR WORK WEEK

	Straight \$6.00	)		
Mon	8 hrs OJT (	<u>a</u> ,	\$6.00	= 48
Tue	8 hrs standard (	$\overline{a}$	\$6.00	= 48
Wed	8 hrs standard (	<u>a</u>	\$6.00	= 48
Thur	8 hrs standard (	$\widehat{a}$	\$6.00	= 48
Fri	8 hrs standard (	$\overline{a}$	\$6.00	= 48
Sat	8 hrs OJT (	$\hat{a}$	\$9.00	<u>= 72</u>
				\$312

### 2) TRAINING RATE BEFORE 40 HOURS

Mon	8 hrs OJT @	\$4.00 = 32	#1	\$ 312
Tue	8 hrs standard@	\$6.00 = 48	#2	<u>- 296</u>
Wed	8 hrs standard@	\$6.00 = 48	Annual savings per guard	16
Thur	8 hrs standard@	\$6.00 = 48		
Fri	8 hrs standard@	\$6.00 = 48	At 20 times a month x 12 months	3840
Sat	8 hrs standard@	9.00 = 72		
		\$ 296		

### 3) TRAINING RATE END OF WEEK

Mon	8 hrs standard@	\$6.00 = 48	#1	\$ 312
Tue	8 hrs standard@	\$6.00 = 48	#3	<u>\$ 288</u>
Wed	8 hrs standard@	\$6.00 = 48	Annual savings per year	\$ 24
Thur	8 hrs standard@	\$6.00 = 48		
Fri	8 hrs standard@	\$6.00 = 48	At 20 times a month x 12 months	\$ 5760
Sat	8 hrs OJT @	\$6.00 = 48		
		\$ 288		

Certain situation require overtime to be calculated at time and half of the average hourly rate.

### ANNUAL LEAVE

- Depending on the full time Security
   Officers permanent work hours per week,
   determines how many hours annual leave
   they will be entitled to.
- On the pay day after their anniversary date, pay them for those hours. You owe the money anyway, so get it out of the way.



- Eliminates too many people being off at one time, such as summer vacations and holidays.
- If you have a leave play that gives Security Officers additional hours for two or more years, pay one week and implement a use or lose policy.

### **PAYROLL**

- Never have pay day on Friday or weekends - Monday, Tuesday, Wednesday, or Thursday
- Have Security Officers come in for pay checks. Gives you opportunity to pass on information, change schedules, hold conference, etc.



- No one can be paid less than minimum wage after payroll deductions such as:
  - Company Fines
  - Garnishment
  - Deposit for Uniforms and License
  - Insurance deductibles are allowed, providing you are using a cafeteria play (pre-tax)
- Holiday pay per contractual percentage rate only
- Always do payroll in-house. It is by far less expensive.

```
ADP = Payroll

100 guards x .75 = $75 per week x 52 weeks = 3,900 year

200 guards = $ 7,800 a year
```

300 guards = \$11,700 a year

400 guards = \$15,600 a year

- Bonus program instead of raises
- Annual leave pay, do not give time off

## PAYROLL ORDER

A form used to monitor, approve, disapprove, issue and notify Personnel of employee movement regarding:

- Pay status
- Demotions
- Terminations
- Newly hired personnel
- Uniform issue
- Equipment
- License control



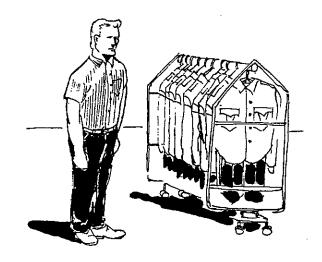
### **UNIFORMS**

- Never buy cheap
- That uniform is your company
- Do not put uniform stripes on sleeves, use cloth insignias
- Share uniform costs with Security Officers.
  - Sell or lend
  - A few ways to handle depending on state requirements
  - Sell them, payroll deduct or cash up front
    - Payroll deduct X amount per week
    - They pay for lost or damaged uniforms
    - Sell shirts, hats and ties
- They lose them, they pay for them
- How to retrieve missing uniforms
  - Apply for warrants
  - Small claims court. Just present the promissory note. A patch on your uniform makes them your property
- Stamp garments with your company name (India white/black ink)
  - Inside waist band
  - Inside coats, etc.
- Even if you sell shirts, when the Security Officer is terminated, retrieve your patches and re-use them if they are in good shape.
  - A 100% turnover in a 200 man company

•	The average shoulde	\$1.50	
•	1 shirt with two patches =		\$3.00
•	3 shirts issued =		\$9.00
•	100% turnover =	\$1,800.00	

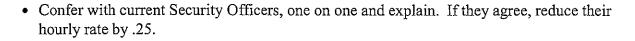
• 200% turnover = \$1,800.00

• 300% turnover = \$2,700.00



# UNIFORM MAINTENANCE COMPENSATION

- Allows Security Officers to take home more money and at the same time reduces your payroll. This effects:
  - Worker Comp
  - Liability Insurance
  - FICA and FUTA
  - Any other fees that are calculated by payroll
- Hire new guards at base rate .25 less than your normal rate - give them back the .25 as Uniform Maintenance compensation. The .25 is pre-tax money.

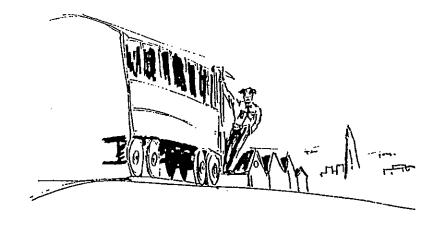


NOTE: As another "Condition of Employment", require Security Officers keep uniform clean at all times. Especially now that you are paying them .25 an hour to keep them clean.



## TAX FREE TRANSPORTATION

- Federal Legislation Transit Benefit Program
- Energy Policy Act 1992
  - HR 776
- Up to \$60 per month



- 200 Guards x \$60 x 12 months = \$144,000
  - FICA/FUTA, etc. @ 18% = \$25,920
  - Overtime Effect
  - \$144,000 non-taxable

# ID NUMBERS AND ID CARDS

Use plastic laminated ID cards with Security Officers photo, this could eliminate the use of metal badges.

- Use the last 4 numbers of their social security number
- ID machine cheap today take 4 photos at once
- ID barcodes can be adhered to the back of the card if you use barcode technology



### **LICENSE**

- The license is the property of the Security Officer, they should pay for it.
- They can pay up front or through a payroll deduction plan
- A reliable system or procedure is needed to alert management when it is getting close to the expiration date.
  - Computer software that flags dates



# PROBATION PERIOD

- Never call it Probation
- Call it an adjustment period
- Before hiring, Security Officer must sign a "Condition of Employment



### PERSONNEL JACKETS

- PERSONNEL Personnel jackets are your property, therefore:
  - Let Security Officers look at jackets under supervision and only during business hours
  - They make no copies--Let them take notes
  - Give them a copy and they will use it against you later
- Note: The burden of proof at a Labor or Workers Comp hearing is the employees responsibility.

### **POLYGRAPH OPERATOR**

- Hire an in-house operator if possible
- Whenever one of your guards is suspected of something and the guard denies, you have this tool
- If the guard comes out of the test truthful, you are OK
- If they come out as negative, you are the one who proved it, this shows you're not hiding it -- maintains your credibility
- Turns a lose/lose situation into a win/win situation



NOTE: Sting Secuity's operator is also the Personnel Director. He does specific polygraphs for outsiders including small Police Departments for pre-employment. Sting and he split 50/50 (Everyone makes money)

### **JOB PERFORMANCE**

- It is a good business procedure to conduct quality evaluation of all personnel. It is not enough to just evaluate the employee on his or her:
  - Co-worker's relationships
  - Communications
  - Knowledge
  - Goal achievements
  - Company commitment
- To be thorough, you need to conduct a cost analysis per job and employee. This can be accomplished manually (a very time consuming endeavor) or through software programs that once fed data, can complete the calculation for you.
  - Lotus Create your own spreadsheet.

Advantage: It can work exactly as you require.

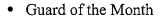
**Disadavantage:** Creating the spreadsheet is very time consuming. Keeping it current is also time consuming.

• Off shelf software package: Already created, but still need data entry.



# SECURITY OFFICER RECOGNITION

Operating a security service, like any other business, there is a natural tendency to always be in a disciplinary mode. The fact is, if all guards were a problem, we would all be out of business. Some positive recognition programs you should consider are:



- Board posted in prominent place
- Plaque/cash
- Guard of the Year
- \$500 end-of-the year/plaque.
- Commendation Letters from you.
- Commendation Letters from client Always CC: to sender
- Give a \$10.00 or \$20.00 bonus -- just doing their job
   Checks made out and signed. Give to supervisors to issue
- Send letters to guards on their birthday and anniversary with company
- Letter of Commendation from supervisors
- Have a monthly luncheon buffet at you headquarters, invite the guards whose anniversary falls in that month. Give out awards at lunch.



### PROBLEM CARDS

 Security Officers often get frustrated, especially during the adjustment period.
 This contributes to larger turnover. Let them know you care.

> Loss of productivity New Security Officers take 4 to 6 weeks before they get up to speed.

Training a new Security Officer.

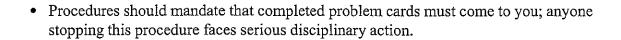
Purchasing new uniforms.

Advertising in the newspaper

Out-processing the exiting Security Officer.

In-processing the new Security Officer.

Alienating a client if the new Security Officer does not work out.



• This not only keeps supervisors and managers in line, but keeps you aware of the organization's morale and productivity situations.



### **EMPLOYEE LOANS**

Many Companies are against this policy. We feel it is a great turnover reducer. You need to set certain rules such as:

- Never charge interest.
- Satisfactory performance within the last 30 days.
- Lend only what they have on the books
- The minimal administrative cost more than justifies the retention benefits.



# TRAINING KEYS TRAINING TASKS

- Liability ammunition
- Is an on-going training program
- TRAINING KEYS should relate to generic situations public relations, fire extinguisher, inspection procedures, etc.
- TRAINING TASKS should relate specifiacally to the post. "What time do lobby doors have to be locked?"



# **LOYALTY**

- Are they working for their company or our company
- Are they doing only their job and no more--that's their company



# CSO - CERTIFIED SECURITY OFFICER

- With the CSO program, upper mobility as well as pay raises become each Security Officer's responsibility.
- Don't automatically give instep and longevity raises. Just because a Security Officer shows up for work is not enough. They need to be productive.
- CSO is only for the first year of employment.
- Allow Security Officers to take the tests providing they have not had a documented demerit within the last 30 days. Be sure to make it clear that they have to be qualified and pass the test. Study material for the test is supplied by you free for their convenience.



#### STEP ONE

- Create a Security Officer Pocket Manual. Issue first day of employment
- Give a test on the manual 90 days after their employment
- Start a library with study material they can check out for specific periods of time
- VHS training tapes
  - Cassette training tapes
  - · Training books
- Six months after employment, they take the first of two tests. If they pass the first test, they receive a .25 per hour raise. Document this training in hours. If they fail, they may take the test again in 30 days.
- Set up designated formal training classes at specific times and dates.
- Six months later, they can take test two. If they pass, they are given .25 an hour raise.
- Issue study material on what you think is appropriate

Note: On the average only 25% will participate.



### **FAMILY LEAVE**

- The law states you must allow leave without pay and make every reasonable effort to return the employee to the same position or a similar one for which the employee is qualified.
- Caution, if they contribute to any benefits, they must pay. If they miss you can drop them. If you forget the insurance company does not care. You lost.
- They are eligible for unemployment and you pay the unemployment on your 3-year aggregate



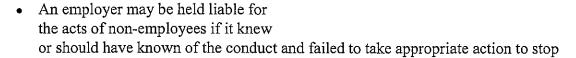
### SICK LEAVE

- Monitor those Security Officers who always seem to get sick on Fridays, Saturdays or before and after a holiday.
- Require doctor certificate for Security Officers who call in sick and are off over two days. Those with a pattern each time. Must be a condition of employment.
- Monitor the newspapers for rock concerts or major events that would attract entry level personnel. Historically, there are more call offs and sickness on those days.



### SEXUAL HARASSMENT

- Behavior which creates an uncomfortable or offensive work environment
- It is the individual who decides whether the behavior is welcome or offensive
- If the behavior is inappropriate for the work place, deal with it as you would other inappropriate work place behavior



- Employers also have an obligation to protect the rights of the accused -- use term "inappropriate behavior" not "sexual harassment"
- Once aware, must take immediate action to stop and prevent reoccurrence
   Be careful there is no perception that the complaining employee is being retaliated against
- Another harassment you should not ignore is when a client is accused of sexually
  harassing one of your employees. The lawsuit settlement will far outweigh the guard
  contract. But most clients are understanding and will deal with it professionally.
  This is a paradigm we must deal with
- Every company needs to have a qualified manager to be your company's Sexual Harassment Officer



### BLOODBORNE PATHOGENS

- Any employee who may come in contact with HIV, AIDS or Hepatitis B virus must be issued at no cost to them:
  - Face mask
  - Eye protection
  - Protective gloves



Additionally, they must receive at no charge training regarding Bloodborne Pathogens.

### AN INEXPENSIVE PROTECTION KIT

•	Mask and eyeshield face mask	\$ .75
	Rubber Gloves (box of 100) @ \$10.00	\$ .20
	Sandwich Bag	\$ .05
	Masking tape	.05 1.05

#### • Training

Have someone trained by the Red Cross to instruct Security Officers and Supervisors in Bloodborn Pathogens awareness as well as protective measure.

Red Cross and PSTN have exceelent Bloodborne Pathogens VHS training tapes.

### **FINES**

- To work, your fine policy must be a condition of employment. It must be very clear, signed prior to employment and notarized.
- The Fine, when taken from the Security Officers pay, cannot bring the hourly earned rate below minimum wage.

#### NO SHOWS

 As a condition of employment, any Security
 Officer that No Shows is presumed to be an automatic resignation. A Security Office eligible for unemployment for at least 8 weeks.



#### LATE FINES

- Second late within 30 days, Security Officer must meet with manager and sign an L.O.C.
- Third late within the same 30 days, the sign an L.O.C. and are suspended for 2 days. Note: While under a suspension, employees are not eligible for unemployment.
- Fourth late within 30 days, suspend them for two weeks, document it with their signature (if possible). Order the Security Officer to report to a specific managers office at a precise time and date. If they fail to show on time, that is a No Show.
- This forces no unemployment compensation for the two weeks of suspension and an additional 8 weeks for resigning without notice.

#### CALL OFFS

- Call off . . . . . . . less than 4 hours a \$10.00 fine.
- Call off ..... less than 1 hour a \$15.00 fine.

NOTE: Then fine is awarded to the replacement Security Officer. Scheduling personnel can use this as a incentive to get the replacement Security Officer to agree.

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# TERMINATION OF EMPLOYMENT

- Five rules you should follow before you terminate anyone. If followed consistently, it should reduce your unemployment rates:
  - 1. Review employee handbooks and policy manuals for implied promises.
  - 2. Review termination procedures to be sure they meet the Federal and State requirements.



3.

- 4. Document **every** unsatisfactory performance. Have signatures whenever possible.
- 5. Hold exit interviews when a Security officer resigns. It is usually not necessary when they are terminated, you already know why a Security Officer was terminated.

# UNEMPLOYMENT COMPENSATION

- The Unemployment Compensation is financed by a tax on employers. Your rate is determined by your experience. Large turnover, large tax.
- Federal government: Only the first \$7,000 of an employee's pay is taxable.
- Carefully review and always appeal each notification that is received from the State.
- Obtain a copy of your state's unemployment regulation; highlight the applicable areas of the code that are beneficial to the employer.
- Review your State Unemployment statements. Make sure that:
  - Claimants were actually previous employees.
  - Claimants are not still on your payroll.
  - The limits of the award have not been exceeded
  - Claimants were not disqualified and should have been.
    - Disqualifications:
      - •
  - Qualification:
  - Fired with insufficient justification.
  - Lay-off
  - Insufficient hours
    - A Security Officer can file for balance of a week, when he works less than the minimum 40. Check your state statutes.
  - Medical leave
    - An employee may qualify for unemployment in some states when he is forced to leave employment due to illness or to care for an ill family member with a valid physician's statement.



### WORKER'S COMPENSATION

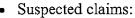
FACT - Armed security companies pay higher rates for worker's compensation.

#### COUNTER ACTION

- Create two companies.
  - ABC Guard Service Inc.
  - ABC Armed Guard Service
  - Insurance classification codes:

•

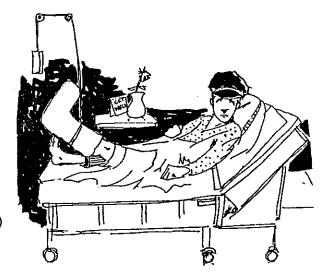
7720 Police Officers (Armed guards)7723 Watchman (Unarmed guards)Mega buck less then 7720.



- Investigate.
- Call the Security Officer at home, see how he is doing.
- Call the treating Doctor. Most false claims cases use the same Doctors. The last thing these Doctors want is an investigation.
- · Appoint a safety director
  - Should reduce accidents and in turn rates.
  - All Worker's Comp. claims go through the Director.
  - Use the Director for drivers training.
- Retrospective Work Comp Insurance program
  - Only use if ou feel your rates are too high based on your experience.
  - Premium calculated on:
    - •
- •
- Exposure is on two levels:
  - Minimum liability exposure, if no claims . . . . . . . \$53,000
  - Minimum liability exposure, . . . . . . . . . . . . . . . . \$292,000
- Insurance company will determined your premium based on your current minimum and maximum cost. They average that and that is your annual premium. \$182,000
- End of the policy year, they re-calculate based on actual claims experience. The amount paid in (\$182,000) is refunded less the minimum or you are charged the additional claims experience.

#### Actual results:

•	Maximum Liability	\$292,000	•	Paid in
•	Paid in premium	\$182,000	•	Earned Premium \$ 59,000
•	Possible additional cost	\$110,000	•	Refund due (6 months) \$123,000



### **SECTORS**

- Create and number sectors. Sectors should include posts, groups of post.
   Base on contracted locations. Also consider times and days. Day sectors usually cover a larger geographical area than evening sectors. Zip code maps are helpful when creating sectors.
  - 100 North/West
  - 200 North/East
  - 300 South/East
  - 400 South/West
  - 600+ Large Contracts
- Make a flow chart for peak hours to know how many posts operate at any one time of the day
- Supervisor to guard ratio:
  - 12 1 for manual management

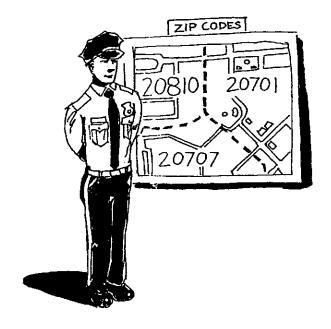




### MANAGING BY ZIP CODE

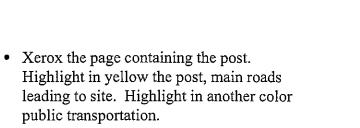
- Keep a cross reference log by zip code and Security Officers names.
- When a new post opens, select Security Officers living in and around the Post's zip code.

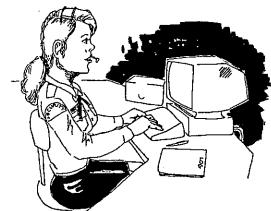
• Create a lotus spread sheet and compute it.



## **POST FINDER**

• Cross reference in a book and in the post orders the public transportation available to and from the post.



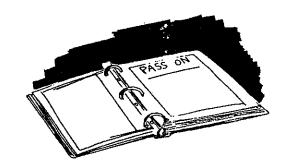


### • KEY MAP SOFTWARE

- Tag guard's home
- Tag post address
- Gives directions by street
- See Power Up in Vendor's Section.

## PASS ON BOOK

- Always use spiral notebooks. Reduces page loss.
- Document: memo's, new policies, schedule changes, and miscellaneous situations.
- All managers and supervisors must read, date and initial all entries.
- If someone is off for a period of time, they need only turn back to the last page they initialed to catch up.

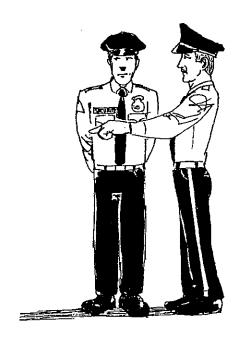


## POST ORIENTATION

"An individual without information <u>cannot</u> take responsibility; an individual with information <u>cannot</u> <u>help</u> but take responsibility."

Jan Carlzon, "Moment of Truth"

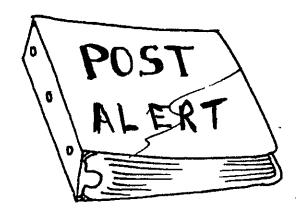
- Document
- Always have report signed by both the guard and the supervisor
- Use a post book or software program.



# SECURITY ALERT

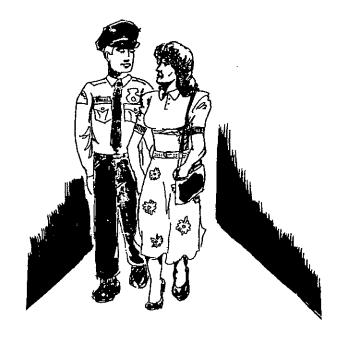
- Good on-going Training Tool
- Good for Client Relations

•



# **ESCORT**

• Always have a third party document time started and time ended



### **SCHEDULES**

• Many systems are developed in house and are not effective. Or the company buys an off the shelf system that is for some other industry and is not as compatible as they would like.

### STANDARD

• Also known as the Master Schedule.



- Usually the same personnel are assigned week after week.
- Standard schedule can and should be controlled by one person. Reduces;
  - Lost hours
  - Double scheduling
  - Open shifts
  - Overtime

### DAILY

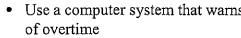
• Schedule adjusted daily by several people as the need arrives. Unless you have a precise schedule system, you might as well go back to doing it manually.

### **OVERTIME CONTROL**

Overtime should never exceed .02%

• Use stand-by guards

- Schedule 32 hour shifts
  - Be careful of unemployment claims; if you hire 40 and reduce to 32, they could make a claim for the additional 8. And get it. Hire for 32.
- Use a computer system that warns you



#### • TWO KINDS OF OVERTIME:

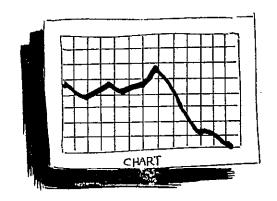
Scheduled overtime and mismanaged overtime.

#### SCHEDULED OVERTIME

Built into the contract.

Consider reducing your hourly pay rate by 25 cents and hire for 48 hours. Then when the Security Officer calls off, he calls off his overtime. If you have to fill the post with another Security Officer at the overtime rate, it doesn't effect the bottom line. The plus side is if you find a Security Officer at standard rate, you make out.

• Last minute additional hours requested by client by contract, should be billed at time and a half.



## **MISMANAGED OVERTIME**

- Allowing the "old reliable Joe" to work 60 to 80 hours a week.
- Do not have a handle on your schedules and are always in a crisis management routine.
- Know your manpower requirement.



### **RULE 27**

Total weekly man hours, divided by current personnel (Full & Part-time)

Higher than 27 -- hire that amount of people.

Lower than 27 -- you have too many people.

At 27 or within one to two either way -- you are o.k.

### **OPEN SHIFTS**

Two types of open shifts.

### • Non-Preventable

The first time a Security Officer:
Calls off
Is Late
No shows

#### • Preventable

The second time a Security Officer:
Calls off
Is late
No shows

If a Security Officer does it once, they more than likely will do it again. Do it twice in a short period and they will defianately do it again.

#### PREPARE YOURSELF

- Schedule Security Officer to come in hour early. Pay if you have to.
- Or have a supervisor at the post before the scheduled start, especially if it is a cold start.

#### • THE THREE NEGATIVE IMPACTS

Client comes to work, sees no log report. Calls your office upset, "Where is my Log Report?" You tell him you will check it out. Then you find out not only was there no log report, but no Security Officer was even on duty.

What do you think the client is thinking now? It could cost you the contract.

### • STEPS THAT WILL REDUCE THE STING (No pun intended)

- 1. Never fill the schedule for an entire shift with a supervisor. This leaves other posts without any supervision.
- 2. Have supervisor go by and fill out a log report. In the body of the report he advises the client, "Due to extenuating circumstances, we were unable to get a replacement. There will be no charge for the service tonight. I will periodically check the post for the entire shift." Don't use too often on for the same client.



### ATTENDANCE CONTROL

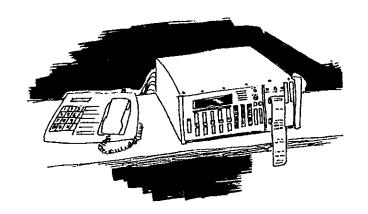
 Using time sheets is obsolete. Clients are demanding more documented proof. A Security Officer's signature on a sign in sheet just doesn't cut it and more.

If you use time sheets and the other guy has an electronic verification system....
You lose!

### • HARDWIRE SYSTEM (KAR)

Purchase an inexpensive alarm receiver or ever a used one. (\$1,500 and will handle over 1,000 posts)

Install on the post a digital dialer. (\$60.00)



Labor and wire to install system. (varies)

#### • WIRELESS SYSTEM

Same alarm receiver.

Wireless alarm panel on the post. (\$170)

Wireless check stations. Limited to 99 stations. Can be activated with a magnet as well as a key. (\$30.00)

Minimum labor, no wire. (Varies)

#### RADIO ALARM SYSTEM

Radio Alarm receiver. (\$4,000)

Radio alarm panel and transmitter at the post. Will transmit up to five miles line of sight. Further if repeaters are involved. (\$140)

Radio check stations. Limited to 99 stations. Can be activated with a magnet as well as a key. Must be within 1,000 feet from the alarm panel/transmitter. (\$30.00)

Minimum labor, no wire. (Varies)

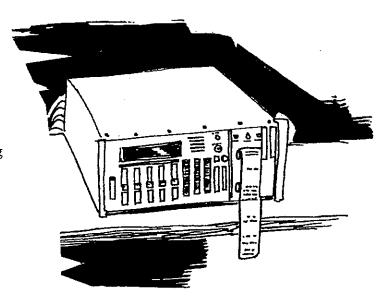
#### CALLER ID

Caller ID box. Use a rolodex or book to cross reference. Security Officer use standard touch tone telephones.

# ATTENDANCE CONTROL

## • BARCODE SYSTEMS

Computer, software, wands, downloading equipment, barcodes, etc.



# **NOTES**

# **VEHICLE CARE**

- Manual Vehicle Inspection
- Code Yellow Certain cars must be parked
- SECURITY
- Vehicle Inspection Reports
- Vechicle Inspection Reports using barcode technology

## **OPERATING VEHICLES**

• Regardless if it's your vehicle or the clients, require:

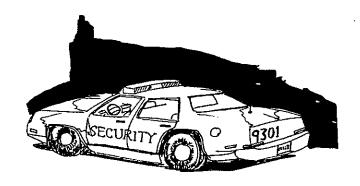
Cuts down on accidents.

- 2 points or more, they don't drive.
- Use your Safety Director to give training to all new drivers. Conduct periodic driver training classes as well.
- Have insurance company set up training program they will do it free.



## **SHOP NUMBERS**

- They use differnt call signs daily, depending on the assignment
- When you have several cars, maintenance control becomes an administrative headache. Set up shop number system.
- Start with the year of purchase followed by a number sequence
  - 9301 = First vehicle purchased or leased in 1993



## TELEPHONE ETIQUETTE

- You could be losing business due to a poorly answered telephone
- Just as your Security Officers and Vehicles create a first impression, the manner in which a telephone is answered can have a negative impact.
- Telephone diverters also have a negative effect on potential clients. They are O.K. for in house purposes.
- Occasionally have someone pretext your company during various shifts
- Listen in. (You don't want to kill the messenger)
- Request to talk to someone about hiring your guard service
  - 1 Count the number of rings
  - 2 Check how they answer the telephone

3 -

- 4 How do they respond?
- Do they direct the call properly
  - Do they ask for the name and telephone number of the caller

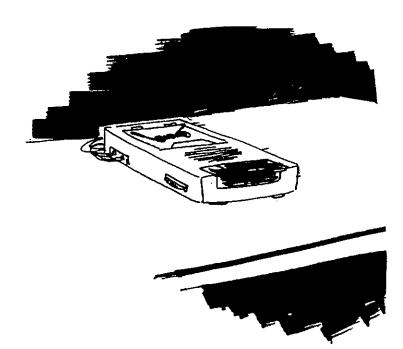
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- Reward the good, \$10 \$15 bonus' reprimand the bad
- Attend seminars or buy cassette tapes on the subject



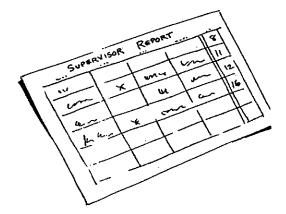
## TELEPHONE DIVERTER

- Press "1" to watch commander
- Press "2" chech on or off duty
- Press "3" Personnel, etc.
- Can be purchased at most telephone vendors



## **SUPERVISOR REPORT**

• Used to monitor and control supervisor assignments. Ideal for companies that are not conputerized. Excellent backup sysem for companies that are.



## **ALCOHOL TESTS**

- Issue breath analyzers to supervisors or at least have one available.
- Next best is the Roche Alcohol Tabs

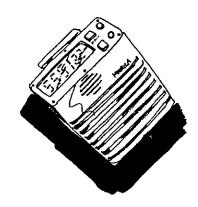
Can be put under tongue or dipped in soda can. Will give quick results.

About \$2.00 per tab.



# **DIGITAL PAGER CODES**

• Use as a notification device for supervisors.



## EXAMPLE:

Call the pager, touch tone in the post number, the asterisk followed by a unique code.

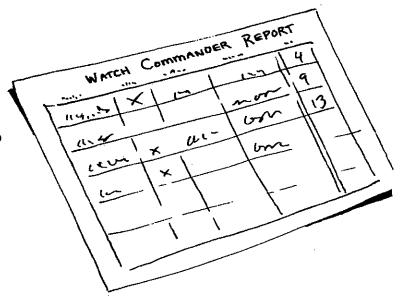
341 * 1 =	Security Officer failed to check on duty at post 341, respond immediately.
341 * 2 =	Security Officer failed to check off duty.
341 * 3 =	No Show, Security Officer not on post 341 respond immediately
341 * 4=	Client requests a supervisor.
341 * 5 =	OJT required when 341 shift starts.

## **SUPERVISOR KITS**

- To be effective, supervisors need to carry a number of items in order to assist Security Officers on post.
- A simple and inexpensive system. Issue each supervisor his own kit.
- Hang file folders fit nicely into the boxes. To carry and separate various forms.
  - Ties
  - Extra radio batteries
  - Thermos bottle and paper cups to give guards coffee. A positive gesture.
  - Throw away Camera
     (Use to document guard sleeping, accidents, etc.)
  - Throw away razor and shaving cream.
  - Pens, flashlight batteries, notebooks, etc.
  - Equipment issue chits
- Red Pens
   Supervisors use red pens when sighning logs & reports. Allows client to instantly know they were on post inspection.

# WATCH COMMANDER REPORT

• Use to pass on and monitor attendance activity, new assignments, etc. Similar to a pass on book.



## **SECONDARY INCOME**

### Supervisors

### PATROL HITS

Periodic checks of various loaction barcode technology

### ALARM RESPONSE

Alarm response checks of various locations throughout your customer geographical base; charge a small fee per month and a set fee per response

### ATM CHECHS

Don't meet at the ATM, meet the bank teller at a predetemined location.

### ESCORTS

- SSI bills about \$170,000 a year
- Pays for Supervision

### • DISPATCHERS MONITOR

- CCTV (Robot)
- Elevators
- Card Access
- Monitor alarms for small alarm companies
  - \$6 per month
  - 100 accounts = \$600 month \$7,200 annual income.
- Sting monitors over 3,000 alarm accounts

