

From within or without?...

...An in-house officer team or contracted security personnel? What is best for today's security manager? As **John Julian** suggests, there are a host of variables that must be taken into consideration – including performance needs and the requirement of flexibility.

When analysing the advantages and disadvantages of using contract guarding or in-house services it is possible to make a good case for either. A great many factors will come into play, although it's almost inevitable that cost will have the greatest influence. That 's the problem, as there is a very real danger of focusing on this one issue to the exclusion of others which are just as important.

Until recently, contracting out offered clear cost advantages. However, the so-called 'cost gap' is beginning to narrow, influenced by the recommendations contained in the Private Security Industry Act, the Working Time Directive, and the introduction of licensing next year.

Despite the pressures to sell their services competitively, many contractors are realising that they will only be able to recruit quality staff by paying them sensible wages, at the same time improving their training and career prospects. With the cost gap closing, it's now more important than ever before to look at other factors that will influence end users' decision making processes. Factors like performance, management, knowledge, reliability, flexibility and continuity.

Performance is based on a number of factors common to both in-house and contract guarding. A knowledge and experience of their role, training levels, commitment and reliability are all crucial for the officer teams, while effective management is required such that business objectives are maintained. Over the last 15 years or so, there has been a swing away from certain businesses retaining dedicated in-house security managers, with the role of security supervision passing to facilities, health and safety or human resources managers. Right or wrong, what really matters is that a given guarding force is well managed.

Managing the security function

The management role must begin with an identification of the company's security needs, the number of guards and their role within the security plan. It's a management function to identify the risks, determine the nature of the deterrent and then specify each element of the security strategy: guarding personnel, equipment and procedures. The guarding personnel issue should include the management of security awareness and discipline for staff, but is primarily focused on guarding activities. Once the manager has decided on the number of guards needed and their specific roles, the guards' skills, experience and business-specific training becomes apparent.

In some effective operations, security managers have indeed completed the necessary analyses and specified the nature of the role of the guarding. Some highly effective contract security teams have involved the appointment of a dedicated, on-site manager as part of a contract. Some have used third party (consultancy) services to define security needs and set up a contract, and several businesses where security is administered by line management have sought specific security management for either the 'manager' or a supervisor grade within the team. Others have left the entire process to a contractor with varying degrees of success – or, indeed failure.

Part of the consideration for using in-house or contract security staff must include specific management planning. In either case, team performance should be regularly monitored.

Without doubt, part of the consideration for using in-house or contract security staff must include specific management planning. If security is to remain in-house, the person managing the team must have security knowledge or be able to call on such support at all times. When contracting out, the management of the team needs to go beyond verification that the right number of staff were on site at a given time. Performance of the team must be monitored on a regular basis, training should be ongoing and the guarding function needs an inherent flexibility to adapt to business changes.

Without full and correct knowledge of their role, set duties, the company structure and the business operation, neither in-house nor contract personnel can be expected to perform either to the best of their abilities or to company expectations.

In some cases, an in-house guard may be someone recruited from within the organisation, and will therefore know all about company operation procedures, policies, products and personnel, and the major security issues to be addressed. However, there have been far too many cases where security is not perceived to offer a career path, thus those selected for security duties have often been employees who simply didn't possess the necessary skills to progress in other parts of the organisation. A performance shortfall is the end result.

The case for additional training

The education, character and qualifications needed to fulfil the guarding role must be specified and agreed prior to hiring in-house staff or seeking a contractor. Wherever previous experience is used as a main factor in hiring officers, extra training will normally have to be provided such that they are equipped with industry-specific knowledge.

Remember that previous guarding experience (whether in-house or with a contractor) is not a guarantee of ability. While officers from reputable main contractors will have undergone training to at least BS 7499, it may not have been recent. Evidence of up to date training must be available to the in-house manager, and this will need to be supplemented by technical (IT systems) education, together with instruction on applying corporate policy requirements.

To whom are the guards committed? The long-term assumption has been that the commitment and loyalty of in-house officers is far higher than that of contracted staff. This may be true of some contract companies but where salaries and employment conditions are

Continued from page 1

acceptable, many businesses are finding that contracted officers are as dedicated to their roles and client as any in-house team member. This has been aided by TUPE, whereby staff have benefited from continuity of employment (and the higher assurances regarding that employment despite contractor changes).

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Reliability

Reliability frequently relates to working conditions, salary or management standards. If achievements and references have been thoroughly checked they you should have the right candidates for the task at hand. Managers can also secure commitment to the guarding function by offering incentives – in terms of additional pay, benefits and promotional training schemes. In truth, this method is often easier to implement for the in-house team.

With contracted guards, you may secure yourselves against the involvement of your team members in company politics (e.g. demonstrations and strikes). However, any failure on the part of the employer to monitor management, supervision, salary, and working conditions may lead to a drop in morale – followed by commitment and reliability problems.

A basic Service Level Agreement may not be enough but, if properly written, it should at least guarantee that 'you get what you pay for'.

An overriding concern for most companies when hiring guards (in-house or contract) through a guarding company will be whether the individuals concerned are trustworthy enough to have control of the security of a given company and its assets. By definition, the nature of the guarding role, its attendant duties and responsibilities mean that guards will often have access to confidential information, records and materials. Alas, far too many news stories cover theft or fraud carried out by employees of the company – many of them security staff.

With the introduction of licensing of guards next year, employers can be assured that any contract security officers employed on site have been sufficiently vetted. However, for the first couple of years at least, in-house security professionals may be exempt from this new legislation. It is vital therefore, that thorough background checks are made to provide assurances about the levels of officer loyalty and integrity. Likewise, company security policies ought to include safeguards against unauthorised people either accompanying or standing in for checked and approved personnel.

It may well appear that, in hiring in-house personnel, there is a greater opportunity to control the selection of an individual – and in deciding on whether their image and personality fits in with the company profile. That said, it's equally possible to accept only those sent to site by guarding companies that meet with client approval. It's assumed that the quality of staff ought to be better from a recognised guarding company that adheres to British Standards (the aforementioned BS 7499 and BS7858), but this is not always the case.

It is often argued that, where in-house guards are concerned, they offer greater flexibility in terms of duties. However, the opposite is often true, when it comes to hours and shifts. The contract guarding industry seems to be addressing these issues and be more aware in general of the sometimes very precise needs of their clients.

Staff turnover is normally less of a problem when using in-house guards as opposed to contracted personnel. However, using in-house guards can pose a greater problem when the security team is small, or when dealing with a single-manned site and 24 hour cover is required at short notice for a guard who is off due to sickness.

Fierce competition and buyer dominance has had a negative effect on the operating margins of the industry, and the resulting low wages and long, often anti-social hours have resulted in high employee churn. Thankfully, there are some security companies that are managing to break the mould. Legislation, the synergistic use of manpower and technology, greater buyer awareness of the pitfalls of an inexpensive service and initiatives carried forward by the BSIA should (hopefully) lead to a positive transformation in the next five years.

Taking that final decision

The final decision on whether to outsource or choose an in-house security team is down to the individual organisation.

Previously, a much clearer correlation could be seen than is in the case today. In most instances, the in-house security manager would choose his own team based on anticipated loyalty and continuity, while a business or facilities manager would prefer to outsource due to cost differentials.

Generally speaking, many clients now take on an objective view of security, using professional skills to assess both risk and need.

Whether the decision on in-house or contract guarding is made by an in-house manager – with help from the guarding fraternity – or by using an external consultant, it's always wise to conduct a logical assessment that (at the very least) covers the risk, nature and quality of the guarding force required, continuity needs, the degree of trust desired and (every bit as important) the corporate image that must be portrayed.

If you would like further advice on the issues discussed in this paper and would like to speak to an advisor, call our consultants on +44 (0) 1252 782664 or alternatively email: info@ija.co.uk

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