



Challenges for the Guarding Industry

The continued pandemic, labor shortages, a shift in the hybrid and remote workforce, and other factors have led to an increased threat landscape, hiring challenges and changing roles of security officers. | **By Ed Finkel**, Contributing Writer

Increasing commercial activity across a variety of economic sectors and difficulties in hiring new personnel have created a set of challenges for guarding companies and their clients as the pandemic continues and the calendar turns to 2022.

Many enterprises continue to have all or large portions of their workforce remote, which has changed the threat landscape and reimagined the job of security officers in many ways. Enterprise security leaders and guarding companies are also leveraging people and technology differently than before the pandemic.

Workplaces mirror their communities, which means those businesses and locations face the same social and political issues, says David Komendat, Vice President and Chief Security Officer for The Boeing Co. Security organizations must work closely with human resources, safety, legal and communications to address these issues effectively and reduce the risk of

disruption, he says.

Drexel University in Philadelphia has been working to keep doors and security locking systems up to date while also integrating and updating its more than 700 cameras mounted at facilities, with plans to roll out body-worn cameras in the coming months for officers themselves, says Eileen Behr, Vice President of Public Safety and Chief of Police at Drexel University. "Even though we're campus police, we're part of police reform," she says. As such, her on-campus department has required "additional training for officers in de-escalation and crisis intervention techniques."

Securitas has made a multimillion-dollar investment in digital transformation to enhance transparency and data-driven insights, as well as to accelerate innovations in areas like solar-powered devices and remote reception, says Greg Anderson, Securitas President and CEO, North American Guarding. The

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At Unico Properties, security staff dress in suits and focus on building relationships with tenants, brokers and visitors. The company has invested in security technology, such as automated video surveillance and analytics, visitor management systems and license plate recognition, to aid staff in creating a safe and secure environment. *Image courtesy of Unico*

company has evolved the role of officers to meet the needs of organizations that moved to remote or hybrid operations, he says.

Prior to COVID-19, guards for Securitas client Unico Properties – a private equity real estate investment and development company – mostly managed crowds and handled the hustle-and-bustle of buildings, keeping the occasional unwanted visitors from being disruptive in a lobby, says Keren Eichen, Director of Real Estate at Unico Properties. With occupancy in the Portland region hovering between 10% and 25%, “Unwanted visitors are easier to identify, but they’ve been emboldened to cause more trouble,” she says.

Vantage Data Centers, another Securitas client, has seen growth of cross-organizational attack vectors as previously siloed functions like security join the same corporate IT infrastructure, creating “an ever-expanding attack surface for malicious parties to exploit,” says Greg Thompson, Senior Director, Global Physical Security & Information Security at Vantage Data Centers. “The industry has seen significant improvement in artificial intelligence, analytics-driven hardware and open API architecture for cross-platform interconnectivity; however, the single greatest step to combat

these issues is end-user training and awareness.”

Some organizations don’t have the resources or on-site staff to respond to incidents, turning to outside vendors or service providers to fill in the gaps. Jewelers Mutual Insurance Group has worked with Securitas to provide industry-wide buying power for its alarm response program that services “the vast majority of our footprint,” says Larry Spicer, Vice President of Loss Prevention and Risk Management. Businesses that don’t have the ability or bandwidth to deal with responding to alarms can use the monthly service to have trained personnel respond, Spicer says. “One, it’s a guaranteed response. Two, we can use meaningful data to analyze trends, create dashboards and create heat maps to understand what’s happening on a macro level.”

GardaWorld subsidiary BEST Crowd Management, previously known as Whelan Event Services, spent a year trying to figure out how to reopen venues and convention centers with protocols and procedures to keep employees and guests safe, says Jeff Spoerndle, Vice President at BEST. That reopening happened quickly in the early spring, requiring enforcement of mask mandates and managing line queues to keep social distancing in concourse areas. “As more people got vaccinated, it became more normal,” he says, adding that the next step has been managing vaccine mandates.

Keeping staffing levels up has been a greater challenge during the pandemic, and companies are trying to use technology more, says Denis Kelly, Chief Operating Officer at Raleigh, North Carolina-based Sunstates Security. “It’s always challenging to attract and retain good quality personnel; then you add a pandemic to the mix, and the challenge goes up tenfold,”

“I don’t think any of us could have imagined two years ago the scope or speed of the evolution of our security officers’ functions,” Securitas CEO Greg Anderson says. “Their ability to take on new requirements and new tools has really highlighted what additional roles officers can play.”

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he says. "Some clients are using more integration of remote monitoring through their security operations center or global security operations center operations that we manage. ... Wherever clients do integrate new technology, they require a higher level of personnel to use it, and that's where we come in."

Keith Oringer, Principal at brokerage consulting firm Security ProAdvisors, says some guarding companies have enjoyed an increased demand to screen people entering facilities, enabling them to raise service prices beyond what they need to pay to retain staff, although those with prices locked into contracts lack that flexibility. Well-run companies have used technology to better recruit, train and supervise, and provide remote monitoring and patrols. "We expect that these companies will be able to leverage their operational expertise and efficiency to thrive in an environment that continues to pose a challenge due to the ongoing health crisis," he says.

How Staff Have Been Assets

Many companies have found new value in their guarding staff in the past 12 to 18 months. At Boeing, which contracts with Allied Universal, officers have brought a "quasi-sense of normalcy" by calmly and professionally greeting employees and guests while distributing PPE and doling out gentle reminders to wear it, Komendat says. "These reminders can be difficult at times, but our officers have done a great job using a positive approach to get folks to comply," he says. "I am humbled by the courage shown by these officers and all frontline workers."

Chubb, global provider of insurance products, has used Allied Universal for more than 20 years and the company's guarding coverage will probably expand given the G4S merger, says Richard Kelly, Senior Vice President, Global Safety, Security & Business Continuity at Chubb. "They've really been assets for us when it comes to managing some of the things we've had to do during this pandemic," he says. Between managing temperature screening and making adjustments when COVID-19 cases arise, "They've been pressed into a whole new service for us, and they've done a fantastic job."

To handle such pandemic-related duties, Drexel University has worked with Allied to create a separate



Officer William Moore of Durham, North Carolina has been a member of the Sunstates Security team for more than seven years. *Image courtesy of Sunstates Security*



Officer Jacqueline Green has been with Sunstates Security since January 2019 and was the recipient of the ASIS Ralph Day Security Officer Heroism Award for protecting a client site during riots in the Wilmington, Delaware area. *Image courtesy of Sunstates Security*

set of personnel known as Allied ambassadors who wear softer uniforms, carry masks and hand sanitizer, and gently provide masking reminders. "It de-escalates confrontations with police officers," Behr says. "They've also become another set of eyes for us." Some security officers prefer the role, she says. "It's more congenial; it's more sociable."

Some in the industry point to the resiliency and resourcefulness of the guarding world since the CO-

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Chubb has used Allied Universal as its guarding partner for more than 20 years. From Left: Shelby Doyle, Allied Universal Security Professional; Richard Kelly, Senior Vice President, Global Safety, Security & Business Continuity at Chubb; and Harry Marrero, Allied Universal Security Professional. *Image courtesy of Bradford Glazier*

VID-19 pandemic began. "I don't think any of us could have imagined two years ago the scope or speed of the evolution of our security officers' functions," Anderson says. "Their ability to take on new requirements and new tools has really highlighted what additional roles officers can play."

Unico Properties has invested in technology such as automated video surveillance and analytics, visitor management systems and license plate recognition, although officers need to fully understand and use such systems to bring out their value, Eichen says. "They provide a valuable frontline customer service," she says. "They dress in suits, not uniforms. They're more approachable. Our brokers point them out on tours, our tenants know them by name, and we gain so much valuable information from their surveillance and relationships."

Vantage Data Centers has appreciated the "resilience, agility and collaboration" among its frontline security staff, Thompson says. "As all individuals grappled with the challenges faced in the pandemic, we saw our security officers rally together to ensure our sites maintained a high level of professionalism and availability, even as staffing levels fluctuated," he says.

Security staff from BEST Crowd Management have shown a great deal of courage and effectiveness,

Spoerndle says. "They focused on their training," he says. "Employees have done a great job of making sure it's a safe environment, educating guests and making them feel comfortable."

Hiring Challenges

Security providers and their clients have faced challenges to varying degrees in keeping staffing levels consistent. At the height of the pandemic, Boeing was forced to reduce staffing as facilities shut down and people worked from home, although that meant losing good officers, Komendat says. "While the situation has improved, we are still experiencing staffing and retention issues at a number of locations and will likely do so until the pandemic is brought more under control," he says.

Securitas saw the labor shortage coming in late 2020, but it has become more extensive than expected, Anderson says. The company has focused on aggressive talent acquisition with enhanced benefits and virtual hiring, screening, onboarding and training – producing a 70% improvement in time-to-hire – while strengthening retention by continuing to "elevate" the officer experience, he says.

Unico Properties pays "higher than a base wage" and provides training, mentorship and professional development, Eichen says. "These efforts have paid off, and we've been able to retain many of our highest quality officers. Those that we've lost were lost generally to either career advancement or relocation. Unfortunately, it's been hard to find new guards."

Vantage Data Centers saw the available candidate pool shrink as governments provided financial aid, but that situation has begun to reverse as wage subsidies drop off, Thompson says. "As many locations are beginning to come back to the physical office, vaccine mandates are becoming more popular, which is also having an effect on staffing levels," he says.

Spoerndle says his company has needed to keep the pay competitive with retail, hospitality and other jobs. They've had success in attracting candidates for clients who are willing to partner to do so. "The days of paying a little lower because [the employee] has the opportunity to work at a stadium or arena, those days are over," he says. "It's a little riskier to be in the security industry these days."

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19th Annual Leading Guarding Firms Listing - North America

FIRMS	EMPLOYEES	OFFICES	TOTAL (\$)
Allied Universal, Santa Ana, Calif.	265,000	330	7,833,000,000 ¹
Securitas North America, Parsippany, N.J.	120,000	425	4,500,000,000 ²
GardaWorld, Montreal	60,000	100	1,500,000,000 ³
Constellis, Herndon, Va.	9,768	25	878,000,000 ⁴
Walden Security, Chattanooga, Tenn.	6,500	18	350,000,000
Protos Security, Norwalk, Conn.	2,241	7	282,000,000 ⁵
Prosegur USA, Herndon, Va.	6,750	24	179,000,000 ⁶
Signal 88 Security, Omaha, Neb.	4,000	155	137,000,000
Andy Frain Services, Aurora, Ill.	15,250	46	125,000,000
St. Moritz Security Services, Pittsburgh	3,000	33	125,000,000
Securiguard, Vancouver, Canada	3,500	10	120,000,000 ⁷
Sunstates Security, Raleigh, N.C.	3,200	27	118,000,000
Titan Security Group, Chicago	2,200	3	105,000,000
DSI Security Services, Dothan, Ala.	4,800	27	98,000,000
First Coast Security (FCS), Jacksonville, Fla.	3,000	14	97,000,000
American Security & Investigations, St. Paul, Minn.	1,600	10	77,000,000
Per Mar Security & Research, Davenport, Iowa	2,041	13	66,000,000 ⁸
Elite Investigations, New York	2,400	8	63,000,000
GuardOne Security, Roswell, Ga.	1,860	22	63,000,000
USI Security, Red Bank, N.J.	1,650	12	52,000,000
Arrow Security, Smithtown, N.Y.	1,800	8	49,000,000
Platinum Group Security, Deerfield Beach, Fla.	1,400	11	41,000,000
United Protective Services, Dallas	1,450	7	39,000,000
Motivated Security Services, Somerville, N.J.	600	4	22,000,000
Security Alliance Group, Miami	650	5	20,000,000 ⁹

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Prepared from responses from CEOs, COOs or CFOs for the year ending 12/31/2020. Totals are rounded off.

Notes: 1. Total revenues: \$8.5B. Allied Universal acquired G4S 3/18/21 with revs. of GBF6.96B (US\$9.678B). 2. Total revs.: \$5.2B. Based on SEC filings. 4. Total revs.: \$1.4B. 5. More than 50% of reported revs. is as a managed service provider. 6. Total revs.: \$208M. In US\$. 8. Total revs.: \$145M. 9. Total revs.: \$25.5M. Also: Paladin/PalAmerican Security, Vancouver, operating in Canada and the US, reported total revs. including guarding and electronic security: \$713M (CNS\$876M). Compiled by Security Letter with special assistance from Security ProAdvisors. Deleted from previous report: G4S acquired 3/18/21 and SecurAmerica acquired 01/20/21 by Allied Universal. New listings: Protos Security, Norwalk, Conn.; Securiguard, Vancouver, Canada.

Vic Evans, CEO of Aurora, Colorado-based Advantage Security, says his company has been recruiting potential new officers from other industries. "That's met with some success, but not enough," he says. "We're turning down new work. We're a local company. This is the only state we operate in; this is our

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backyard. We can't be taking on new work at the expense of our current customers and our reputation."

Sunstates Security has been pleasantly surprised at the number of clients willing to partner around raises of as much as 30%, compared to 3% typically, Kelly says. "Our clients know we're working hard, and they partner with us to help resolve it," he says. The company also has needed to be "extra creative" with recruiting, offering virtual interviews, higher referral bonuses, enhanced employee benefits, and information about efforts to make workplaces as safe as possible with masks and other PPE, he says.

Oringer, who considers hiring to be "the worst in years," attributes the labor shortage to a combination of increased unemployment benefits, an unwillingness of staff to interact with the public, the need for staff to stay home with children, reluctance to commute via public transportation, and higher wages in unskilled labor-intensive industries, he says. It's possible that factors like the elimination of increased unemployment benefits and the continued rollout of vaccines will ease the problem, he says.

"Any new mandates for minimum-wage benefits and COVID testing also will necessitate price increases for margins to be maintained," Oringer says. "Larger and better capitalized companies have been and continue to be able to withstand a hit to margins. We have heard that companies have dropped some clients who cannot afford a rate increase."

Looking Forward

Going forward into 2022, Komendat believes the pandemic has underscored the need to reduce physical

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contact and interaction while introducing touchless smart technology. "Some companies who have had the ability to make additional security investments during the pandemic have expanded their use of kiosks, facial recognition software, smart badges and cameras," he says. "Other companies that have really struggled during the pandemic and had to cut back their security presence must now try to rebuild their security posture."

Anderson anticipates the industry's labor shortage will ease, but wages could stabilize at new market minimums. "This will increase the need for even tighter client collaboration and better differentiation of the attractiveness of security positions – particularly, work-hour flexibility and opportunities for career advancement," he says. "Technology's role will continue to expand. Human presence and analysis will always be indispensable in many situations, but advanced analytics and artificial

intelligence are clearly reaching a tipping point."

Thompson predicts an ongoing maturation of technology dedicated to remote monitoring and situational awareness. "Tools like Securitas checkpoint may become more ubiquitous as personnel fluctuations may continue to create limitations in availability, and tools that allow remote monitoring can supplement until the market is stable," he says.

Spoerndle expects a continued return to normalcy. "Each venue and performer will craft their philosophy and procedures regarding vaccination. Based on that, we'll determine how to manage the facility for our clients," he says. "I don't foresee venues closing down. I think it's more, 'How do we manage this new normal?'"

Evans envisions more customers asking for only fully vaccinated, card-showing officers in the new year. "We have started tracking how many officers have been vaccinated and how many have not," he says.

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