IMPROVE YOUR RETENTION
(AND YOUR BOTTOM LINE)
How security contractors can use data to impact this important metric

TEAM Software and Kwantek

In the security industry, it's difficult to keep good people employed for any length of time. As strategic partners with end-to-end solutions specific to security contractors, Kwantek and TEAM Software know how important issues like retention and turnover are to your business. We hear it every day from our customers, prospects and industry partners. With so many things you can't control — high labor costs, fierce competition and thin margins — taking control of something you can control, like retention, is a game-changer.

Many of the organizations we work with view turnover and retention challenges as a given, and in many ways, that's true. Yes, turnover is going to happen. Instead of dwelling on that fact, the best thing you can do is take steps to manage it and reduce its impact on your business.

Calculate Your True Cost Per Hire
Do you know your true cost per hire? We've heard ranges of $20 to $5,000, but according to the Society for Human Resource Management (SHRM), the average cost per hire across all industries is $4,129. The key to calculating your true cost per hire is to assume no costs are fixed. You must think of all the costs — both internal and external — associated with your hiring process including sourcing, recruiting and staffing.

The best way to do this is to ask yourself: What costs would you be able to eliminate if you didn't have to hire anyone for an entire year? Then, ask yourself: What else could you eliminate if you didn't have to hire anyone?

Evaluate Your Site Manager Bonuses Program
Site managers play critical roles in the contract security industry. They're entrusted to deliver on your contracts and keep your customers happy. One way you can insure your site managers are helping drive your business forward is to reevaluate how you incentivize them so you're rewarding based on a holistic picture of performance. Rather than focusing solely on job site profitability, look at employee retention costs by site as well. That will give you a more accurate view of who your best performers are, and it can help you avoid some bad manager practices that can hurt your retention, too.

Analyze the Effectiveness of Your Site Managers
Speaking of those site managers, take a deeper look at the retention-related metrics you should use to evaluate your site managers to grow your bottom line. If you're evaluating your site managers solely on contract profitability (site revenue minus payroll costs), is that the best long-term strategy? When you're looking to scale your business, you need to look beyond that one measure and we think you can boil it down to this one question: What's the most effective way to retain your clients?

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