

# case study



INVESTORS IN PEOPLE

## A.A. Security Ltd



- **Significantly outperforming competitors with turnover growth of 10.3% compared to sector average of 4.9%**
- **Customer satisfaction of 93%**
- **Meeting targets to increase employees in unrepresented groups.**

### Background

Size:	240 employees
Sector:	Security
Location:	Essex
Status:	Recognised in 2002; reassessed in 2005.

### The organisation

A.A. Security Ltd was founded in 1994 as a security company with a range of customer focussed products. While initially very successful (first year turnover was £200,000), competition in the security sector was increasing while the industry itself was characterised by low margins, high staff turnover and wages generally at or below the national minimum wage.

In 2001, the Managing Director of A. A. Security, Wilson Choudhry, was enthusiastic and successful, but acknowledged that he had a business with some fundamental issues, while his own knowledge of management procedures and planning was limited. After contacting his local Learning and Skills Council and Business Link for help and advice he was introduced to Investors in People.

*“Working with Investors in People helped me realise the potential of the company and of each individual employee”*

**Wilson Choudhry, Managing Director**



## The challenge

Investors in People provided the framework for developing a training and development policy, provided the fundamentals for the Quality Assurance Manual, while helping the Managing Director to look at the company with a fresh eye. Wilson says that it gave him "a realisation of the potential of [his] company and of each individual employee."

Using Investors in People led A. A. Security to have:

- An annual business planning process, including overall objectives and localised targets specific to individual business areas
- A redesigned business hierarchy and structure to meet the operational needs of the business
- Annual appraisals for all staff including goal setting and training needs identification
- A formal training strategy and its implementation
- Improved communications, with a monthly newsletter and Quarterly Review Meetings with all employees having the potential to attend through a "draw" system to invite 5 non-management team staff to attend and contribute to the meeting
- Client feedback mechanisms including externally undertaken customer satisfaction surveys

Within the business planning process that had now been introduced, the company identified from the customer satisfaction surveys that there was a clear need for better trained security officers, who could in turn provide a better quality of service. This set the company on the road to developing a service aimed at a niche market, for clients looking for highly trained people delivering high quality customer service. A. A. Security Ltd also needed an external validation of this quality and Investors in People provided that vehicle. Not only did it provide the badge upon successful recognition, but it also gave the process and structures to make the changes the business needed.

Initially, A. A. Security Ltd provided all security staff with an introductory 3 day training programme plus a one day conflict management course. The needs of the industry and the

ambition of the company have since increased that requirement.

From 2004 onwards, each new employee has an in depth professional development programme including the City and Guilds Professional Security Officer NVQ level 2, a one day First Aid Course (with a 4 day First Aid at Work course if required by the client), and any required client specific health and safety courses (Rail industry, London Underground and Construction Skills/CITB CSCS Certification). In addition, all supervisors are trained to SITO<sup>1</sup> Security Supervisors standards.

Further training initiatives include supporting the increased use of information technology by giving all staff the opportunity to undertake the ECDL (European Computer Driving Licence). Office based staff are also required to go through the same training as field staff to ensure they understand what is involved at the operational end of the business.

As A. A. Security Ltd continued to expand, this volume of training became increasingly expensive and meant significant operational dependency on training suppliers. The company took the decision to develop its own Training Academy, now recognised for delivery of SITO and City and Guilds qualifications and a cadre of level 4 qualified trainers. This facility ensures that the company has the flexibility to provide the training it requires when needed. It has also provided an opportunity for diversifying the business by the Training Academy providing services for other companies in the sector and Jobcentre Plus, thus becoming a profit centre in its own right.



## The Results

	2000	2001	2002	2003	2004	2005 <sup>1</sup>	2006	2007 <sup>1</sup>
Turnover £000s	331	687	615	821	1,008	621	1,263	2,200
Gross profit £000s	85	166	58	266	370	197	329	363
Staff turnover %	40	13	12	11	10	10	9	9
Industry benchmark	45						35	
Customers/ assignments	20	26	25	21	20	29	82	87
Customer satisfaction – staff knowledge & performance	47	55	55	60	73	75	90	93
Staff numbers	20	40	40	63	110	100	140	240
% women	0	0	0	0	1	4	10	10

The impressive growth is further underlined as the company stands out in the Plimsoll Portfolio Analysis as having the best pre-tax profit ratio in the security sector. The success of AA Security can also be demonstrated by comparing the average industry growth figure of 4.9% to its own estimated turnover growth of 10.3% to 2007. Additionally, the company's pre-tax margin for 2006 of 27.4% compares favourably to the sector average of 4%.

Wilson believes that it is the high quality of his staff that is bringing him new blue chip clients such as BP Connect and the Arcadia Group – “high profile customers looking for services which compete on more than just price”. In the first half of 2007, the company has won two major competitive tenders from the Official Journal of the European Community – highlighting the success of their USP and a new departure for the company.

### Accredited Quality as the USP

The business planning process and linking staff development to the development of the business has helped A. A. Security Ltd to identify quality, and quality of staff, as the unique selling point for their market. The external accreditation and validation derived from this sets the company apart from less scrupulous operators, in a market where regulation has had to be introduced to enforce minimum standards.

A. A. Security has developed this aspect of their performance and marketing considerably on the back of their first success with Investors in People.

The company also won a National Training Award in 2006 and Wilson Chowdhry has won numerous awards for his business skills. The most recent accolade came in June 2007, when A. A. Security achieved the Customer First customer service standard.

