

## THEIR BEST DEFENSE IS GOOD FISCAL SENSE Series: WHAT WORKS | Top Guard Security is picky about the work it does

[Final Edition]

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### Document Text

Not all customers are created equal.

And sometimes, for the good of the company, it's good to turn down some of them -- or even to get rid of some existing ones.

So says Chris Stuart, operations manager at Top Guard Security, a Hampton-based security firm.

With more than 420 security guards -- about double what the company had five years ago -- it's one of the largest security providers in Hampton Roads, serving both sides of the water. With Nicole Stuart, Chris' wife, at the helm as the company president, it's also the largest female-owned business in Hampton Roads, according to Inside Business' 2006 Book of Lists.

It was back in the late 1990s, Chris Stuart says, that Top Guard realized it was spending a huge amount of time and effort providing part-time weekend security guard services to several hotels near the Coliseum area of Hampton.

The part-time services that the hotels sought led to a heavy turnover among the security guards, and the paltry money the contracts were bringing in didn't make up for all the stress.

So Top Guard decided it no longer wanted the headaches. It sent notices to all six hotels that it would stop serving them within 45 days, Stuart said. That stunned some of the hotels, Stuart said, but ultimately it was a good choice for Top Guard.

"It's one of the most difficult decisions that a growing business can reach -- that you don't need a client or series of clients," Stuart said. "But certain clients require a disproportionate amount of time and effort relative to the profit that they provide. In other words, they're a losing proposition ... and create a bogged-down business."

The decision stopped draining company resources and kick-started an effort to pre-screen all new clients before they start. So now, there are some businesses Top Guard serves, and some it doesn't.

Top Guard -- founded in 1996 with roots in another firm going back to 1974 -- focuses on serving corporate offices, museums, government buildings and warehouses and distribution centers. The city of Norfolk is its biggest client, with 80 security officers serving its buildings and grounds.

Thomas Jefferson National Accelerator Facility -- known as Jefferson Lab, a Department of Energy research facility in Newport News -- is another big client, as is the Army-Air Force Exchange Service.

But Top Guard's officers don't serve convenience stores, hotels, fast food restaurants, bank branches, apartment complexes, nightclubs or any establishment that serves alcohol. "The amalgamated reasons are that quite often they are part-time, have a tendency to be higher risk, they have a tendency to have much higher turnover," Stuart said.

Read the crime blotter, he said. Lots of crime happens at convenience stores. "They're robbed frequently," Stuart said. "It's a high-turnover, low-morale situation for our officers. So we've chosen not to do that ... At dance halls, no matter how rational a person is while sober, with X number of drinks, they're not a treat to interact with. So we've chosen not to place our officers in those settings."

The company focuses on providing one thing -- private security, armed and unarmed -- and doesn't get caught up in distracting side businesses. Managers have learned to read profit and loss statements and balance sheets.

The company is now moving its headquarters to a larger office across the street from its current space on Kings Way, in downtown Hampton.

Sure, Stuart said, the company might be even bigger by now if it took on more work, and didn't turn down so many jobs.

"We could be a 650-person company easily," he said.

"But instead of being a well-managed, professionally run firm with satisfied and stable clients, we would simply be a mess." \*

## LESSONS LEARNED

\*Don't be afraid to get rid of some customers if they're wasting too much of your time without bringing much business in return.

## LOCATION

112 Kings Way (but moving across the street to 131 Kings Way) HAMPTON

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## **Abstract** (Document Summary)

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