BELFRY

Keys to Building a Successful Security Firm

Data-Driven Insights for US Private Security Companies

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Executive Summary

We analyzed **85 metrics** across **200 security firms** and **600 million data rows** to identify what drives success.

Security firm owners often rely on intuition and experience to run their businesses. However, data tells a compelling story about what truly separates the most successful firms from the rest. Our comprehensive analysis uncovered clear patterns: firms that excel in financial discipline, revenue optimization, workforce excellence, and operational reliability consistently outperform their peers in profitability, officer satisfaction, and growth.

Success Pillar	Headline Metrics
Call-Off Rate	On-Time Invoice Payments
Financial Discipline	Higher Bill Rates, Longer Billing Cycles
Revenue Optimization	Higher Pay Rates, More Onboarding Actions, Lower Turnover
Workforce Excellence	Lower Call-Off Rates, Off-Cycle Payroll Usage, Pay-by-Post Rates

Methodology

Our study is based on real-world operational data drawn from 200 private security firms across the United States. These firms range in size and clientele, providing a robust cross-section of the industry. In total, we analyzed over 600 million individual data rows capturing everything from shift schedules and timesheets to invoices and payroll records. From this raw data, we calculated 85 distinct performance metrics covering financial operations, workforce management, and service reliability.

To identify what drives success, we compared metric values against indicators of firm performance such as profit margins and revenue growth. We paid particular attention to the differences between high-performing companies and the rest. For example, we examined how the top quartile of firms (by profitability and growth) differed in key practices from the bottom quartile. Statistical analysis helped surface which metrics most strongly aligned with better outcomes.

Dataset Scope

600 million records spanning scheduling, payroll, invoicing and HR events

200 U.S. security firms analyzed

**2.5-year** window of aggregated, anonymized data

ⓘ

These insights highlight correlations, not causation. Regional market conditions or client mix may influence individual results.

Financial Discipline

Timely payments improve cash flow, reduce borrowing costs, and allow reinvestment in officers and technology. Firms with a high on-time payment rate have significantly stronger margins because they spend less effort chasing collections and incur fewer bad debts.
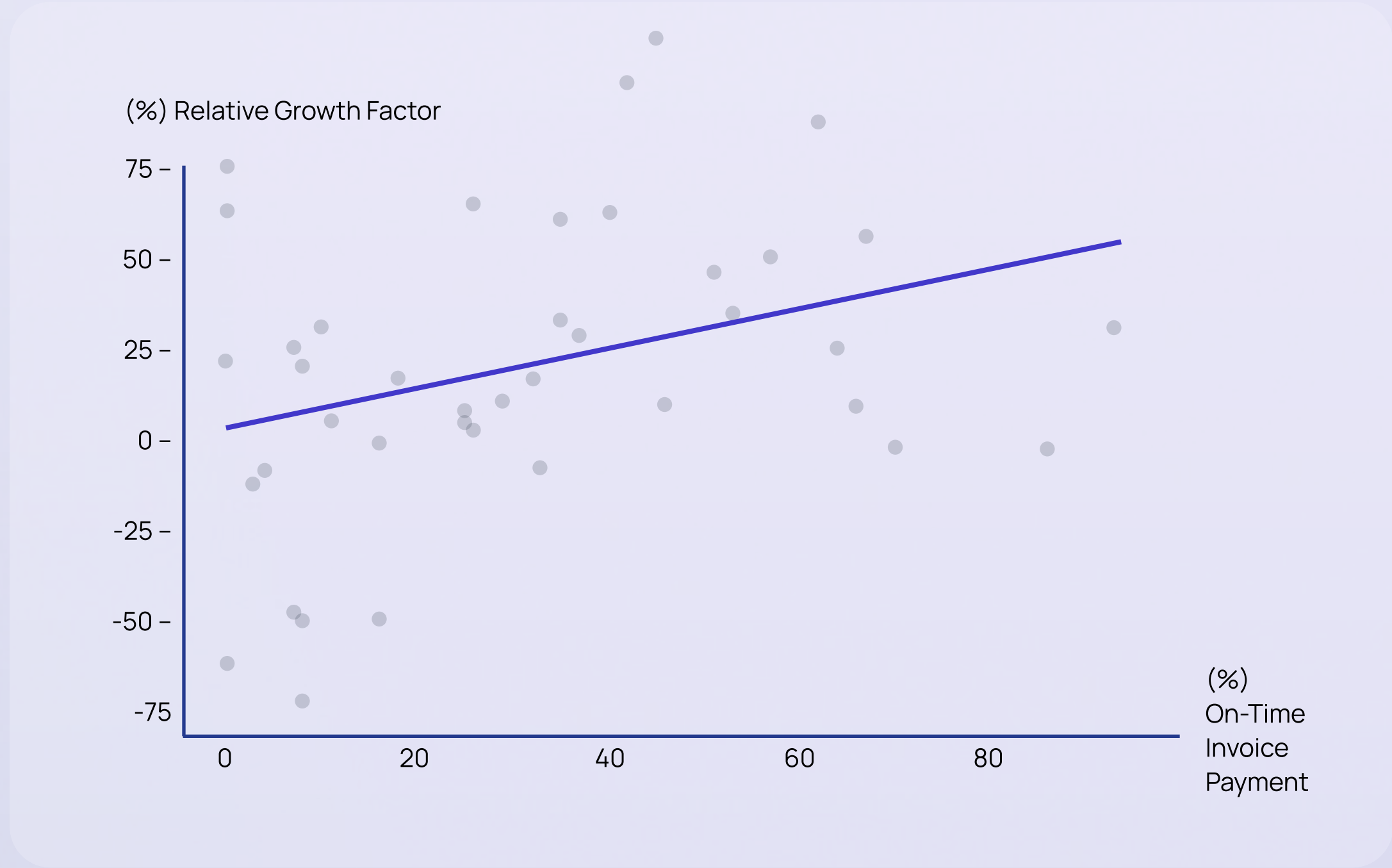
Healthy cash flow lets companies:

- Meet weekly payroll without short-term loans
- Schedule payables strategically, freeing capital for growth investments
- Avoid operational "all-hands" scrambles triggered by cash crunches

(%) Relative Growth Factor

(%) On-Time Invoice Payment

There are a couple or there is a couple of ways to keep clients on track

Direct Engagement		
	✓	Benchmark pay quarterly against local medians plus vertical premiums.
	✓	Making it easier to remit payments (payments portals)
	✓	Direct contact (phone calls, emails)

Indirect Engagement		
	✓	Regular on-site interactions
	✓	Real-time operational visibility
	✓	Incident Report
	✓	Activity Report
	✓	QBRs

Revenue Optimization

Higher Bill Rates

Our analysis shows a clear positive correlation between a firm's **median bill rate** and its growth trajectory. Security companies that charge toward the higher end of their local market range generate more revenue per hour, which funds competitive officer wages while still protecting margin. State-level medians illustrate the pricing landscape but do not, on their own, distinguish high-growth firms from the pack.
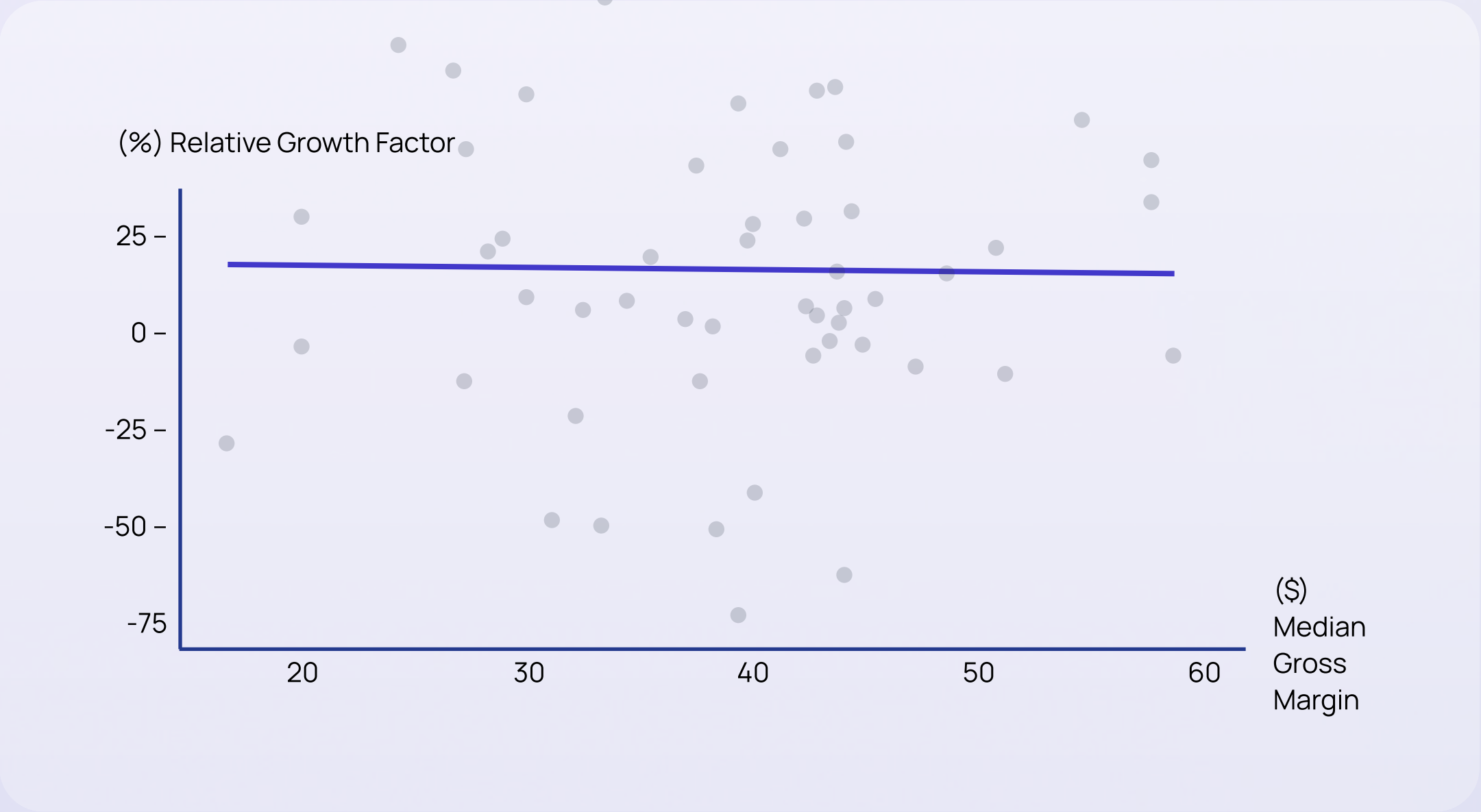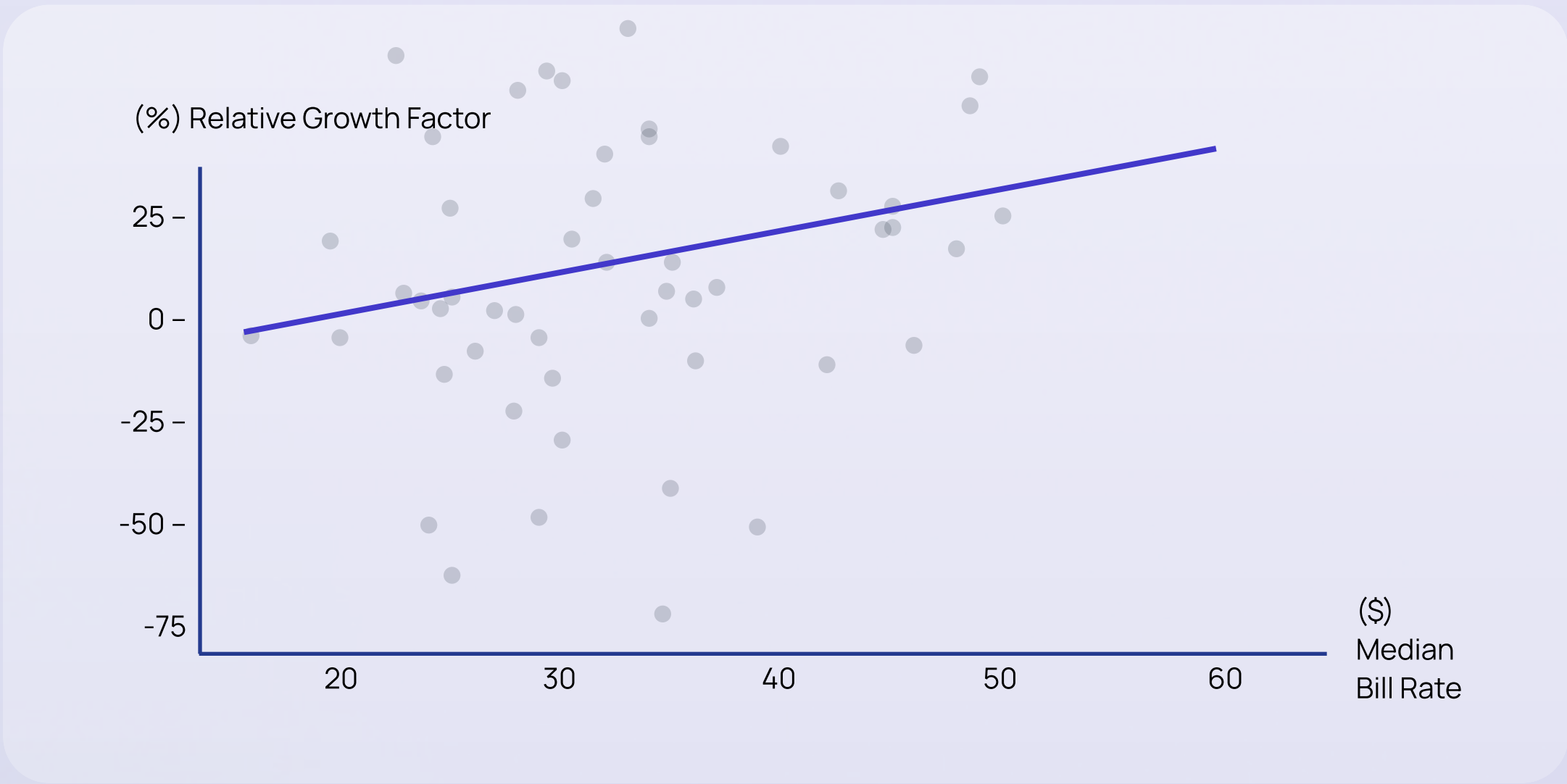
Faster growing firms focus on higher-billing contracts - not necessarily on margin improvement
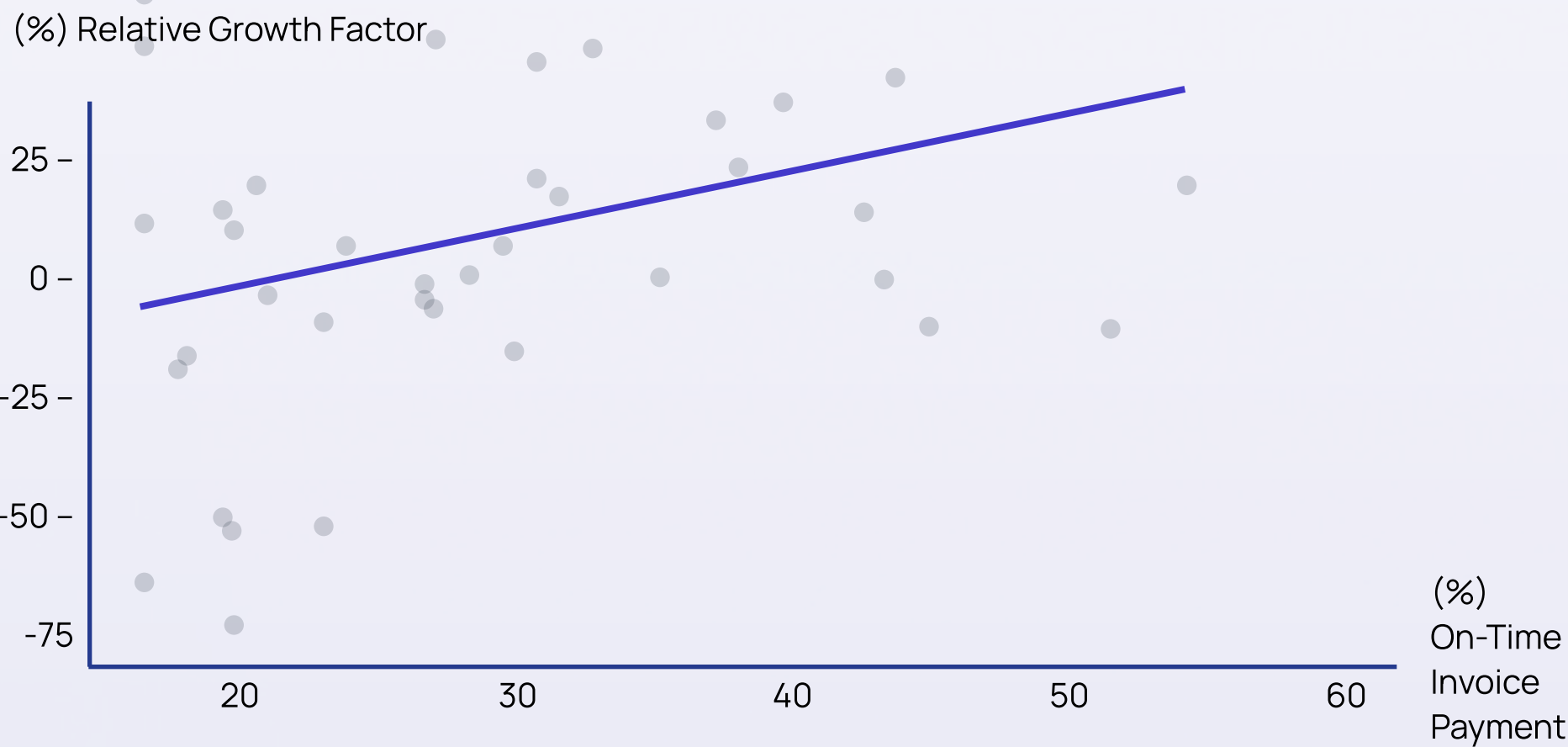
Growing firms tend to have higher pay & bill rates, but there's no correlation between growth and margins
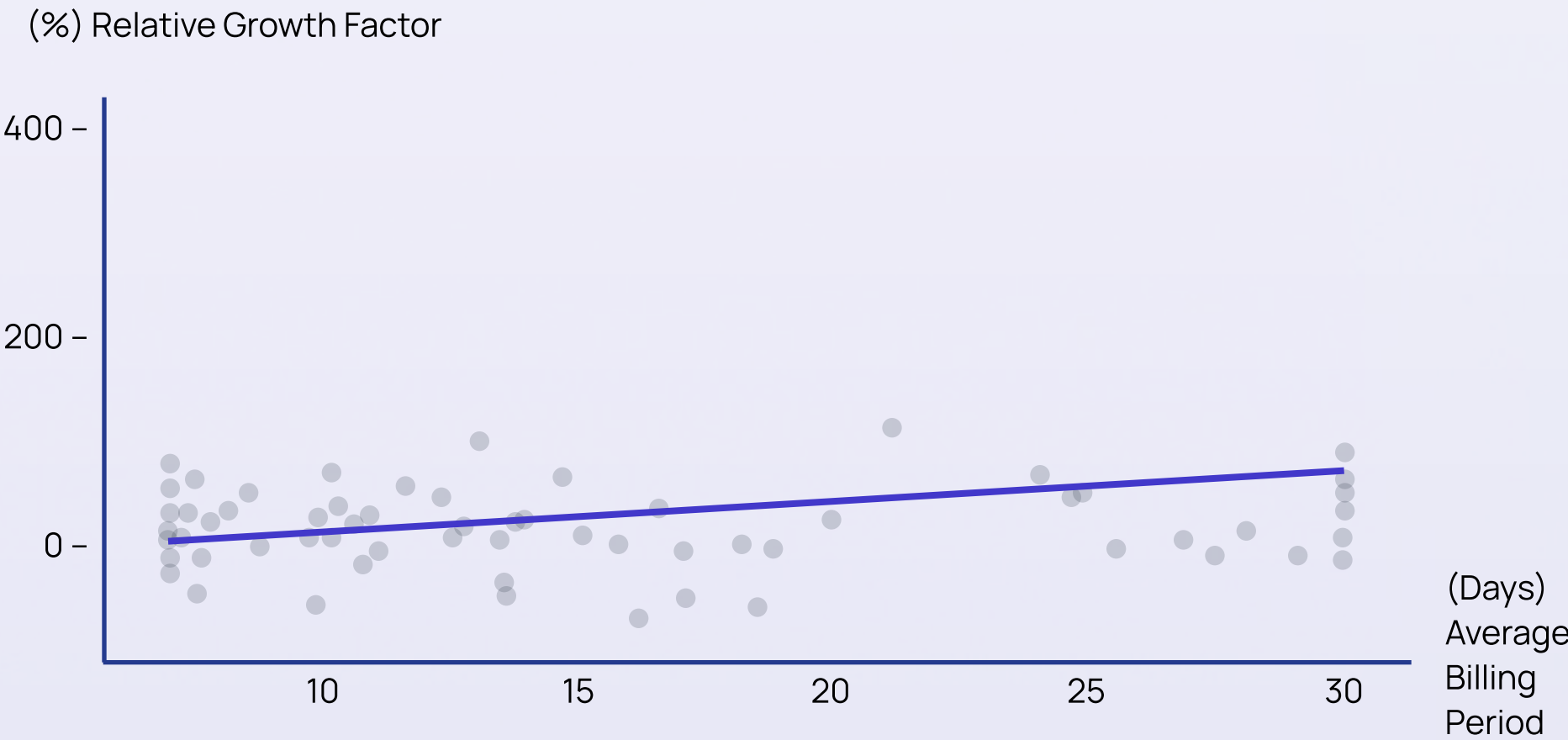
Longer Billing Cicles

High performers invoice less frequently, often moving to monthly-style cycles. Longer billing periods reduce administrative overhead and can act as a contract incentive, as shown by the positive growth correlation

Faster growing firms focus on higher-billing contracts - not necessarily on margin improvement

(%) Relative Growth Factor

(%) On-Time Invoice Payment

Growing firms tend to have higher pay & bill rates, but there's no correlation between growth and margins

(%) Relative Growth Factor

(Days) Average Billing Period

On-time payments fuel growth, while longer billing periods are used as contract incentives

Workforce Excellence

Higher Pay Rates

Competitive wages cut turnover by roughly twelve percent for every ten percent pay increase, particularly among lower-paid officers. Well-paid officers deliver better service, stay longer, and lift client satisfaction.

More Onboarding Actions per Officer

Why it Matters

"Onboarding Actions per Officer" sits in the top-ten list of growth-correlated metrics. Our research shows only correlation, yet the signal is consistent: firms that guide each new officer through a richer sequence of steps, rather than a quick paperwork hand-off, tend to ramp productivity faster and retain talent longer. Supporting tables list both average onboarding duration and number of steps completed for high-growth companies, reinforcing the link between a structured start and long-term performance.
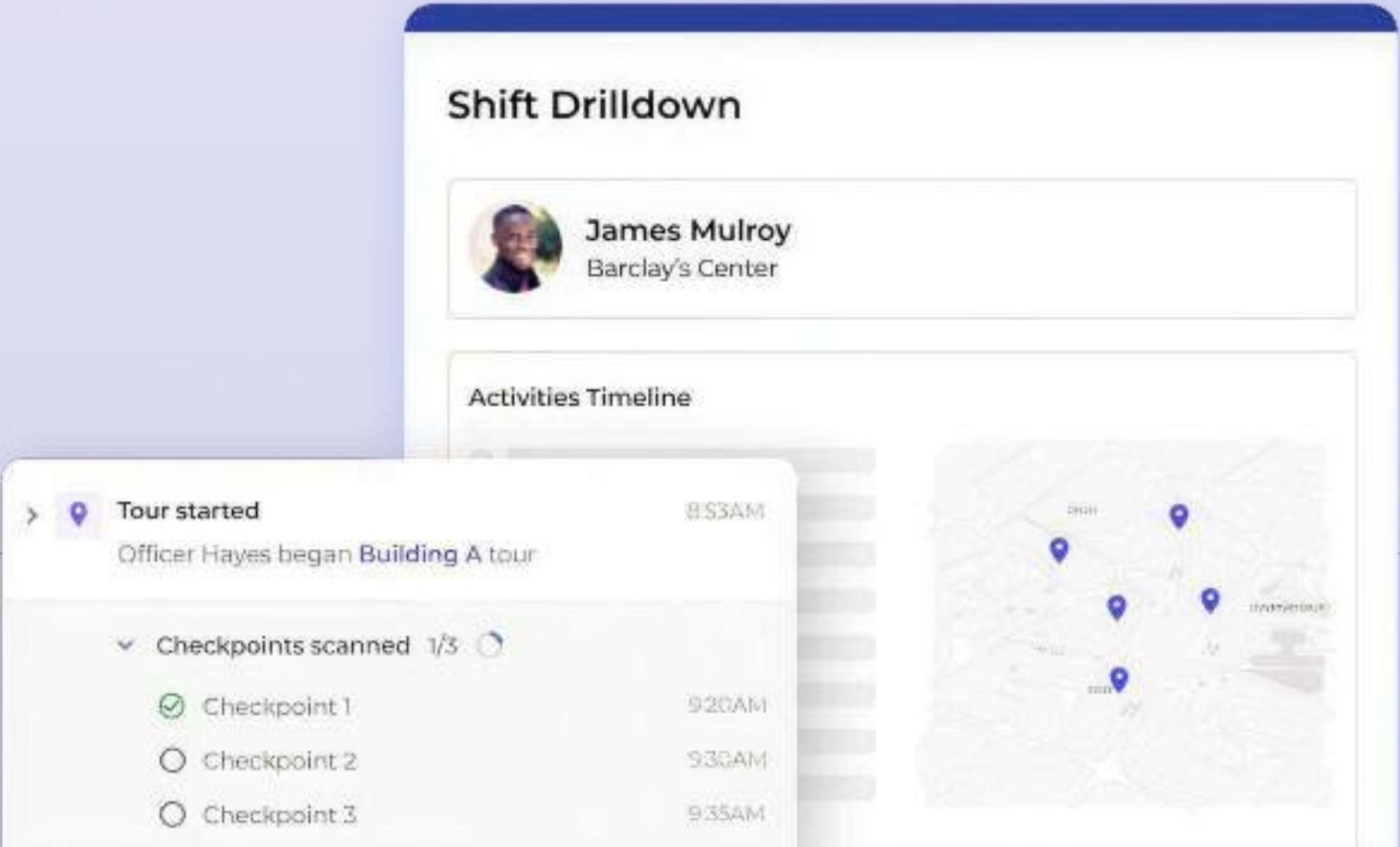
What an effective program looks like

Suggested Onboarding Checklist

- ⊘ Formal orientation on company policies and client expectations

- ⊘ Site-specific training plus a supervised shadow shift

- ⊘ 30-day performance check-in and coaching session

Building these touchpoints into a repeatable workflow helps officers feel prepared, reduces early mistakes, and shows immediate investment in their success, all factors that lower first-year turnover and support sustainable growth.

Belfry's software includes a digital onboarding workflow that makes it easy to standardize these steps and boost officer satisfaction from day one.

Shift Drilldown

James Mulroy
Barclay's Center

Activities Timeline

| ⟩ ⏺ | Tour started | | 8:53AM |
| | Officer Hayes began **Building A** tour | | |

⌄ Checkpoints scanned 1/3 ⟳

⊘ Checkpoint 1	9:20AM
◯ Checkpoint 2	9:30AM
◯ Checkpoint 3	9:35AM

Lower Turnover

Keeping turnover low pays off on multiple fronts. Each departure costs roughly $2,000 in ads, training, and admin time. High churn also breaks continuity at client sites, forcing supervisors to plug gaps instead of improving service.

What the data shows

| Insight	Takeaway
Call-offs and turnover rise together	Officers who miss shifts are more likely to resign; minimizing absenteeism keeps talent.
A 10 % pay bump cuts turnover by ≈12 %	Competitive wages are a proven lever.
Rapid-growth firms can stomach higher churn, but long-term winners drive it back down	Sustained expansion comes from converting early churn into stable tenure.

Turnover Rate by Growth Segment
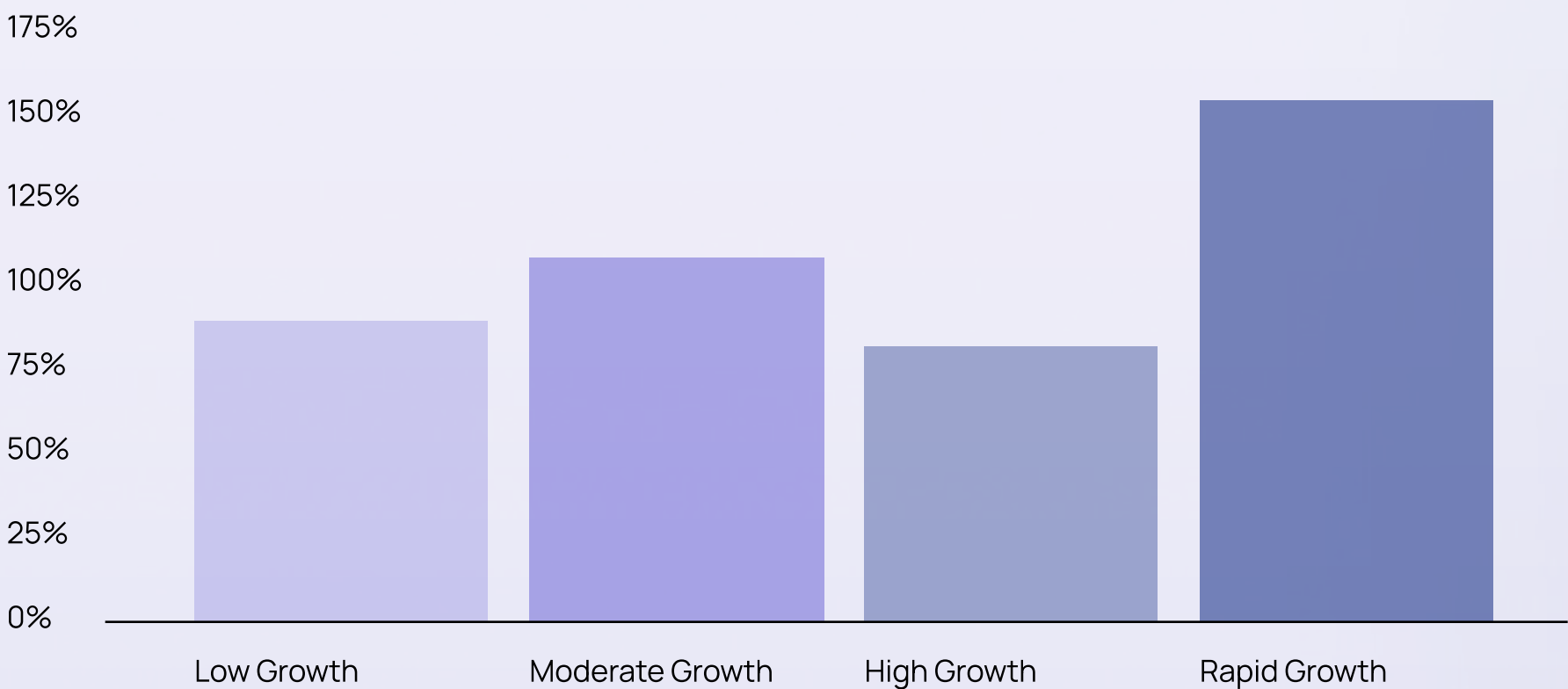
Practical implication: Aim to reduce baseline turnover below industry norms once the initial hyper-growth phase passes. The simplest way is a dual approach:

1. Raise reliability – lower call-offs through fair scheduling and reserve pools
2. Invest in pay and onboarding – Our data show both levers directly improve retention.

Locking in a stable, experienced officer corps strengthens client relationships, trims recruiting spend, and positions the firm for steady, profitable growth.

Operational Reliability

Lower Call-Off Rates

Call-offs hurt on three fronts: they break client trust, force supervisors into emergency coverage, and drive unbilled overtime costs.

Correlation with growth
Firms in the top-growth band post the lowest call-off percentages

Hidden Costs
Replacing a no-show who later quits costs roughly $2 000 in ads, onboarding, and admin time

Early-warning signal
Our data show call-off rate rising in lock-step with turnover; a spike in absences often precedes resignations.

(%) Relative Growth Factor

(%) Call-Off Rate
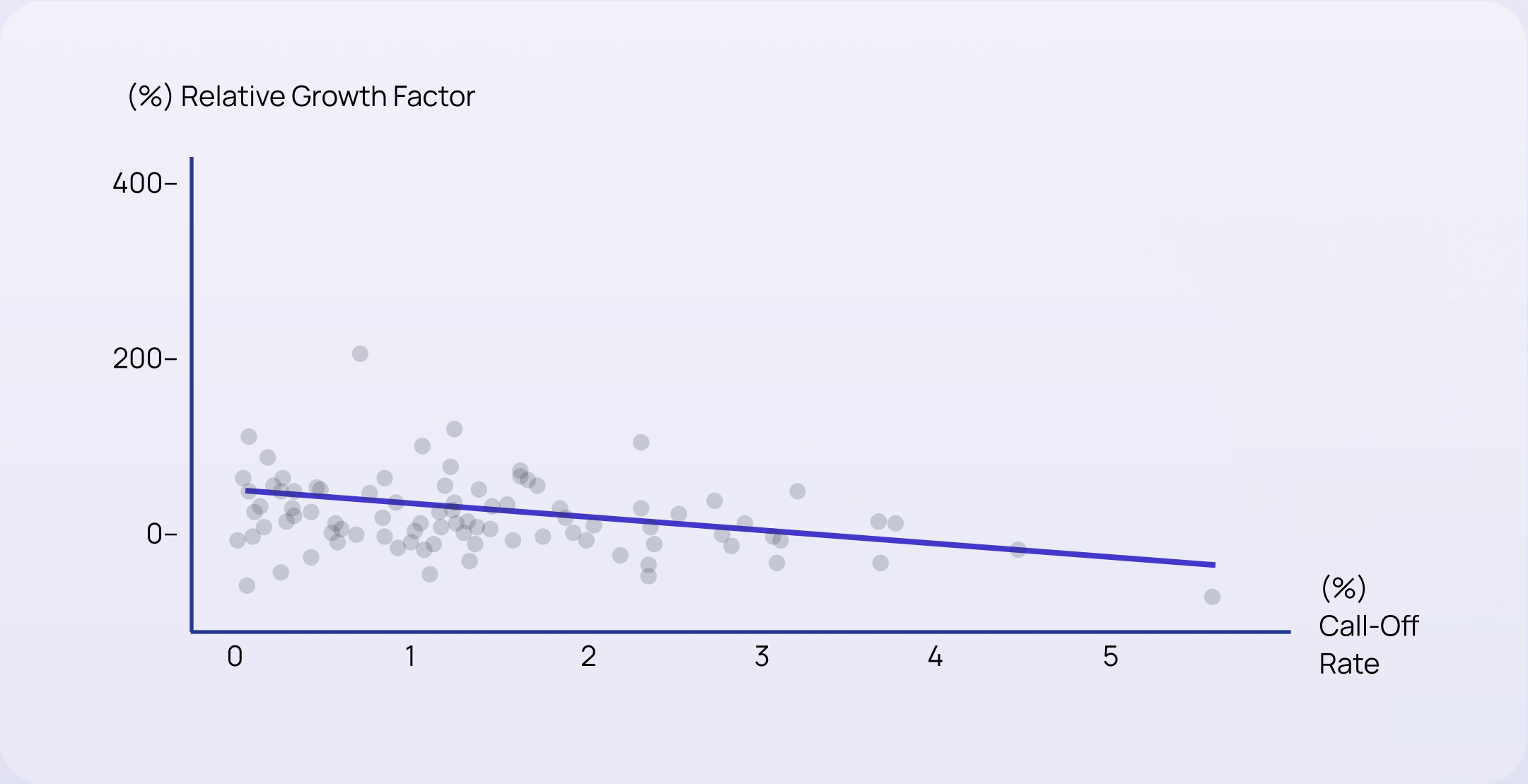
Improvement Levers

1 Publish schedules early and keep them fair.

2 Maintain a reserve pool of qualified floaters.

3 Push real-time shift offers via mobile app.

4 Pair attendance incentives with competitive pay.

Off-Cycle Payroll Usage

"Regular vs. Off-Cycle Payroll Ratio" ranks among the ten metrics most associated with growth. High-growth firms run off-cycle payrolls more readily, often to issue prompt corrections or bonus payouts, which keeps morale high and prevents wage disputes before they escalate.

Operational upside

- Officers see the company "make it right" fast, which strengthens trust.

- HR avoids manual adjustments on the next cycle, reducing errors.

- Quick bonus payments reinforce desired behaviors in real time.

Belfry lets you trigger off-cycle payroll runs in just a few clicks, whether you're issuing a bonus or correcting a paycheck error, so officers stay paid accurately and morale stays high.

Pay-by-Post vs. Flat Rates

Our research found "Post Rate vs. Employee Rate Usage" as another success factor for top firms. Paying different rates for harder or higher-risk posts likely protects both fairness and margin:

Benefit	Impact
Officers accept tougher assignments without resentment	Lower call-offs and higher retention
Officers accept tougher assignments without resentment	Protects gross margin even when wages rise
Clear rate logic simplifies client billing discussions	Fewer disputes, faster collections

Smart Scheduling Tip
Push open shifts to your reserve pool through Belfry's mobile alerts and smart scheduling system. Belfry makes it easy to broadcast a shift to officers who hold the right license and are nearest to the site. Officers can claim a shift quickly and it automatically updates in the schedule.

Putting the Insights into Practice

Small tweaks can move the metrics that our study links to growth:

Quick Win	Metric Moved	Why It Works	Tool / Setting
Automate invoice reminders	On-Time Payment	Clients who receive regular statements, activity reports, and portal nudges pay faster	Belfry Portal and Client Experience Features
Add a night-shift premium	Pay Rates, Turnover	A 10 % pay bump cuts turnover ≈ 12 %; premiums target the hardest-to-staff hours	Pay-by-Post pay codes
Launch a structured onboarding checklist	Onboarding Actions	Firms with more onboarding steps correlate with higher growth	Belfry

These quick wins use features already baked into Belfry—scheduled invoice emails, differential pay codes, and drag-and-drop onboarding flows—so teams can implement them in a few clicks and watch the metrics move.
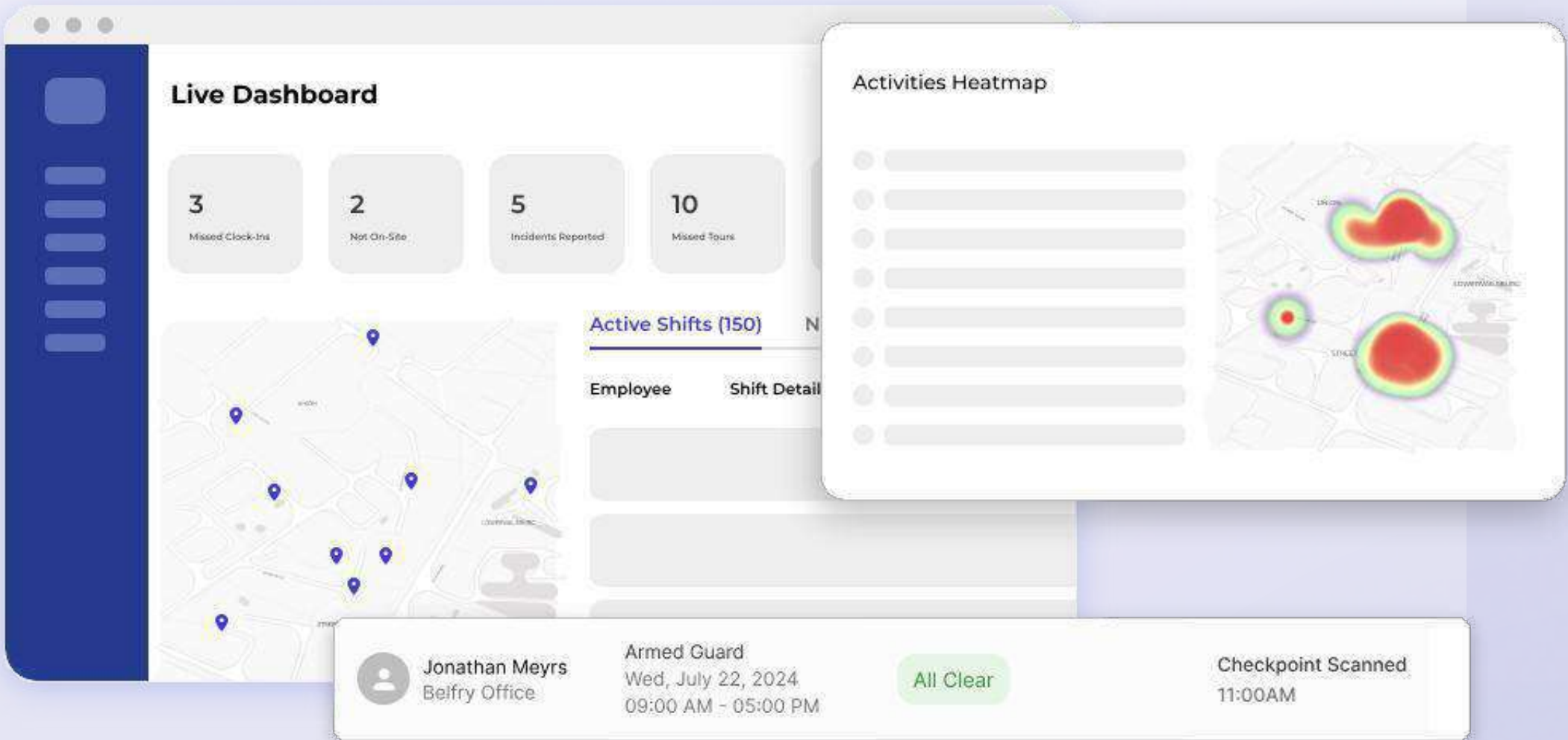
Take the Next Step with Belfry

Your data is already telling a story. Belfry turns that story into action. Every metric in this report connects to a feature already live in Belfry's operating system.

Growth Lever	Belfry Feature	How it Helps
On-time payments	Automated A/R + Client Portal	Schedule invoice reminders, send activity reports, and let clients pay inside the portal; firms that use these indirect-engagement tools see faster collections
Low call-offs	Smart Scheduling + Mobile Shift Offers	Open posts blast to licensed, nearby officers and are claimed fast, slashing unbilled overtime and supervisor headaches
Lower turnover	Pay-by-Post Codes + Instant Off-Cycle Payroll	Reward tough shifts and fix pay errors in a few clicks, reinforcing trust and cutting churn
Compliance and retention	Digital Onboarding Flow	Track every step—background check, training, license upload—in one workflow; officers start faster and stay longer
Error-free payroll	Integrated Timekeeping & Payroll	Hours flow straight from the schedule to payroll, reducing mistakes and admin load

BELFRY

Ready to see the numbers move?

Schedule a live walkthrough of Belfry's operating system and get a custom benchmark report for your firm.

Book a Demo →

Get in touch

sales@belfrysoftware.com

(555) 123-4567

Send Offer

✓ Set up Offer   ✓ Select Officers   ✓ Review & Send

Shift Details   Edit

Post

Date

Create Invoice   ⊹ Generate Invoice

Select Site

Date Range

☐ — ☐

Select Shifts

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