

NATIONAL UNIVERSITY OF SCIENCES & TECHNOLOGY

NUST BUSINESS SCHOOL



FINAL PROJECT REPORT:

**BUSINESS MODEL FOR PRIVATE
SECURITY COMPANY ON MODERN LINES**

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BUSINESS MODEL FOR PRIVATE SECURITY COMPANY ON MODERN LINES

Executive Summary

Pakistan is a country badly hit by terrorism in recent past. According to the South Asia Terrorism Portal, there has been 320 terrorism-related incidents in 2020, and 169 associated deaths of civilians. That represents a decline, from a high of nearly 5,000 such incidents in 2011, with over 2,800 civilian deaths. This decline is mainly attributed to the military operations conducted by Pakistan Armed forces against the terrorists which had been responsible for the majority of terrorist attacks since 2007.

In this backdrop, private security has become a need, not a luxury in Pakistan. It has emerged as a full-time industry in Pakistan. However, private security industry is not properly regulated in Pakistan and hence inefficient to meet the expectations of its clients. Despite the demand, the security companies are failing to provide good services to small and large businesses. There are a lot of reasons for the poor quality of service being provided by private security companies, however, the main reason is that generally these security companies hire retired soldiers from Armed forces on meagre salaries and put them on job without realizing that they are actually not trained for providing security in private sector.

In developed countries, some functions previously performed by the police and military are now with private security contractors. Even security of mega events, VVIPs and jails have been outsourced to private security firms. There is need more than ever for an efficient and cost-effective private security services in Pakistan also to supplement and reduce the burden on state institutions. In the emerging security landscape, the private security sector can play a vital role not only by reducing the burden of law enforcement agencies, but also by generating employment opportunities for less educated, but intelligent and tech-savvy young men and women,

encouraging them to opt for private security as a profession.

The present law and order situation with increasing fears of terrorist activity, and the current economic climate, which promises an upswing, this business is being launched at the right time to fill the existing gaps in private security industry in Pakistan. The business model will be built around a new concept of security presently not in practice in Pakistan private security sector. This security model provides security cover under the concept of “**Area Defense**” instead of “**Point Defense**” in which a single security guard is deployed on any installation. In Area Defense, we deploy a team of security guards to provide security cover to a number of installations closely located. This is a much effective arrangement and at the same time a cost-effective solution for clients as it reduces number of guards required per installation and obviously a team of security guards can be more effective to mitigate and neutralize any security threat.

After surveying the market and critical analysis of present security situation in Pakistan, it was revealed that Businesses despite paying hefty amounts to security firms are not satisfied with the services provided by private security firms so this new model of private security is aimed at filling the gaps in present system and customer satisfaction will be a key driver for the success of our business.

Industry Overview

Since the Pakistani private security industry is in its embryonic phase, it is still operating as a human resource-intensive industry, primarily transforming the traditional ‘chowkidar’ (watchman) system into a modern security system. In Pakistan, 250,000 private guards are performing security duties. In Pakistan, private security agencies are still confined to the traditional role. The business community here often feels that since it is paying huge sums in taxes, why should it bear the additional burden of ensuring security. However, owing to the circumstances in Pakistan, there is a realization that security is not the exclusive responsibility of the state, but rather of everyone. The growth of private security agencies here is often attributed to the failure of the state to perform important obligations. This perception needs to be changed as even in the developed

world, banks, educational institutions, markets, industrial units and hotels are protected by private security apparatus.

Since the 1990s, the world has witnessed a remarkable increase in private security industry. According to an estimate, private security companies in the US earn annual revenues ranging from \$ 35 billion to \$ 40 billion. There are an estimated 25 million security guards working globally. This depicts an increase of between 200 to 300 percent over the past two to three decades. In developed countries, since professional private security industry has stepped into field, a revolutionary change has begun to rise in the safety of such societies. Private guards in these societies are extremely Professional in dealing with incidents, to provide first aid services and coming to the rescue in case of accidents. Big companies like Amazon, Microsoft and Tesla hire best security professionals and offer best possible career opportunities.

In Pakistan security guards are generally retired soldiers from armed forces who are hired on meagre salaries. These guards are not motivated enough to perform duties to the satisfaction of Business owners. They are poorly equipped and always outnumbered by their adversaries. Moreover, industry lack proper regulations from the Government which provide freedom to security companies to employ security guards without proper security clearance which lead to crimes committed by security guards. Private security firms in Pakistan do not offer any life insurance to these guards and in turn these guards are not willing to risk their lives in the line of duty. There is no career progression, perks or privileges offered to them and even good work is not being acknowledged.

Majority of security firms do not have any training facility. The guards employed by them are not trained to handle any crisis situation where they perform duties. There are no drills to practice contingencies which could happen. They do not carry out firing practice and at times they have never fired a single bullet from weapon they carry. In short, a lot is required to be done to improve the situation of private security industry in Pakistan.

Objectives

Our plan is to establish a new Security company with the name of “**Buraq Security Company**” and to become one of the leading brands in the private security services industry in Pakistan within the first 10 years of operations by offering services as per international standards and covering present gaps in private security industry by hiring, training and deploying security professionals while always keeping customer needs and expectations in focus.

Vision & Mission Statement

- Our vision is to build a private security company brand that will become the number one choice for both individual clients and corporate clients in Pakistan.

Our vision reflects our values: Customer Satisfaction, Excellence, Welfare of Troops.

- Our mission is to provide professional and trusted private security services to large businesses in Pakistan.

Our Products and Services

Buraq Security Solutions is going to offer a variety of services within the scope of private security industry in Pakistan. Our business offerings shall include but not limited to;

- Area defense to large Businesses closely located in city of Islamabad.
- Prevention of unauthorized activity or entry in a specified perimeter.
- Access control services.
- Fire and theft prevention and detection services.
- Security advisory and consultancy services.
- Security patrolling and quick reaction in case of any untoward incident.

Our Business Structure

In Pakistan, security companies fail because they do not have a training facility and are dependent either on trained human resource which they employ in shape of retired

soldiers or they depend on other institutions for training their human resource. Buraq Company shall establish its own independent training facility and it will be comprised of a security training institute and a security company. The training institute will be located in a small town near the city of Mianwalli where it can find and induct young energetic potential security guards and then train them on modern lines. After training, these security guards will be handed over to own security company which will be located in Capital city of Islamabad. The company will focus on providing security guards to large retail businesses in Islamabad in order to establish a strong base of clients in Islamabad. The business will first of all target Blue Area and F-6 sector, Islamabad. The reason for selecting these two areas of Islamabad is that these areas have a number of retail stores. A survey was conducted before selecting these areas which revealed that owners of retail stores are not happy with private security firms presently providing them security services. Buraq Security Company will take this opportunity to its advantage. The company will grow its employees base of security guards very carefully based on its client expectations and after proper training at its own training facility.

Buraq Security Training School

The company will first launch its training school with name of **“Buraq Training School”** at Dunda Shah Bilawal which is a small town near city of Mianwalli and approximately at a 2.5 hours drive from Islamabad. The few reasons for selecting this site for opening training facility at Dunda Shah Bilawal are appended below;

- (a) The land required to open the training facility is property of company owner. The said piece of land cannot be used for cultivation or any other commercial purpose, however, it can be an ideal choice for building a security training facility. As its already in possession of company owner so no extra investment and time is required for procurement of land.
- (b) The town has a large population with limited employment opportunities especially for youth. The company owner belongs to same town and can quickly induct best possible human resource based on his experience in field

of security and utilizing his local connections.

- (c) The town is located at a driving distance of 2.5 hours from Islamabad which facilitates the business in many ways like positioning and shuffling of human resource between the training facility and company offering security services in Islamabad.

Buraq Security Company

The business will establish security company in Islamabad with the name of “**Buraq Security Company**”. The company will differentiate and compete in the market based on its specialized services which it intends to provide by deploying young and energetic security guards who would be trained on modern lines at its own training facility. Moreover, company will offer its services at a much cheaper cost as compare to its competition by introducing the concept of “Integrated Security” which is explained in subsequent paragraphs.

Integrated Security Concept_ A leading Principal

Large retail Business are facing a threat now days from robbers who target such large retail outlets even in day light due to poor response by police. The private security hired by these large retail businesses have proved itself inefficient and unable to provide them security as mostly private security companies provide old age guards who are equipped with old weapons. A single guard is mostly outnumbered by the robbers who carry very sophisticated automatic weapons. These security guards are generally retired soldiers employed by security companies on very meagre salaries. These security companies do not own their human resource and only focus on their profit margins. Hence, the security guards are also not motivated to confront any such threat. Large retail outlets are also targeted by different terrorist groups as these are soft targets attracting large crowds and can create breaking news to serve purpose of terrorism. Buraq Security Company has critically analyzed this situation and found major gaps in present security arrangement and hence has developed and formulated a solution to address this issue as follows;

- (a) Buraq Security Company will change the status-co and employ young and

energetic security guards instead of hiring old age retired personal. Buraq Security Company will train its personnel at its own training facility in 3 months. The company intend to provide basic security training during said 3 months course. The training syllabus is carefully designed to meet client needs and expectations after doing a thorough threat analysis of security situation and possible threats to large retail businesses in Islamabad. Subsequently, miscellaneous advance courses will be conducted at a later stage as per customer requirements as the company grows in future.

- (b) The deployment concept of security guards will be entirely changed in case of Buraq Security Company. Normally large retail stores deploy one security guard. All collocated stores have their own guards, however, despite many guards available in a given area, the threat could not be neutralized as no coordination exists between these guards.
- (c) Buraq Security guards will be deployed as a team of four guards equipped with modern weapons and communication with independent transport. Each team will be made responsible for patrolling in a given area covering multiple large retail outlets where they can immediately get deployed and neutralize the threat if occasion arises.
- (d) A simple mechanism of push button will be provided to all clients to call Buraq force on site in case of any untoward situation. The button so provided will create an alarm at company head office control room which will direct Buraq force to scene of occurrence without any delay. The company control room would also dispatch back up if required and also inform law enforcement agencies about the occurrence.

Key to Success

- (a) The company will arrange provide life insurance to all its security guards. Moreover, it will provide them opportunities to grow to senior positions within company over period of time based on their performance and feedback from clients. This way company will keep highly motivated and professionally

trained security personnel.

- (b) We will ensure that we hold ourselves accountable to the highest standards by meeting our client's needs and expectations precisely and completely.

SMART

SMART is a mnemonic acronym, sometimes considered as a tool or a framework used to guide the development of measurable goals and objectives. Typically accepted criteria are as follows :

- **S for Specific**
- **M for Measurable**
- **A for Achievable:** agreed, attainable, action-oriented, ambitious, aligned with corporate goals
- **R for Relevant:** realistic, resourced, reasonable, realistic and resourced, results-based
- **T for Time-bound** (or "timely"): time-based, time limited, time/cost limited, timely, time-sensitive, timeframe.

Our objectives are measured against the SMART tool and aligned accordingly.

SWOT Analysis

A SWOT Analysis was conducted for Buraq Security Company before launch which revealed following;

Strength:

We have a team of trainers and managers that can go all the way to give our clients value for their money by providing young and well-trained security professionals.

Weakness:

As a new private security company, it might take some time for our organization to enter into the market and gain acceptance especially when we are planning to enter the market with a new security concept in the already saturated private security services industry.

Opportunities:

The opportunities for the company in future are massive considering the security situation in country. As we intend to reduce costs and provide a much better service, we are ready to take advantage of any opportunity that comes our way.

Threat:

As we are training our human resource on modern lines, so there is a possibility that they can get hired by other competitors in the market. However, we are optimistic that as we are going to offer life insurance to our troops, a competitive salary and better career opportunities so we hope that things will continue to work for our good.

PESTEL ANALYSIS

Political

Private security industry in Pakistan is dominated by Organizations which work under the supervision of Army and mostly retired officers are working at senior management of these security firms like Askari Guards, Fauji Guards etc. Our business has to compete with these organizations by providing a much better quality of service. Our marketing campaign would focus on changing perception of a common businessmen that we offer a better quality of service compare to our competition.

Economic

Present economic conditions promise an upswing due to better Govt policies and CPEC. We intend to leverage maximum under present circumstances.

Social: There is a general awareness created by media within the society and with enhanced usage of social media, social conditions in country are improving with time. Our business intends to take it to our advantage.

Technological

We are living in a Technological age where we come across new innovations every day. Security can be very effective if we make optimal use of new technology. Our business will deliver services making best use of new technologies; however, we look forward to adopt cost effective solutions offered by modern technology.

Environmental:

Environmental issues are external factors which effect businesses. There are rising threats being posed by global warming. Our business will ensure that we behave responsibly and we do not get involved in any act which reflect a poor civic sense. We also look forward to adopt to strategies to go green.

Legal

Private security industry in Pakistan is not properly regulated. We intend to pursue with Govt. entities regarding reforms in this sector as per international standards.

Operational Plan

Job Roles and Responsibilities

Mr. Abid Iqbal is CEO and founder of company. He owns 60% of the business and remaining 30% is owned by his partners. 10% of Business will be owned by senior management. The company will follow a profit-sharing arrangement with all our senior management staff and it will be based on their performance. Qualified and competent hands will be hired to occupy the following positions;

- Chief Executive Officer.
- Chief Training Officer.
- HR Manager.
- Marketing and Sales Executive.
- Accountant.
- Customer Care Executive.

Chief Executive Office:

- Chief Executive officer will formulate company policies.
- Induct senior management for different roles.
- Communicating values, strategies, and objectives to senior management.
- Assigning responsibilities to senior management.

- Planning, monitoring, and appraising job results; developing incentives;
- Creates, communicates, and implements the organization's vision, mission, and overall direction.
- Responsible for signing checks and documents on behalf of the company.
- Evaluates the success and failures of the organization.

Chief Training Officer

- Manages and supervise training activities of security troops.
- Prepare weekly training schedules.
- Track training and currency of instructors.
- Overall responsible for day to day working of Buraq Training Institute.
- Keep an eye on latest development in field of security and keep CEO updated about the future needs of clients.
- Conduct security audits of existing clients to make sure best services are being provided by the company.
- Evaluating new security products which can improve efficiency of security guards.

Security Consultant

- Mr. Abid iqbal with his vast experience in field of physical security will also take the role of security consultant.
- As security consultant he will plan and design security solutions for clients while ensuring all projects are delivered in time.
- Coordinate with clients to identify their security needs, conducts market research, collect information and negotiate contracts to the best interest of company.
- Provides security feedback and propose ideas to improve security services to clients.
- Ensures compliance with legal, health and safety obligations.
- Offers security advisory and consultancy services to clients.

Human Resource Manager

- Responsible for interviewing and hiring security guards as per guide lines provided by CEO.

- Designs job descriptions with key performance indicators to drive performance of security staff.
- Regularly hold meetings with key stakeholders to review the effectiveness of HR Policies, Procedures and Processes.
- Oversees the smooth running of the daily office activities.

Marketing and Sales Executive

- Research market, identifies opportunities and put forward to CEO.
- Identifies, prioritizes, and reaches out to new partners, and business opportunities.
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients.
- Develops, executes and evaluates new plans for increasing sales.
- Documents all customer contact and information.
- Represents the company in strategic meetings.
- Helps to increase sales and growth for the company.

Accountant

- Responsible for preparing financial reports, budgets, and financial statements for the organization.
- Responsible for financial forecasting and risks analysis.
- Responsible for developing and managing financial systems and policies.
- Responsible for administering payrolls.
- Handles all financial transactions for the company.
- Serves as internal auditor for the company.

Customer Care Executive

- Establish a direct contact with all clients to acquire direct feedback.
- Provides the clients with a personalized customer service experience of the highest level.
- Build client's interest in the company's products and services.

- Consistently stays abreast of any new information on the company's products, promotional campaigns etc. to ensure accurate and helpful information is supplied to clients when they make enquiries.

Licensing for Starting Business

- Starting a private security business require some requisite licensing from different Government entities. This includes the license for weapons, ammunition, uniform to be worn by the security troops, license to conduct training etc. Licensing goes a long way in showing the credibility and seriousness of the company to prospective clients. Private Security Companies have been operating in the country under an administrative order issued by the Ministry of Interior in 1988.
- Necessary rules for the Companies functioning in Islamabad Capital Territory are being framed by the Federal Government.
- Private Security Companies are required to register themselves with the Securities and Exchange Commission of Pakistan (SECP) under the Companies Ordinance, 1984. The SECP will register the company after meeting the formalities.
- Subsequently, Ministry of Interior issues NOC. The process of issuance of NOC by Ministry of Interior normally takes three to four months.
- For operation in the Islamabad Capital Territory, the Company is required to approach the concerned Chief Commissioner, Islamabad for grant of license for operation in the respective jurisdiction.
- The affairs of the Private Security Companies will be regulated as per Ordinance and rules framed by ICT.
- Federal Government is prescribing a standard uniform for the guards of Private Security Companies which may not resemble with the uniforms of Pakistan Armed Forces and other Law enforcement agencies.
- Training Institutions are being established in the country for the training of Security Guards under the same rules.

Establishing Company Head office and Control Room

- It is good to go virtual especially in the digital age that we are in but with the nature of this kind of business, it is better to establish a proper company office and a control room. This, among other things, would ensure the trustworthiness of the company. The company will establish its head office and control room in Blue area Islamabad and acquire a suitable building or premises on rent for this purpose with a minimum contract agreement for next five years.

Establishment of Training facility

The training facility of the company will be established at Dunda Shah Bilawal. The training facility will be established at land available with company owner at stated town. The training facility will include an office block comprising two rooms, one class room, 50 meters firing range and two barracks with kitchen, dining room and community washrooms for housing under training guards and instructors.

Recruitment of Personnel

- After employing senior management and establishing head office, control room and training facility, the company will start induction of security guards for training.
- Employing personnel if not done carefully could affect the business adversely as time goes on. A proper selection criterion will be set by CEO which will be followed in letter and spirit for induction by HR Manager.

Training of Security Guards

A three months rigorous training program is formulated by the company for training on modern lines focused on protection and provision of security cover to retail businesses, quick reaction response in case of any contingency, proficiency in handling weapons and handling of modern communication equipment. Every single guard will be properly

assessed before putting him on job. Moreover, every single guard is to return to training facility after six months for a refresher on fire arms and advance training. Proper training log will be maintained on each guard along with security clearance through police. Security guards will be considered for promotion after completing 5 years with company to post of security supervisor. The company will provide life and medical insurance to all guards from day one. The company will keep 5% of its monthly profit for welfare of troops and legitimate help will be extended to genuine cases if required to keep the guards motivated.

Startup Expenditure (Budget)

In setting up any business, the amount or cost depends on the approach and scale you want to undertake. We intend to go big over a period of 10 years, however, we would also need a good amount of capital at startup too as starting private security company with a training facility is a capital intense business. Moreover, as per our vision we need to ensure that our employees are well taken care of, and that our facility is conducive for training security guards and attract potential clients. This means that the start-up costs are quite high due to our goals, vision and aspirations for this kind of a business model.

After conducting a detailed cost analysis for starting this company, the training facility will be established with only essentially required infrastructure. As recruitment will be done locally, so initially only a firing range will be constructed along with a simple classroom. No accommodation/ dining facility will be provided to trainees initially. Once the business start making profit, then training facility will have phase wise expansion as per devised plan.

Same way, office building, head office, control room etc will be established 3-6 months after the launch of company and initially a virtual office will be established for 1st 3 months till the time 1st batch of security guards are trained and successful contracts are done for their subsequent deployment. The company will induct 25 personals to train them as security Guards. Employees for different management positions will be inducted gradually as the company work load grows.

These are the key areas where we will spend our start – up capital;

- The total fee for incorporating the business in Islamabad - **Pkr 25000.**

- The budget for basic insurance policy covers, permits and business license –**Pkr 250000 (Group insurance contract on rotation with State Life Insurance) with recurring expense per annum Pkr 25000.**
- The amount needed to acquire a suitable office facility and Control room on rent in Blue Area (Six months rent) – **Pkr1500000. (phase-II)**
- The Cost for equipping the office (computers, software applications, printers, fax machines, furniture, telephones, filing cabins, security and safety gadgets and electronics) – **Pkr 25,00,000(phase-II)**
- The cost for the purchase of weapons, 01 security vehicle, 04 motorcycle, uniforms and other security gadgets for 25 security guards Pkr 100,00,000
- Budget for paying employees for 3 months plus utility bills – **Pkr 10,00,000**
- Additional Expenditure (Business cards, Adverts and Promotions) – **Pkr 1000000**
- Training Expense on 1st batch of 25 security guards **Pkr 200,000**

Generating Funding / Startup Capital

Buraq Security Company will be a private – partnership business that will be owned by Mr. Abid Iqbal and his friend Mr. Usman Khalid. They are the sole financial of the firm, but may likely welcome more partners at a later stage. Moreover, Bank loan option will be considered at later stage to expand the Business, however, for startup all the capital will be injected from personal savings of both the partners at 60/40 ratio.

Marketing Plan

Another important step to start private security company will be to evolve appropriate marketing and advertising strategies. Despite the fears of robbery and terrorism, the business owners of retail businesses do not want to spend money on security measures as it reduces their profit margins to a large extent. Buraq Security company has come up with a solution for them where they are spending less on security but getting a much better service and value for money. However, its realized that Buraq Security Company is required to conduct an aggressive marketing campaign to change the mindset of its client and introduce its products and services to potential clients.

Buraq Security Company will formulate proper strategies right on the onset of business to attract potential clients. All the strategies will be tailored around its strengths which include being less expensive, well trained and well-equipped young security guards, concept of quick reaction force, facility of control room to monitor security situation and extend all out support in case of any contingency.

A proper presentation will be prepared and delivered to potential clients in this regard. We will ensure that our excellent job delivery will speak for us in the market place; We have been able to work with our brand and publicity consultants to help us map out publicity and advertising strategies in a way that will help us walk our way into the hearts of our target market. Buraq security company is set to make use of the following marketing and sales strategies to attract clients;

- Introduce our business by sending introductory letters alongside our brochure to our potential clients.
- Advertise our business in relevant magazines, newspapers, TV stations, and radio station.
- List our business on yellow pages ads (local directories)
- Create different packages for different category of clients in order to work with their budgets.
- Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, YouTube, Google to promote our brand.
- Encourage word of mouth marketing from loyal and satisfied clients.
- Engage in road show from time to time in target neighborhoods.

4Ps Marketing Mix framework

Four components to consider for attaining competitive advantage for our business can be defined as the following:

- **Product:** Our product or service offered must always meet consumer interest or demand.

- **Price:** We plan to survive on very less profit margins for first three years and our offerings should always be at a price slightly less than market. We intend to come up with such security solutions that we appear cost effective to our potential clients with a better service.
- **Place:** The place selected for launch of business is very carefully selected keeping in view demand of potential customers.
- **Promotion:** Sales promotion activities like publicity, public relations, exhibition and demonstrations, etc. will be arranged regularly by the management.

Sustainability and Expansion Strategy

We know that one of the ways of gaining approval and winning customers over is to offer our private security services a little bit lower than what is obtainable in the market and we are well prepared to survive on lower profit margins for a while.

We will make sure that the right foundation, structures and processes are put in place to sustain and expand in future over the years. The company's culture will be designed to drive the business to greater heights and training and re-training of our workforce is considered most important in this regard.

Profit-sharing arrangement will be made available to all senior management so they remain involve and contribute towards the success of business. We understand that if that is put in place, we will be able to successfully hire and retain the best hands we can get in the industry and they will be more committed to help us build the business of our dreams.

BCG matrix

The BCG matrix, stands for Boston Consultant Growth Matrix. It was created in 1968 by Bruce Henderson, founder of Boston Consulting Group. The growth share matrix is, a portfolio management framework that helps companies decide how to prioritize their different businesses.

The BCG matrix places business units (or products) in a **four-quadrant table** that plots market-share against market growth potential. The matrix identifies the **stars, cash cows, question marks, and dogs**:

Stars:

- High market shares in high-growth markets
- Generate considerable income but require even more cash to finance further growth
- We intend to keep our security training institute in this area.

Cash cows:

- High market shares in low-growth markets
- Action: focus on maintaining this status for as long as possible, as it produces strong cash flows to reinvest
- Our quick reaction force team will be a product which will generate maximum cash flows for the business.

Question marks:

- Low market shares in high-growth markets
- Require more investment than the cash they generate. Dilemma: support or abandon.

Dogs:

- Low market shares in low-growth markets
- Action: withdraw from these markets as quickly as possible (liquidate, divest, or reposition)

Ansoff's Growth Matrix

Ansoff's Growth Matrix is a marketing tool to look at growth strategies by analyzing markets and products. Basically, it helps a business to understand the business development and/or marketing strategy that it should use to enable growth.

The Matrix illustrates **four strategies** to grow the business. It also helps to analyze the risks associated with each one. These 4 strategies are:

- **Market penetration**, in the lower left quadrant, is the safest of the four options as there is an already existing clientele for the market. The focus is on increasing sales of your existing product in your existing market.
- **Product development**, in the lower right quadrant, is riskier, because new products are introduced into the existing market.

- **Market development**, in the upper left quadrant. This quadrant is about expanding the business to an entirely new market. You can achieve this for example by finding a new use for the product, or by adding new features or benefits to it.
- **Diversification**, in the upper right quadrant, is the riskiest (and costly) strategy of the four options. Indeed, this strategy is about entering a new market with a completely new offering. But this is also the most rewarding strategy.

Porter's five forces: a classic method to assess the competitive environment

Porter's five forces analysis is a well-known framework to analyze the level of competition within an industry and business strategy development. And understanding your competition is a key factor in order to implement the appropriate strategy.

The five forces Porter identified are the:

- **Threat of new entrants:** Security industry in Pakistan is already saturated with new players joining every now and then. The best way to neutralize this factor is to offer a service in an extremely professional manner.
- **Bargaining power of suppliers:** Our business will train own human resource so we are not getting to threatened by bargaining power of supplier.
 - **Bargaining power of customers (buyers):** our business being a start up is required to develop such a strong marketing strategy that will enable us to neutralize bargaining power of customers to a large extent.
 - **Threat of substitute products or services:** We intend to specialize in our training strategies for guards that we should be able to offset threats of substitute products or services.
 - **Intensity of competitive rivalry:** We fully understand that private security business is having a very stiff competition in the market and the only way to survive is to be the best.

Check List / Milestone

- Business Name Availability Check: **Completed**
- Business Incorporation: **Completed**

- Opening of Corporate Bank Accounts: **Completed**
- Opening Online Payment Platforms: **Completed**
- Application and Obtaining Tax Payer's ID: **In Progress**
- Application for business license and permit: **Completed**
- Purchase of All form of Insurance for the Business: **Completed**
- Construction of a training facility: **In Progress**
- Conducting Feasibility Studies: **Completed**
- Generating part of the start – up capital from the founder: **Completed**
- Writing of Business Plan: **Completed**
- Drafting of Employee's Handbook: **Completed**
- Drafting of Contract Documents: **In Progress**
- Design of The Company's Logo: **Completed**
- Graphic Designs and Printing of Marketing / Promotional Materials: **Completed**
- Recruitment of employees: **In Progress**
- Purchase of the needed security gadgets, patrol vans, security software application, security / guard dogs, uniforms, furniture, office equipment, electronic appliances and facility facelift: **In progress**
- Creating Official Website for the Company: **In Progress**
- Creating Awareness for the business (Business PR): **In Progress**
 - Establishing business relationship with vendors and key players in the industry: **In Progress**