

EUROPEAN CORPORATE SECURITY PAY IN 2009

The SSR® Executive Profiles corporate salary survey accesses over 3,000 senior managers across Europe who have responsibility for the function of security in a number of sectors: financial services, transport, manufacturing, pharmaceuticals, oil and gas. In general terms salaries have remained static, although there remains upwards pressure in basic remuneration for those with pan country responsibility.

Security risk is a management concept that will differ from organisation to organisation. How sophisticated the measurement is, depends on the resources employed and the capability of those administering the process.

Security is that misunderstood word which holistically means 'health' rather than the traditional non-pragmatic 'response function'.

In 2009 senior security managers are an organisation's health advisors, measuring many risks, identifying the potential outcomes, mitigation and defending the reputation of the organisation's brand.

Security in an Economic Down Turn

The value of security concepts in recession has to be demonstrated. In the financial sector there will be an increased demand for due-diligence services, with growth for in-company provision and third party providers, as organisations seek to defend themselves from the past, and position their business for the future. In a recent study of corporate investigations (George Campbell 2008), 73% of incidents resulting in a corporate loss would not have arisen if due diligence had been undertaken.

This approach to risk does not permeate throughout all organisations, hence the need for the security executive to be the constant champion of process excellence, with the ability to innovate and engage with the Executive Suite.

Are there Opportunities in Recession?

With the likelihood of four quarters of negative growth in Europe we will see smart technology sectors grow. Governments should use the prospect 10% of the working population becoming unemployed, to re-train and re-skill where possible.

There will be increased EU investment to stimulate fiscal growth by establishing a diversified skills mix that will aid economic upturn. This will lead to opportunities for fraud, which those from compliance backgrounds should consider as their opening to promote programmes and preventative measures to corporate and government leaders.

0% Pay Increases but Skills Shortages Still

0% pay increases for the year and limited bonus payments, sounds pretty average across most functions, but in general the security practitioner with a wide range of skills will still be in short supply for the foreseeable future. So those being recruited or intending changing roles can expect increases of 10%-20% on basic remuneration. The lack of mobility in the security function is still a primary reason for lower executive remuneration against other competing service delivery functions.

Central banks are being pressurised by their governments to reform regulation, so leading to great compliance and governance, not just in financial services. This will add to most corporations' security / loss prevention head count. In addition, supply chain networks from pharmaceuticals, OME to oil and gas sectors will be attacked more readily. The recent news that 70,000 units of fake drugs had entered the UK's National Health Service dispensary network is a stark reminder of how vulnerable we can be.

One thing learnt from the recession of the 90s was that removing your global talent and then re-building teams, leaves you at a distinct competitive disadvantage, in some cases this can be terminal.

On the Agenda for the Board

Compliance, integrity and risk identification. Most corporations have less than 50% of their risks identified with less than 27% of risks responses documented.

The top performing security professionals have developed excellent risk status reporting, ensuring that security has a place in the annual report. This is also the best way to ensure that corporations recognise that pro-actively addressing security risk can be relatively inexpensive.

Against the key business functions of finance, property + people; security generally ranks lowly when providing metrics for performance.



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This is a disadvantage when bidding for investment against these core functions.

Top performing security professionals should have a consistent flow of proven data. They know they need to cost success, failure is easy, we know if it falls over, but success is harder to demonstrate.

In all areas of business, success is dependent on forecasting. Generally security has lacked such foresight partly due to the variables that influence risk performance. In the past this might be due to the risk adverse principles employed by those in the security risk role. Today the successful security executive has to be risk aware and engaged with their business.

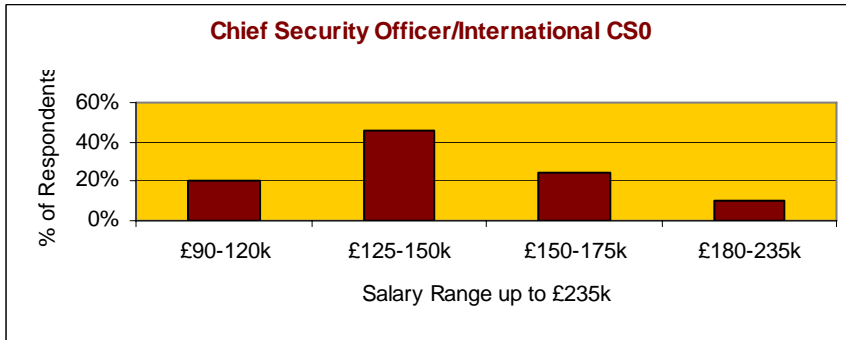
Casual, random incidents will confound most risk models, but without metrics the professional is unable to influence policy making at the highest levels. Low cost incidents, multiplied, will be repeated until they are identified, costed and the appropriate response promulgated.

In the End

Inter-operability demands the security professional has well founded responses for the Executive Board that clearly demonstrates their recommendations.

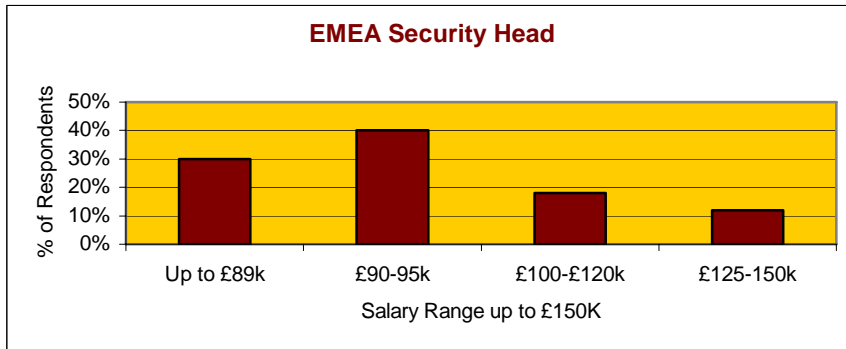
Applicants that demonstrate ROI will remain in high demand. Our recent recruitment activities in the finance sector have still seen clients increase their remuneration budget by up to 35% when identifying an above expectation applicant.

Failure to address known vulnerabilities is 50% more likely to result in financial loss. Therefore the corporate security team is a vital ingredient in increasing profitability for all businesses in both private and public sectors.

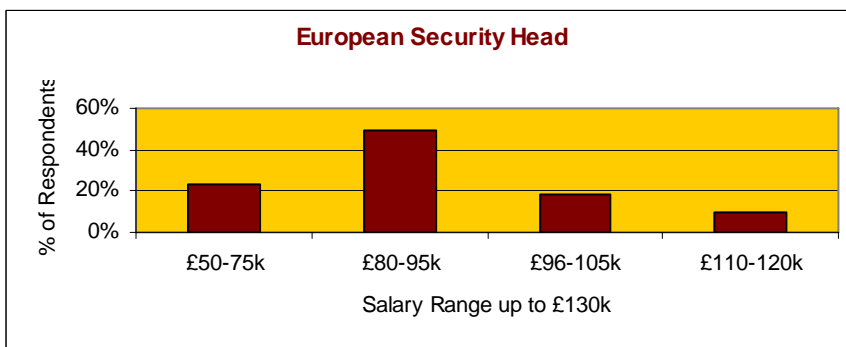


Responsible for policy and Executive Board level briefings.

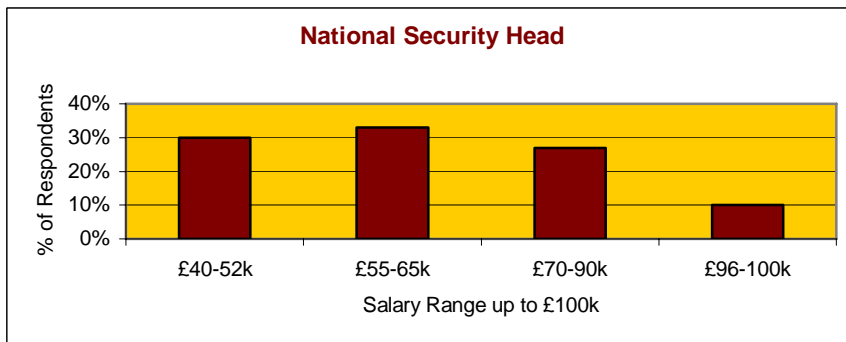
For global companies it is not unusual to find a HQ CSO with another International CSO reporting directly to overseas or affiliate Boards of Directors. These individuals will be a driver for change and service expansion. Bonus sum available 45%. Budget responsibility £30m+



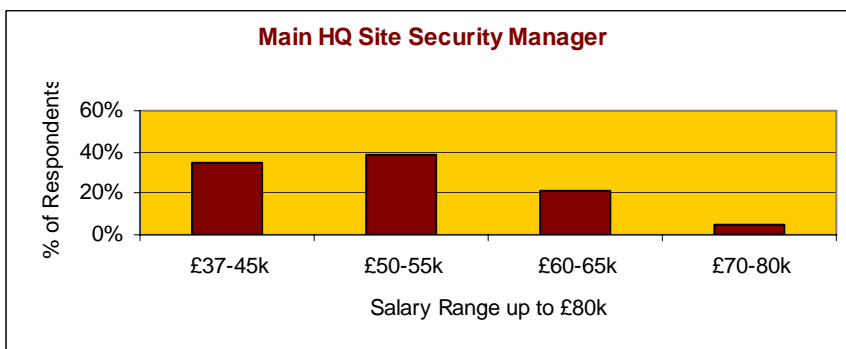
Tasked with regional policy development, executive reporting (promulgating corporate policy) and an over-view of physical and intellectual property protection. There will also be a requirement to test corporate resilience and co-ordinate disaster response across various functions. Increasing in value due to their language skills and increasing devolved operation. Budget responsibility £10m - £30m.



Responsible for regional reporting, policy implementation and promulgating corporate policy. In charge of physical and information security. Required to implement corporate resilience and recoverability strategies. One of the broadest reinvention groups. Whilst pay increases might be 0%, personal bonus payments have been maintained. Key skills gaps between demand and the candidates applying. Budget responsibility £5m - £10m.



Responsible for all physical aspects of corporate security and maintaining standards across an estate. Increasingly involved with Health and Safety functions. Salary increases have been negligible but increasing pressure on the post holder to deliver sustainable overhead reductions of between 5-10%. Budget responsibility £2m - £10m.



Directly in charge of physical assets and information protection, proactive, local Health and Safety policy development and implementation. Probably a direct employer, but increasingly outsourced to a management team provider. This position is at risk during an economic downturn. More companies are prepared to see vendors timeshare the position within FM or Security functions. Budget responsibility £2m-£5m+.