

When is a Consultant not a Consultant?...

...Preliminary discussions at the Security Industry Authority (SIA) aimed at bringing security consultants under the licensing spotlight have met with much interest, but also caused confusion in relation to the timetable, procedures and direction in which the SIA proposes to take practitioners operating in this sector. **Nick Johnson** explains why consultants must become involved in the process now in order to influence its outcome.

ON WEDNESDAY 22 JUNE, THE DAY OF ITS 2005 ANNUAL GENERAL MEETING, the British Security Industry Association (BSIA) officially recognised the profession of 'security consultants' by creating a new section with full Member rights. Prior to this, consultants could only join the BSIA as associates.

Fast-forward to December 2006, and the Security Industry Authority (SIA) will commence licensing of this seemingly new and 'niche' specialist sector in order to meet the Private Security Industry Act 2001's objective to raising standards and professionalism. However, unlike previous sectors where job descriptions and responsibilities have been clearly defined, the SIA has unwittingly opened a can of worms in its efforts to regulate consultancy work. A sector where market research and statistics are minimal, and wherein much confusion still exists surrounding the definition of who is and who isn't a security consultant.

A Question of Definition

According to Schedule 2, part 1, paragraph 5 (1) a and b, of the PSI Act 2001, a Security Consultant is defined as...

"The giving of advice about the taking of security precautions in relation to any risk to property or the person...or ...the acquisition of any services involving the activities of a security operative."

Over the course of the next year, the SIA aims to liaise with industry users and practitioners on how to best interpret the above parameters into a workable framework for regulation. However, even at this early stage, it is clear that such a definition serves to raise many more questions than answer them.

For example, does this mean that an IT engineer advising on firewalls and network security; an operative working in close-protection services; an accountant advising on the financial risk of not implementing certain security measures; a call-centre operative dealing with pre-employment screening enquiries; or a management consultant also offering security advice all require a licence?

Each role clearly has very different job requirements and responsibilities to the other. Finding common skills which have meaning and demonstrates a high standard of competence is the challenge that the SIA have set themselves.

Clearly the common thread between each of the specialisms above is that at a company level, a security consultancy may provide many of the above services, but at an individual level (-the focus on which the Act has been directed), it is unlikely that a security consultant is going to be technically competent in each of these areas.

Thus, in order to meet the Act requirements, there is a danger that in identifying competence and setting criteria for expertise, it will be diluted to

focus on general quality management, organisational and communicational skills. As a consequence, a license will lose much value as a symbol of technical merit and ability, and hence, much credibility as a sign of professionalism.

"Unlike the situation pertaining within the security guarding, the ability for the SIA to declare (with some authority) that everyone working within the consultancy arena must have a certain license by a certain date is going to be much harder to deliver in the real world"

Reviewing the market place

The market for the employment of professional services in security consultancy has clearly grown since the 1990's (- in line with the growth of business services in general), and there are a number of 'big hitters' who have enjoyed rapid growth and increased commercial success in recent years (companies such as Kroll, Control Risks, etc.) That said, the overall market share of consultancy, as a percentage of the private security sector is still surprisingly small. Indeed the numbers of consultants who offer purely 'security advice' as a main service are few and far between.

In contrast, and as a consequence of the success of a number of companies, "security consultancy" has become very much a hyped-up buzzword of the industry, resulting in a marketing explosion of "security consultancy" services, from a whole array of traditional to not so traditional security providers as well as sectors from outside the private security industry altogether. By way of example, 4 of the 5 past winners of the SMT sponsored Security Excellence awards for the Best Security Consultant category have been engineering firms with specialist teams in security design.

Because the license is aimed at the individual and not the company (as I have heard many within the industry comment, would have been preferable) this poses a challenge for the SIA in differentiating from the plethora of security consultants who earn a living solely out of providing security advice to those whose main activity is in another area but also offer from 'time to time' additional consultancy services.

In short, when is a security consultant not a security consultant? What if that individual professes to provide consultancy services 20% of the time but generates the majority of income from, say installation, or engineering, or guarding, would they need to have a license? (The definition at the moment would suggest that yes, not a question – they do!)

A Question of Independence

Then there is the question of independence. The industry has been plagued (and continues to be) by 'so-called' consultants who operate various ploys in proffering advice that is prejudiced for personal gain and not in the best interests of the client. They may do this by promoting a particular bidder and taking a percentage of the deal; or alternatively,

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are retained by the company they are seeking to promote, or; are working for another division within the same organisation, thereby representing a conflict of interest.

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As a consequence, many of the ‘leading’ players in this sector have made their name by advocating complete independence and impartiality in the advice that they provide.

How does one differentiate between independent consultants and the rest, and should one? Currently, there is no legislation that states companies offering consultancy services need to declare all other interests before commencement of a particular job. This may sound like a separate and disparate issue to that of ‘licensing’, but I believe it is of fundamental importance in establishing real standards of professionalism and quality within the industry.

Currently, anyone can call themselves a consultant and thereby offer sub-standard advice; – the purpose of licensing, as I understand it is to remove this element of ‘cowboy’ practice. Again the recurring theme is one of definition. How does the SIA propose to realistically tackle this problem, unless it ensures that the definition of ‘Consultants’ is more accurately defined to delimit and exclude many who claim to be, and in practice are not.

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Conflict of interest is a big issue, and one in which I have experienced in this industry many times. Similar problems in the Financial Services sector arising from various scandals such as Enron and Arthur Anderson led to a whole series of new legislation and ultimately the separation of companies offering management consultancy and accountancy services with those offering auditing. It is estimated that UK companies are ill advised to the tune of many millions of pounds each year regarding security services, and this is unlikely to change given the status quo.

Provision of the service

Another challenge presenting itself to the SIA is how does one accurately gauge quality in terms of provision of service. Set the bar too low and ‘licensing’ will be seen purely as another ‘quality management standard’ with no real value as to technical ability. However, set the bar too high and the exercise will also fail given the limitation in terms of time, cost and resources that the SIA has available to meet the Act’s requirements.

The debate on how to best impose standards on the industry is obviously a complex one, and one, where there is no straightforward answer. Unlike say ‘guarding’ or ‘door supervisor sectors’, the ability for the SIA to declare with some authority that everyone working within the ‘consultancy’ sector must have a license by a certain date will be a much harder one to deliver in reality.

By way of example, say a new recruit begins a 1-year practical training programme with a consultancy practice - at what point does he/she require a license – day 1 would clearly be a nonsense as the individual would have to pay for a license without even knowing if this is the right career move they wish to pursue, and clearly with no practical experience. After 3 months, they may have gained a modicum of understanding but practical experience would still be significantly limited, as would the confidence to state with conviction that they could work as a ‘stand-alone’ security consultant without the back-up support of colleagues.

For my money, I would hope that the SIA would take a hard-line stance and impose a high level of ability in determining true consultant status, but with the caveat that those not successfully meeting the criteria, have the opportunity to continue working in their chosen field and a plan from which to work to in gaining official endorsement.

Perhaps, in the first instance, and as implied in the Act, consultants would have the opportunity to sign on to an official register, providing the mechanism to ‘strike’ obvious ‘cowboys’ off the register when official complaints are made. There could then be a period of saving grace after the initial register, where applicants are invited to submit projects they have worked on, provide references, and submit, say a risk assessment based on a case study. At the end of the day, each answer will naturally be different, but the quality of thought processes, structure and recommendations should determine a good consultant from an average consultant. Licenses could then be allocated under a general ‘consultant’ banner but with sub-divisions depending on focus of experience such as ‘technical specialist’, ‘close protection advisor’ or ‘security management consultant’.

Communication with the audience

Whatever the process, the SIA needs to take a much firmer and proactive stance in the way it communicates with its audience. At the time of writing, and after the first set of workshops have already occurred, the message posted on the SIA website under security consultants was as follows.

“The SIA is expecting to begin licensing security consultants in 2006. We will be conducting extensive consultations with industry stakeholders in due course.”

This of course does not invite those who may be effected or wish to be involved to get in contact. It implies that they are inviting select individuals to small workshops, discussions and meetings behind closed doors. The SIA should be open about its plans and publish them on the website for all and sundry to see and provide comment on. Proactive communication is required as to the proposed timetable, with minutes, draft discussion papers, questionnaires, and updates all posted for viewing. Without any clear transparency as to the process, the SIA will struggle to create a forum of open dialogue and trust, or indeed gain any support and recognition from prospective licensees.

A Question of Ownership & Support

Communication though is a two way process. A criticism that has been raised is that some of the industry’s key players have been unusually quiet, non-committal, or even absent in preliminary discussions. Perhaps it is the overriding belief that the outcome will have zero impact on quality and level of profession. Perhaps, this is so, but I would argue if you don’t get actively involved now in the debate, then you can’t really complain when the outcome does not deliver to your expectations. The SIA can only achieve their objectives with the support, clarity of thought and guidance from its practitioners. I challenge you take up the gauntlet....

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