

**NOT A MOMENT TO LOSE**



# Influencing Global Security One Community at a Time

By Francis James D'Addario

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Our role as loss prevention or asset protection practitioners is dynamically changing. As a discipline we are morphing from an afterthought that was once a “necessary expense” for “reasonable security” to enablers of our company and community security resilience. In the face of arguably unprecedented global risk we may be the required lubricant for the cross-functional action that is necessary to mitigate evolving catastrophic hazards, including accidents, climate change, contagion, crime, seismic, and terror events that are both likely and consequential.

These and other risks threaten our relative personal, institutional, community, and global prosperity. Although they are not new, the required infrastructure investments to mitigate them are questionable given our historical reluctance to be taxed and our current economic malaise. On close examination most of what we fear has visited us before, impacting our physical, mental, and financial health.

Data persuades us that hazards will visit with varying frequency and severity depending on our ability to anticipate and mitigate. Thanks to a combination of communications networking, infrastructure development, market, resource, and transportation interdependencies, these risks may travel globally up to supersonic speeds affecting people, critical processes, and assets, including core products and services. Our relative awareness and ability to mitigate these risks will ultimately shape public perception, consumer confidence, and brand reputation.

Manmade and natural events will potentially kill, injure, or sicken our families, colleagues, and customers. They may disrupt, cripple, or alter systems from data to payroll to supply chain. Unmitigated hazards can undermine our ability to conduct commerce with reasonable quality assurance. These unparalleled risks also offer opportunities.

## LP's Changing Role for Influencing Global Security

Our role is morphing from security specialists that “own” our community security to generalists who must persuasively influence a collective “culture of care” that is owned by all. Our stakeholders, from our family dependents to our respective boards of directors, have vested interest in our ability to identify and mitigate consequential risk.

In the past, expectations were lower. If we reduced losses from accidents, crime, and shrinkage, we were heroes who could improve people protection and operating margin while bringing home a paycheck or bonus for our own personal security.

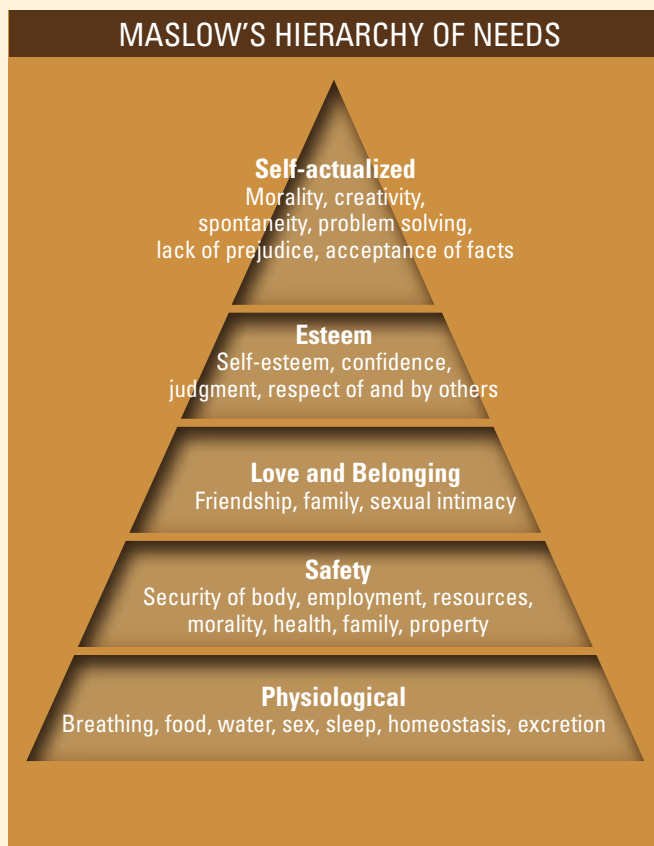
Today, expectations and stakes are higher. We must be conversant with the mission, values, and business objectives of our companies and interdependent service providers to affect “all hazards” awareness and mitigation. We are required to effectively partner with audit, business continuity, customer care, communications, development, facilities, finance, human resources, information technology, legal, operations, procurement, risk management, supply chain, and public enforcement agencies to reduce risk and prevent unnecessary loss posed by multiple internal and external threats.

Expectations include our assurance of internal and external compliance requirements and implementation of return on investment (ROI) capable, benchmarked best practices that are locally relevant, scaleable, and globally sustainable. Governance from policy development to exception detection, reporting, and response is required. Internal and external advisories of corroborated risk must be informed and nimble, enabling effective mitigation from case solution and prosecution accountability to breach management.

## People Are the Tipping Point

Abraham Maslow provided us insight for the “self-actualized” individuals that may be capable of lending assistance. As described in Wikipedia, “Maslow’s hierarchy of needs is often depicted as a pyramid consisting of five levels: the four lower levels are grouped together as being associated with physiological needs, while the top level is termed growth needs associated with psychological needs. Deficiency needs must be met first. Once these are met, seeking to satisfy growth needs drives personal growth. The higher needs in this hierarchy only come into focus when the lower needs in the pyramid are satisfied. Once an individual has moved upwards to the next level, needs in the lower level will no longer be prioritized.”

Our preparation for a wide range of potential emergencies begins at home. Like our public safety first-responder colleagues, our families may be required to be self-sufficient for any number of disasters, thus enabling our undistracted attention to our stakeholder protection. According to the Federal Citizen Information Center’s *Family Disaster Supply Kit and Plan*, we must minimally prepare our clients for “three days, three ways” at home to (1) know the risks, (2) draft a mitigation plan, and (3) assure seventy-two hours of necessary food, water, and emergency supplies for every person. Our assumptions include



evacuation or sheltering in place in a wide variety of conditions, including extreme weather with a likely utility-grid failure.

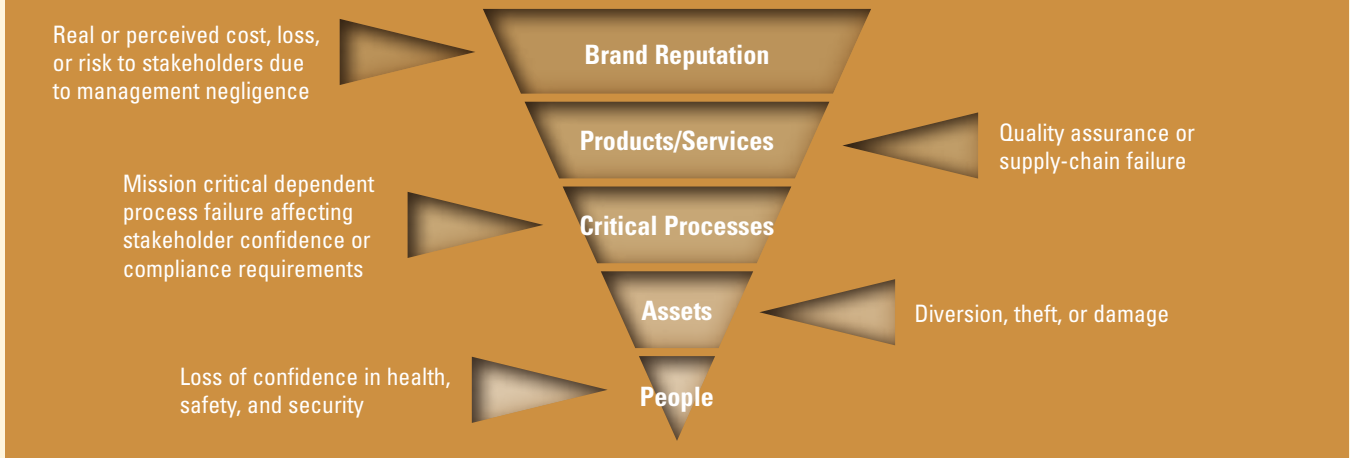
We will attend to our families as a priority because our duties or conditions may preclude our returning home to manage an event. Our ability to “walk the talk” for emergency preparedness will be required to persuasively recruit, train, and equip enough of our colleagues as private-sector first responders to enable disaster recovery even when public resources are constrained. If our recruits are not sufficiently prepared at home, they may be unable to assist in recovery efforts, including damage assessments, emergency communications, first aid, and search and rescue.

Communities that are located in seismic areas have adopted three-day, three-way strategic preparation knowing that utility and transportation grid failures will accompany earthquakes making typical emergency response unlikely. The planning is complementary for any regional hazard that may develop, from accidents with toxic environmental risk to severe weather storms or even terrorism. In the event of pandemic or any serious contagion, responsible governments and institutions will likely curtail public assemblies and meetings. Quarantine rules and public health requirements will follow in close order.

## The Effect on Brand Reputation

Brand reputation may be closely associated with our multi-layered protection of people, assets, critical processes, products, and services. We know from Gallup research and a number of other studies that organizational care positively

## SECURITY AND SAFETY RISKS



influences engagement, productivity, turnover reduction, and honesty on the job. It is not surprising that one recent United Kingdom analysis concluded that ethical companies were more profitable than their less distinguished counterparts.

People-centric organizations simply send a message that their priorities are in the right order. The illustration below represents risk factors for brand reputation. If partners, associates, employees, or even temporary personnel feel they are cared for, the likelihood of developing care for each other and their customers follows. This reflects Maslow's hierarchy

influencing organizational behavior in much the same manner that individuals become self-actualized.

Conversely, when risk is not attenuated by mitigation, individuals may revert to more self-centered survival behavior and organizational performance suffers. Customers in turn elect to take their business elsewhere as behavior affects the quality perception of the product or service offering.

Multilayered security mitigation stabilizes the organizational tipping point. Stakeholders understand that not only is risk mitigated to enable the mission of the organization, they also

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appreciate the comprehensive approach to evolving compliance and governance requirements.

### The Starbucks Example

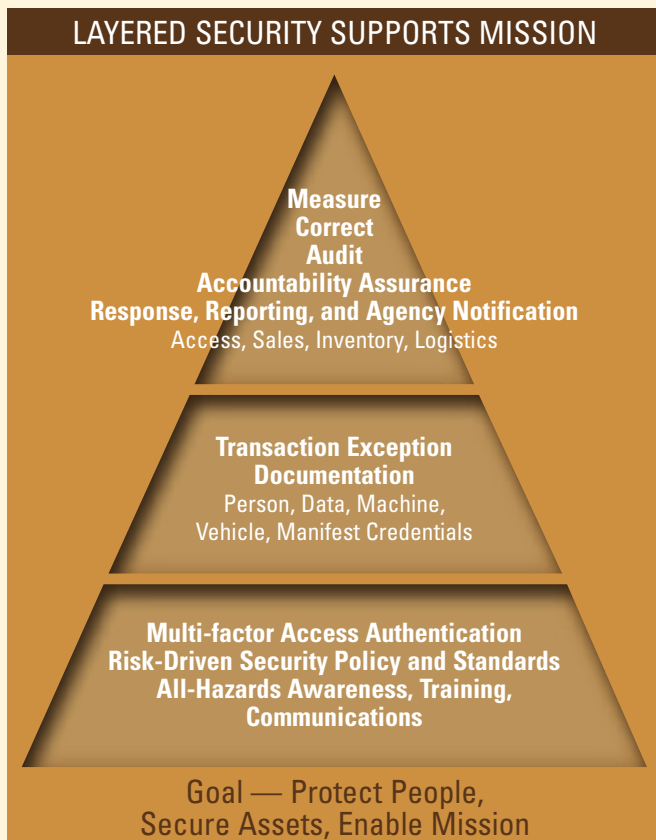
I had a chance to witness this phenomenon from a front seat at Starbucks Coffee Company between 1997 and 2007 as we strove to meet our big hairy audacious goal (see box below) “to be a great, enduring company, known for inspiring and nurturing the human spirit.” Our intrepid team of talented protection professionals was supported by an all-star partnership that in the words of retired company president Howard Behar understood that “we’re in the people business serving coffee, not the coffee business serving people.” [See *It’s Not About the Coffee: Leadership Principles from a Life at Starbucks* published by Penguin Group, 2007.]

It is a principled approach underpinned by integrity. As described in the 1997 book by Howard Schultz and Dori Jones Yang, *Pour Your Heart Into It*, our coffee culture celebrates respect and dignity as the means to provide a great workplace,

encourages diversity as an essential component of the way to do business, values community and environmental contribution, develops enthusiastically satisfied customers, applies the highest standards of excellence to the purchase, roasting, and fresh delivery of coffee while recognizing that profitability is essential to future growth. Although it does not guarantee immunity to the effects of global risk or recession, it enables relevant connections to improved viability in many circumstances.

Our incremental improvements for risk mitigation succeeded in benchmarking standards for armed robbery violence reductions while providing exception-based reporting contributions exceeding tens of millions in U.S. dollars annually. Our ability to extend the benefit of the doubt within our cultural values did not diminish improved people safety, supply-chain quality assurance, or accountability for cash, inventory, assets, or data. We were humbled by forces beyond our control. We witnessed the power of cyclones, earthquakes, hurricanes, organized crime, radicalized bombers, SARS, and tsunamis.

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## BHAG

According to Wikipedia, the phrase **Big Hairy Audacious Goal**

(BHAG) was proposed by James Collins and Jerry Porras in their 1996 article in the Harvard Business Review entitled “Building Your Company’s Vision.” A BHAG (BEE-hag) is a form of vision statement that encompasses “an audacious 10- to 30-year goal to progress towards an envisioned future.” A true BHAG is clear and compelling, serves as unifying focal point of effort, and acts as a clear catalyst for team spirit. It has a clear finish line, so the organization can know when it has achieved the goal because people like to shoot for finish lines.



Distinguishing your company as a culture that cares will not only make the anxieties of the future less burdensome, it will enable your community to act nimbly and responsibly when engagement is required by all. Importantly, it will improve our ability to perform the business plan. Our stakeholders and dependents deserve no less.

Add to these the very real consequences of a dislocated economy for job losses, fraud, robbery, and theft. Retail will remain a target rich environment for the widening mass of the disenfranchised. Businesses will be required to weigh Wall Street market expectations against their perceived duty in the community as responsible employers and courageous leaders. Social responsibility will distinguish brands that represent an investment in our collective security. Globalization across diverse markets and supply chains can improve the likelihood of surviving regional disasters and downturns with resources from healthier reaches. Moreover, that capacity will fund risk mitigation investment and assistance as we grow.

### **The Security Professional's Ongoing Challenge**

Our role as loss prevention and asset protection professionals begins locally. Our success or failure as influencers will determine wider organizational outcomes. Stakeholder engagement and community relevance is key. General risk awareness, training, and supplies may be leveraged for multiple hazards.

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*a Moment to Lose: Influencing Global Security One Community at a Time, which is the basis of this article. Published by the Security Executive Council, where D'Addario is a senior advisor, the book is due to be released in 2009. Interested readers can find out more at [www.securityexecutivecouncil.com/sec/fdbook](http://www.securityexecutivecouncil.com/sec/fdbook). He can be reached at 206-909-2109 or via email at [crimepreventionassoc@gmail.com](mailto:crimepreventionassoc@gmail.com).*